



Statehouse Report 2017

2017 Aim Statehouse Report

Local Governments Win Big with Increased Funding for Roads and Streets

Planning for the 2017 legislative session began in the early summer months of 2016. Aside from transportation infrastructure funding and a couple of larger issues such as property tax assessments, Aim shifted its goal to focus on a handful of legislative initiatives, identified by Aim members, that were operational in nature. These “Operational Priorities” were common sense, non-controversial changes pursued to existing statutes that would help streamline local government processes to operate more efficiently on an everyday basis. Under the new Aim structure, cities and towns and other local governments claimed a major victory this year with the passage of the transportation funding bill House Bill 1002. In addition, Aim was successful with the passage of several bills (denoted throughout the document with an asterisk) containing the operational priorities language that was drafted and shepherded through the legislative process by the Aim legislative team.

As for the issue of transportation infrastructure, while major strides were made last year to set the stage for increased road funding – such as the establishment of the Community Crossings grant program administered by the Indiana Department of Transportation (INDOT), this year, locals were waiting to see if the General Assembly would take bold steps to fill the state’s huge transportation funding pothole. With Aim’s support, including the testimony of several municipal officials at various hearings and press conferences, the most comprehensive road funding measure we’ve seen in decades passed into law.

House Enrolled Act 1002 calls for increases in fuel taxes including a gas tax increase of ten cents per gallon followed by tax increase indexing. Registration fees for heavy vehicles will be increased from \$72 to \$336 depending on the vehicles weight. These changes will result in local governments realizing a 40-45% increase in their Motor Vehicle Highway (MVH) distributions. The new gas tax revenue coupled with new fees on electric and hybrid vehicles allowed additional funds to be dedicated to the Community Crossings grant program. Now, smaller communities under 10,000 in population are only required to have a 25% match to participate in the grant program compared with a 50% match for larger communities over 10,000 in population. Locals can now use any fund to provide the match money. Another highlight of the act is the provision which allows INDOT to exchange federal funds that a local government would normally receive for a project for the same amount of state funds. Allowing locals to use state funds for a road project instead of federal funds relieves locals from many costly federal procedural mandates.

In addition to the comprehensive transportation bill, Aim’s legislative team was juggling many other issues – some on offense and some on defense. As for the Aim operational priorities, starting in the summer of 2016, Aim worked to research, draft and pursue authors for legislation to be introduced in January 2017. Aim was successful with the passage of several bills. For instance, House Enrolled Act 1262 included a provision to increase the amount of uncollectable debt that can be written off for a municipal sewage works. It also included a provision that addresses the problem when a newspaper fails to publish a public notice. House Enrolled Acts 1129 and 1450 contained Aim initiated language to clean-up technical problems in the Local Income Tax statute and address problems that resulted from a bill passed last year requiring copies of all current contracts over \$50,000 to be uploaded to the Department of Local Government Finance. Senate Enrolled Act 152 was an Aim initiated bill which cuts some of the red tape for redevelopment commissions that want to purchase blighted properties.

With the 2017 session behind us, it is now time to implement the new laws – many of which become effective on July 1. However, some laws have various effective dates including retroactivity. To view the legislation showing the effective dates, click on the link with the bill title and number. This will take you to information for that bill on the Indiana General Assembly’s website, www.iga.in.gov. There, you can click on the “Latest Version” button to view the enrolled act. If you have questions about legislation and you need Aim’s help, you can reach a member of the Aim legislative team by calling (317) 237-6200 or click on this link to view the staff directory: <https://aimindiana.org/our-purpose/leadership-and-staff/>.

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Top Twelve Bills with Municipal Impact

1.	HEA 1002* - Transportation Infrastructure Funding	Pages 69 and 124
2.	SEA 213 - Wireless Support Structures	Pages 42 and 134
3.	HEA 1272* - Local Government Matters.....	Page 13
4.	SEA 152* - Local Redevelopment	Pages 22 and 40
5.	HEA 1129* - Local Income Taxes.....	Page 75
6.	SEA 558 - Leases and Sales of Real Property	Pages 28 and 123
7.	HEA 1031 - State Examiner Findings	Page 73
8.	HEA 1395* - Appointments to Local Boards	Page 15
9.	HEA 1450* - Property Tax Matters	Pages 16, 79 and 106
10.	HEA 1555 - Police Reserve Officers	Pages 99 and 110
11.	HEA 1470 - Government Information	Page 19
12.	HEA 1622 - Record of County and City Votes	Page 21

* Denotes bill was an Aim Operational Priority bill or contained language initiated by Aim.

Administration

STATE BIENNIAL BUDGET (HEA 1001, PL 217)

Author: T. Brown, R-Crawfordsville

Sponsor: Kenley, R-Noblesville

Aim COMMENT:

The biennial budget contains several provisions of interest that will impact municipal government. Controversial annexation language garnered the most attention in the days following the legislative session. This legislation specifically impacts annexations that are introduced after December 31, 2016 and before July 1, 2017 in territories with waivers against remonstrance. If a municipal annexation was introduced within that timeframe and the annexation territory includes waivers against remonstrance, the annexation is considered void and the municipality is prohibited from initiating an annexation to include some or all of that area until 2022. Similar language was introduced in HB 1450, however, Aim's lobbying efforts prompted the language to be removed from that bill. The final annexation language passed in HEA 1001 was introduced during the final days of session in conference committee where no public testimony was taken on that item.

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides for bonding authority for capital projects for higher education institutions.
- Terminates the legislative evaluation and oversight program.
- Replaces the statutory appropriation from the counter cyclical and revenue stabilization fund to the state general fund based on the budget report with a limited discretionary transfer determined by the budget director and approved by the governor.
- Requires the attorney general to include certain language concerning settlement funds in proposed court order language.
- Establishes the agency settlement fund for purposes of receiving certain funds paid to the state as part of a settlement or similar agreement.
- Permits money held in a trust fund for other post-employment benefits (other than pension) to be invested in the same manner as money may be invested by the public employees' retirement fund or any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system.
- Establishes the teachers' defined contribution plan (plan) as an account within the Indiana state teachers' retirement fund (fund).
- Provides that an individual who begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund may elect to become a member of the plan.
- Provides that an individual who does not elect to become a member of the plan becomes a member of the fund.
- Requires the board of trustees of the Indiana public retirement system (board) to establish, subject to any approval from the Internal Revenue Service that the board considers necessary or desirable, alternative investment programs within the annuity savings account as the initial alternative investment programs for the plan.

- Provides that, if the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan, except that the board shall maintain the stable value fund. Provides that each member's contribution to the plan is 3% of the member's compensation and requires the employer to pay the member's contribution on behalf of the member.
- Allows a member to make additional contributions to the plan up to 10% of the member's compensation.
- Provides that the employer's contribution rate for the plan is equal to the employer's contribution rate for the fund as determined by the board, although the amount credited from the employer's contribution rate to the member's account may not be greater than the normal cost of the fund, and any amount not credited to the member's account is applied to the unfunded accrued liability of the fund.
- Provides that an employer's minimum contribution to the plan is 3% of the compensation of all members of the plan.
- Provides that member contributions and net earnings on the member contributions belong to the member at all times and do not belong to the employer.
- Provides that a member vests in the employer contribution subaccount at 20% per year with full vesting after five years of participation.
- Provides that, if a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the subaccount that is not vested is: (1) transferred to the member's new employer, if the new employer participates in the plan; or (2) held in the member's employer contribution subaccount until forfeited.
- Provides that a member who: (1) terminates service in a covered position; and (2) does not perform any service in a covered position for at least 30 days after the date on which the member terminates service; is entitled to withdraw vested amounts in the member's account. Provides that a member may elect to have withdrawals paid as: (1) a lump sum; (2) a direct rollover to another eligible retirement plan; or (3) if the member is at least 62 years of age with at least five years of participation in the plan, a monthly annuity in accordance with the rules of the board.
- Provides that, on the plan's effective date, school corporations become participants in the plan. Provides that the board shall provide education to employers and members regarding retirement benefit options of all applicable pension and retirement funds that the board administers.
- Establishes the next level Indiana trust and trust fund.
- Provides that the trust proceeds of the next generation trust shall be transferred to the next level Indiana trust and trust fund and that the next generation trust shall cease upon completion of the transfer.
- Provides that the proceeds transferred to the next level Indiana trust fund shall be used exclusively for the provision of highways, roads, and bridges.
- Requires the board of trustees (board) of the Indiana public employees' retirement system, after December 31, 2017, to establish and maintain the next level Indiana innovation and entrepreneurial fund (fund) as an annuity savings account investment option for members of the public employees' retirement fund (PERF) and the Indiana state teachers' retirement fund (TRF).
- Requires the deferred compensation committee (committee), after December 31, 2017, to establish and maintain the fund as an investment option in the state employees' deferred compensation plan.
- Requires the board and the committee to consult with the board of trustees of the next level Indiana trust fund to establish the fund's investment objectives and policies. Limits initial transfers into the fund to 20% of the balance in a fund member's or state employee's account.

- Limits annual contributions to the fund to 20% of a member's or an employee's total contributions for that year.
- Provides that, if a member or employee contributes not less than the amount the member or employee initially designated to the fund for at least 36 consecutive months and maintains in the fund the amounts transferred and contributed during that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 36 month period.
- Provides that for each additional 12 consecutive months that a member or an employee contributes not less than the member or employee initially designated to the fund and maintains in the fund the amounts transferred and contributed that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 12 month period.
- Provides that, for purposes of determining the amount of the state's match, the total amount contributed by the member or employee or on the member's or employee's behalf excludes the amount of any state match.
- Provides that, in the case of a group insurance plan established by the state police department, conservation officers of the department of natural resources, and the state excise police (state law enforcement agencies), any proposed modification to change the benefits under the plan may not be made unless the modification is approved by the budget agency.
- Provides that, on or before July 1 of each year, state law enforcement agencies must submit to the budget agency the current plan documents and any other related information for the agency's group insurance plan as well as any proposed modifications to the plan.
- Provides that the budget agency may request additional information from a state law enforcement agency to analyze the impact of a proposed modification to the state's contribution and post-employment liability under the group insurance plan.
- Provides that, if a state law enforcement agency fails to provide the information, the budget agency may recommend to the budget committee that the state personnel department manage the state law enforcement agency's group insurance plan during the next succeeding calendar year. Establishes the personal services/fringe benefits contingency fund for the purpose of allotting money to departments, institutions, and state agencies for: (1) salary increases; (2) fringe benefit increases; (3) an employee leave conversion program; (4) state retiree health programs; and (5) any related expenses.
- Provides that the budget agency shall administer the fund and may use money in the fund only with the approval of the governor.
- Permits the director of the horse racing commission to negotiate an interstate compact and represent Indiana on a commission to negotiate an interstate compact.
- Specifies that money in each horse breed development fund is continuously appropriated to make payments ordered by the horse racing commission.
- Specifies that the horse racing commission's share of the money in the gaming integrity fund is continuously appropriated to carry out the purposes of the fund.
- Extends the effective date from July 1, 2017, to July 1, 2018, for provisions in the sales tax code declaring that a person is a retail merchant making a retail transaction if the person furnishes rooms, lodgings, or accommodations in a house, condominium, or apartment for transient residential housing for consideration.

- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code declaring that a "facilitator" is a retail merchant making a retail transaction when the facilitator accepts payment for a room, lodging, or accommodation rented or furnished in Indiana.
- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code requiring a retail merchant who rents or furnishes lodgings to provide to the consumer of the lodging an itemized statement separately stating certain information and that imposes a penalty on a facilitator for each transaction in which the facilitator fails to separately state such information.
- Merges the law enforcement academy building fund and the law enforcement training fund into the law enforcement academy fund with no changes to the funds' uses.
- Allows the law enforcement academy to charge a fee to all users for training and corresponding marginal and fixed costs according to an annual cost and fee schedule approved by the budget director.
- Allows the academy to house and train law enforcement agencies from outside Indiana. Permits the distressed unit appeal board to employ an executive director.
- Authorizes the department of correction to enter into a contract with an outsourcing facility, a wholesale drug distributor, a pharmacy, or a pharmacist for the issuance or compounding of a lethal substance necessary to carry out an execution by lethal injection.
- Specifies that the provision of a lethal substance for lethal injection does not constitute the practice of pharmacy and is not subject to the jurisdiction of the board of pharmacy, the medical licensing board, the state department of health, or the professional licensing agency.
- Provides that information relating to the identity of a person who provides a lethal substance for lethal injection is confidential.
- Prohibits the office of the secretary of family and social services from reducing Medicaid reimbursement for home health services.
- Voids an administrative rule containing a 3% reimbursement reduction and any successor rule or renewal from reducing home health services.
- Specifies powers of the treasurer of state, acting as the chairperson of the achieving a better life experience (ABLE) board, related to the approval of expenses of the ABLE board and the ABLE authority. Establishes the Indiana tourism task force to study the tourism departments of other states for the purposes of learning: (1) the structure of state tourism departments; (2) the level of funding provided to state tourism departments; and (3) the relationship between state funding of a state's tourism department and the economic impact of tourism on the state. Increases the maximum school scholarship income tax credits that may be awarded during a state fiscal year.
- Specifies the foundation amounts, special education grant amounts, and honors diploma award amounts.
- Provides that the spring ADM count of students is only for informational purposes. Provides that if a participating innovation network charter school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school is to be treated as a charter school for purposes of determining tuition support.
- Requires virtual charter schools to report annually certain information to the department of education (DOE). Deletes the provision specifying that the DOE shall accept applications for choice scholarship students from September 2 through January 15 for the spring semester of the current school year. Provides for a teacher appreciation grant for school corporations and virtual charter schools. Provides that if a school corporation or a charter school enters into an agreement with a choice scholarship school to provide dropout recovery educational services for an at-risk student

who is enrolled at a public school, the student may not be included in the calculation of the public school's performance grade.

- Amends the primary care shortage area scholarship statute to provide that it applies to qualifying applicants who will practice in Indiana (rather than only those who will practice in a primary care shortage area).
- Specifies that the scholarship may also be awarded to qualifying nonresidents who intend to remain in Indiana (but provides that the commission for higher education (CHE) shall give a preference to Indiana residents when awarding such a scholarship).
- Deletes the requirement that the scholarship may only be awarded to a student in the first year class. Specifies the maximum amounts of the scholarship (depending on the class year in which it is awarded).
- Provides that the CHE (in coordination with the Marian University College of Osteopathic Medicine) shall administer the scholarship program. Exempts Ivy Tech Community College through December 31, 2017, from having to obtain three appraisals to sell real estate.
- Provides that an acute care hospital is entitled to a credit against the hospital's adjusted gross income tax liability equal to 20% of the property taxes paid in Indiana. (The current credit is equal to 10% of the property taxes paid in Indiana.)
- Specifies that the credit applies only to taxes on real property.
- Provides that the amount of any unused credit may be claimed as a refundable tax credit. Provides for an income tax deduction for military retirement and survivor's benefits of \$6,250 (retains a \$5,000 deduction for military income that is not a military retirement benefit, which is now a combined deduction including military income and military retirement benefits).
- Authorizes the Indiana department of veterans' affairs to make grants to be used for the purpose of providing services to veterans.
- Requires the budget agency to retain and transfer to the department of state revenue in 2019 a part of the certified distribution of local income tax that is equal to the amount of the certified distribution that represents certified shares for calendar year 2018 multiplied by 0.5%.
- Specifies that the money in the standard bred horse fund is continuously appropriated to carry out the purposes of the fund. Repeals the power of the Indiana finance authority to enter into direct negotiations with a single offeror for a public-private partnership involving state communications systems infrastructure.
- Provides that a governmental entity may issue a request for information with respect to a public-private agreement: (1) to consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project involving a public facility or transportation project; (2) to prepare a request for proposals; or (3) to evaluate any aspect of an existing public-private agreement.
- Provides that responses to a request for information are confidential unless confidentiality is waived in writing. Requires the state board of finance to notify the state board of education and the DOE when the state board of finance takes certain actions.
- Provides for an increase in the reimbursement rate for certain services provided to an individual under a Medicaid waiver and whose services are delivered by direct care staff.
- Changes the expiration dates for the hospital assessment fee and the health facility quality assessment fee from June 30, 2017, to June 30, 2019.
- Provides that deer research and management fund fee revenue, migratory waterfowl stamp revenue, and game bird restoration stamp revenue may be retained in the fish and wildlife fund if the budget agency finds that it would reduce the balance in the fish and wildlife fund below \$3,000,000 at the end of the state fiscal year.

- Modifies the replacement facility exemption for purposes of the prohibition on the approval of licensure of comprehensive care health facilities and comprehensive care beds, and extends the prohibition through June 30, 2019.
- Establishes the school corporation efficiency incentive grant program. Provides that certain reorganized school corporations are eligible for a one time efficiency incentive grant if requirements are met.
- Provides that the grant may be used to: (1) pay expenses associated with the reorganization, including professional service fees, legal costs, and necessary capital expenditures; and (2) provide salary bonuses to teachers.
- Provides that the amount of the grant is \$250 multiplied by the most recent average daily membership (ADM) count of the reorganized school corporation.
- Provides that a reorganized school corporation may increase its new combined maximum permissible school transportation levy and school bus replacement levy by 3% after all other adjustments.
- Adds a definition of "postsecondary SEI affiliated educational institution."
- Allows a state educational institution to be a member of and control a postsecondary SEI affiliated educational institution under certain conditions.
- Requires a postsecondary SEI affiliated educational institution and any educational programs offered to be authorized by the CHE.
- Provides that a postsecondary SEI affiliated educational institution is not subject to open door laws.
- Provides that the CHE may request information from a postsecondary SEI affiliated educational institution.
- Provides that a postsecondary SEI affiliated educational institution may be confirmed as a public school for purposes of United States Department of Education regulations.
- Increases the automated record keeping fee from \$19 to \$20 permanently.
- Adds the increase in the presumptive cost concerning selling of cigarettes under the state cigarette fair trade act.
- Provides that certain annexation ordinances are void.
- Provides \$5,000,000 from a 2013 appropriation for the health and safety contingency fund to rehabilitate a state owned building to be used to provide services to Indiana's veterans.
- Requires the budget agency to transfer an amount from the state general fund to the state bicentennial capital account to cover obligations incurred before July 1, 2017.
- Provides that the amount transferred may not exceed \$5,500,000. Extends the legislative and judicial branch leave conversion pilot program through June 30, 2019.
- Repeals: (1) the bonding authority enacted in 2007 for the Purdue University West Lafayette-Animal Disease Diagnostic Laboratory; and (2) the bonding authority enacted in 2009 for the Indiana University Southeast education and technology building.
- Requires the CHE to: (1) review the metrics used in the performance funding formula to ensure that those metrics are aligned with the state's higher education goals; and (2) make recommendations before July 1, 2018, to the legislative council and the governor concerning the metrics used in the performance funding formula.
- Requires the CHE to study the effectiveness of the academic program at the Indiana Academy for Science, Math, and Humanities and report the CHE's findings to the legislative council and the governor. Urges the legislative council to assign to the interim study committee on courts and the judiciary the topic of studying issues related to providing indigent defense services.

HOMEOWNERS ASSOCIATION PROXIES (HEA 1074, PL 27)

Author: Macer, R-Indianapolis

Sponsor: Buck, R-Kokomo

- Allows a proxy executed by a member of a homeowners association to be submitted by: (1) hand delivery; (2) United States mail; (3) facsimile; or (4) electronic mail or other electronic means. Provides that if: (1) a meeting of a homeowners association is called in accordance with the requirements of the association's governing documents; (2) a purpose of the meeting is the election or appointment of members of the board of directors; and (3) the number of members attending the meeting does not constitute a quorum; the members of the board at the time of the meeting may continue to serve until their successors are selected and qualified, regardless of the length of any board member's term or the number of terms served.
- Provides that the failure of a homeowners association to achieve a quorum at a meeting does not exempt any member from, or create an affirmative defense for any member with respect to the member's obligations: (1) under the association's governing documents; or (2) to otherwise abide by covenants regulating: (A) the use of real estate; or (B) the payment of assessments.
- Provide that if a homeowners association's governing documents permit both the association and members of the association to enforce provisions of the governing documents, the homeowners association has authority both: (1) as a corporation or an entity; and (2) as derived from the members of the association's board; to enforce the governing documents. Makes conforming amendments.

ADJUSTMENT OR MOVEMENT OF ADVERTISING SIGNS (HEA 1101, PL 222)

Author: Cherry, R-Greenfield

Sponsor: Crider, R-Greenfield

Aim COMMENT:

This legislation requires local units to either A) grant a special exception/variance for the elevation or relocation of a billboard or B) pay a billboard owner full and just compensation if a roadwork project impacts a sign's visibility. This requirement regarding treatment of billboards may occur, for example, when a new noise barrier wall installed along an interstate or highway impacts a billboard's visibility.

- Provides that the owner or operator of a conforming outdoor advertising sign may adjust the height of the sign or relocate the sign due to changes that would obstruct the sign's visibility.
- Provides that a county or municipality may (if necessary) provide for the elevation or relocation by ordinance for a special exception to its zoning ordinance.
- Makes the county or municipality responsible for payment of just and full compensation to an owner, if the county or municipality does not provide a special exception to its zoning ordinance.
- Establishes guidelines for the size and viewing angle of an elevated or relocated sign.
- Requires the rules of the department of transportation to provide for certain fees that may be charged regarding outdoor signs.

PERFORMANCE BOND REQUIREMENTS (HEA 1117, PL 135)

Author: D. Miller, R-Elkhart

Sponsor: Doriot, R-New Paris

- Provides that a local governmental unit and a land developer may agree to the partial release of a performance bond or other surety required of the land developer to ensure the completion of certain unfinished improvements and installations in a subdivision on a more frequent basis than an annual basis. (Under current law, a performance bond or other surety may be partially released on an annual basis, which would continue to be permitted.)
- Provides that a contractor is not required to submit a payment bond for a public works contract of a state educational institution if the amount to be paid under the contract is less than \$500,000 and the state educational institution agrees to waive the requirement.
- Provides that a contractor is not required to submit a performance bond for a public works contract of a state educational institution if the amount to be paid under the contract is less than \$500,000 and the state educational institution agrees to waive the requirement.
- Makes a technical change to make language in the statute uniform.

MANUFACTURED HOME DEALERS (HEA 1119, PL 136)

Author: D. Miller, R-Elkhart

Sponsor: Doriot, R- New Paris

- Provides that a manufactured home dealer must be licensed as a dealer by the secretary of state. Prohibits a government body from regulating or restricting the ability of an owner or manager of a mobile home community or a manufactured home community to: (1) obtain a dealer's license; or (2) sell a mobile home or a manufactured home that is located within the owner's or manager's mobile home community or manufactured home community.

UNEMPLOYMENT INSURANCE (HEA 1154, PL 177)

Author: Leonard, R-Huntington

Sponsor: Boots, R-Crawfordsville

- Requires the department of workforce development (department) to give its annual presentation regarding the status of the unemployment compensation system to the interim study committee on employment and labor (instead of the budget committee, as provided in current law).
- Modifies the law governing the department's recordkeeping, release of records, and confidentiality duties and obligations. Changes the manner in which notice of a claimant's registration, failure to register, renewal, or continuation of the claimant's claim for unemployment benefits may be provided to an employer.
- Allows an employer to receive delivery of: (1) a notice of a claimant's registration, failure to register, renewal, continuation, or cancellation of a claimant's claim for unemployment benefits, or wage or benefit rights; (2) a monthly report of benefit charges; and (3) a notice of the employer's contribution rate; by the United States Postal Service using first class mail, if the employer notifies the department on a form provided by the department.
- Updates a reference to the bureau of employment security to the United States Department of Labor.
- Requires that the training grants paid from the special employment and training services fund (fund) be paid each state fiscal year before expenditures from the fund are made for any other

purpose. For the state fiscal year beginning July 1, 2017, and the state fiscal year beginning July 1, 2018, suspends the \$5,000,000 maximum on expenditures from the fund by the department in a state fiscal year.

- Requires the department to transfer the amount in the fund that exceeds \$8,500,000 on December 31 to the unemployment insurance benefit fund not later than 30 days after December 31.
- Repeals a provision that provides up to \$2,000,000 from the fund to provide training and reemployment of department employees dislocated by unemployment compensation system modernization.

SMALL BUSINESS DUPLICATIVE REPORTING (HEA 1157, PL 139)

Author: D. Miller, R-Elkhart

Sponsor: Messmer, R-Jasper

- Requires the Indiana economic development corporation to: (1) develop a means for small business reporting of duplicative state reporting requirements through an Internet web page maintained on the corporation's web site; and (2) annually report the received information to the house of representatives' standing committee responsible for government reduction.

VOTER REGISTRATION OPPORTUNITY FOR ALL MOTOR VEHICLE TRANSACTIONS (HEA 1178, PL 84)

Author: Kersey, D-Terre Haute

Sponsor: Becker, R-Evansville

- Provides that when an individual transacts business with a license branch, other than for a motor vehicle driver's license, permit, or identification card, the license branch employee assisting the individual shall ask the individual whether the individual wants to register to vote or change the individual's voter registration record. Provides that, if the individual is provided with a paper voter registration application form by the license branch employee, the individual, rather than the license branch, is responsible for filing the form with the appropriate county voter registration office.

LOCAL GOVERNMENT MATTERS (HEA 1272*, PL 21)

Author: Negele, R-Attica

Sponsor: Doriot, R- New Paris

Aim COMMENT:

HEA 1272 was an Aim-initiated bill that achieved two operational priorities by 1) increasing the amount of bad sewer debt that can be written off to an amount that better reflects the cost of doing business in today's world; and 2) provides an alternative notice process that will allow local units to proceed on their original timeline if a newspaper fails to publish a public notice advertisement that was timely provided by the unit.

In the event a newspaper fails to publish a legal advertisement, the local unit does not have to experience a delay if the notice was posted on its website or in three prominent places within the political subdivision, as long as the posting occurred within the same time period required for publishing notice. If the local newspaper has a history of failing to publish ads that are timely provided, best practice may dictate routinely posting notice on the unit's website or in three places as a back-up measure.

- Provides that if a newspaper or locality newspaper does not refuse to publish a timely notice, but subsequently fails to publish it, notice is nonetheless sufficient if the notice is timely posted: (1) in printed form, in three prominent places in the political subdivision; or (2) on the political subdivision's Internet web site. Increases the amount of debt that a municipal sewage works or sanitation department can write off as uncollectable.

DISPOSAL OF REAL PROPERTY (HEA 1295, PL 28)

Author: Pryor, D-Indianapolis

Sponsor: Sandlin, R-Indianapolis

- Allows the fiscal body of a unit (a county, municipality, or township) to adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of a township) to increase the minimum appraised value of real property for which the fiscal body must approve a sale of the property. (Current law requires the fiscal body to approve a sale of real property if the appraised value is \$50,000 or more.)
- Allows the fiscal body of a political subdivision to adopt an ordinance (in the case of a county or municipality) or a resolution (in the case of other political subdivisions) to increase the maximum assessed value of real property for which the political subdivision may negotiate a sale of the real property to an abutting landowner instead of having the property appraised and sold by public bidding. (Current law allows a political subdivision to negotiate with the abutting property owner if the assessed value of the real property is less than \$15,000.)

INSURANCE MATTERS (HEA 1318, PL 148)

Author: Carbaugh, R-Fort Wayne

Sponsor: Holdman, R-Markle

- Provides that, for purposes of the insurance law, a United States Postal Service intelligent mail bar code tracking record, a certificate of mailing, or another similar first class mail method may be used as proof of mailing.
- Provides that an insurance producer education course may concern sales, motivation, psychology, and time management.
- Limits continuing education in those areas to four hours per renewal period.
- Allows a prospective continuing education provider to electronically submit supporting materials for a course.
- Amends the description of an extraordinary dividend or distribution for purposes of the insurance holding company system law.
- Removes requirements for independent insurance adjuster applicants to submit Social Security numbers to the department of insurance.
- Changes references in the Lloyds insurance law from the auditor of state to the insurance commissioner.
- Removes certain transfer and notice requirements that apply to an insurer that transfers an insured under a commercial property and casualty, an automobile insurance, or a residential property policy to an affiliate of the insurer.
- Limits certain actions by a property and casualty insurer with respect to primary residence property loss of an innocent coinsured.
- Allows a person to exercise certain rights connected to a netting agreement, qualified financial contract, or similar agreements without respect to any provision of IC 27.

- Defines "cyber liability" for purposes of the tort claims act and allows the state to purchase a policy of insurance to cover cyber liability risks. Repeals a current transfer notice requirement that applies to residential property policies.
- Urges the legislative council to assign for 2017 interim study the topic of statutory incorporation by reference of certain documents.
- Makes technical changes.

WAIVER OF LOCAL OCCUPATIONAL LICENSE FEES (HEA 1394, PL 223)

Author: Frizzell, R-Indianapolis

Sponsor: M. Young, R-Indianapolis

- Requires a unit (county, city, town, or township) to waive as applicable all or part of the occupational and professional license fees and taxes imposed by the unit for the initial issuance and reinstatement of an occupational or professional license for applicants who are veterans, on active duty with the military or national guard, or indigent.

APPOINTMENTS TO LOCAL BOARDS (HEA 1395*, PL 193)

Author: Ellington, R-Bloomington

Sponsor: Leising, R-Oldenburg

Aim COMMENT:

HB 1395 as introduced contained a few provisions dealing with appointments to local boards, including how to determine political affiliation when it is a requirement of the appointment and the deadline by which board vacancies must be filled. This underlying language was not Aim-initiated, but HB 1395 did end up serving as a home for language Aim supported that allows a Park Board in a city with an Advisory Plan Commission to appoint a designee to the Plan Commission. Under current law, the Park Board must choose an appointee from among its membership, but this new legislation will give the Park Board some additional flexibility to appoint a designee instead.

- Amends the Lake County innkeeper's tax statute concerning the removal of a member of the Lake County convention and visitor bureau.
- Requires, in determining the political affiliation of an appointee to a board of a political subdivision, that the primary election in which the appointee voted is a primary election in Indiana.
- Provides that the determination of the political affiliation of a potential appointee to a local board who has never voted in a primary election in Indiana is made by the certification of the county chairman of the political party with which the potential appointee is affiliated.
- Requires that the county chairman's certification of an appointee's political affiliation be filed with the office of the circuit court clerk (clerk) not later than the time the oath of office of the appointee is filed with the clerk or the appointment is void.
- Provides that if, after the expiration of the term of an appointed member of a local board, the vacancy is not filled by the appointing authority within 90 days after the expiration of the term, the county chairman of the political party of the member whose term has expired shall make the appointment.
- Requires a person to be appointed for the remaining unexpired term of a vacating plan commission member not later than 90 days after the vacancy occurs.

- In a city having a park board and a city civil engineer, removes the requirement that the park board's appointee to the city plan commission be a member of the park board.
- Makes conforming changes.

ZONING AND CONSTRUCTION PERMITS (HEA 1421, PL 253)

Author: Pressel, R-Rolling Prairie

Sponsor: Doriot, R- New Paris

- Provides that in the case of a zoning proposal for property within close proximity to a county line, notice to the property owners in the adjacent county to a certain depth is required if the proposal: (1) references a specific parcel of real estate; and (2) is unrelated to the adoption, amendment, or repeal of the text or zone maps of a county zoning ordinance.
- Provides that the granting of secondary, additional or related permits under local planning and zoning laws are to be governed for at least three years by standards and regulations in effect at time of application for the permit, regardless of whether or not such change in the statutes, ordinances, rules, development standards, or regulations are part of a zoning ordinance, subdivision control ordinance, or a statute, ordinance, or regulation that is based on the general police powers of the local unit of government.
- Requires a building inspector's finding that a building or structure does not comply with a building or fire safety law, or an order or interpretation of the fire prevention and building safety commission, to specifically identify the basis for the finding of noncompliance.
- Removes references to an expired statute.

EXECUTIVE SESSIONS AND OPEN RECORDS (HEA 1431, PL 197)

Author: GiaQuinta, D-Fort Wayne

Sponsor: Brown, R-Fort Wayne

- Provides that a governing body may admit to an executive session of the governing body an individual who has been elected to the governing body but has not been sworn in as a member of the governing body.
- Allows a state educational institution to: (1) meet in executive session to discuss certain matters concerning establishment of a collaborative relationship or venture to advance the research, engagement, or education mission of the state educational institution; and (2) withhold records from public disclosure that are created while the negotiations are in progress.
- Amends the tabulation of a provision regarding negotiations of certain state and local government entities to reflect that all of the listed entities negotiate with industrial, research, or commercial prospects.

PROPERTY TAX MATTERS (HEA 1450*, PL 255)

Author: Leonard, R-Huntington

Sponsor: Mishler, R-Bremen

Aim COMMENT:

Legislation passed in 2016 (SEA 327) requires all contracts to be uploaded to the Transparency Portal if they were for more than \$50,000 or exceeded 10% of the political subdivision's property tax levy. After that legislation passed, the Department of Local Government Finance (DLGF) released a memo interpreting this law to have retroactive applicability, meaning that any contract that exceeded the

threshold for that year – regardless of when signed – would have to be uploaded. The DLGF interpretation was an unforeseen consequence, so Aim embarked on tweaking the language this year as one of its 2017 operational priorities. Aim worked with the Association of Counties and the DLGF on language to clarify that only contracts signed after June 30, 2016 must be uploaded. It is Aim’s understanding that the DLGF will be ready to accept uploaded contracts by July 1, 2017 (as full implementation has been pending since SEA 327’s passage). The threshold for contracts required to be uploaded was also changed to a bright-line of \$50,000 for all contracts and it was clarified that units are not required to upload employment contracts between the unit and its employees.

HEA 1450 was an omnibus bill that contained many other provisions related to local government. See more information about this bill under Municipal Finance and Public Safety.

- Provides that a political subdivision must upload a copy of a contract that the political subdivision enters into after June 30, 2016, to the Indiana transparency Internet web site if the total cost of the contract exceeds \$50,000.
- Specifies the definition of "low income rental property" for purposes of property tax assessment. Specifies the total true tax value of low income rental property that is used to provide Medicaid assisted living services.
- Allows the department of local government finance (DLGF) to use estimated data to compute six year rolling averages for the purpose of determining the annual adjustments of assessed values between reassessments.
- Provides that the DLGF shall release DLGF's annual determination of the statewide agricultural land base rate value (base rate) on or before March 1 of each year.
- Makes the statute specifying the assessed value of outdoor advertising signs permanent.
- Provides that certain outdoor signs shall be disregarded for the purpose of determining an assessment of the land on which the outdoor sign is located.
- Provides that a public utility that fails to timely file a statement concerning the property owned or used by the public utility on an assessment date shall remit the penalty to the department of state revenue. Defines the terms "installment loan" and "mortgage" for purposes of the mortgage deduction.
- Restates the conditions for when a taxpayer must reapply for various property tax deductions.
- Restates the requirement that a taxpayer file a certified statement with the county auditor when the taxpayer ceases to be eligible for the standard deduction for a property.
- Provides that Jennings Township in Fayette County may increase its maximum township unit levy and its maximum levy for fire protection and emergency services for 2018.
- Provides that both the executive of a political subdivision and a majority of the members of the fiscal body of a political subdivision may independently request technical assistance from the distressed unit appeal board in helping prevent the political subdivision from becoming a distressed political subdivision.
- Provides that a multiple county property tax assessment board of appeals shall submit to the DLGF, the Indiana board of tax review, and the legislative services agency separate reports for each county participating in the multiple county property tax assessment board of appeals.
- Authorizes, but does not require, the DLGF to adopt rules to limit the basis of payment for services provided by professionals who work on capital projects to a fee for service agreement.

- Provides that the DLGF may adopt a rule after June 30, 2016, and before September 1, 2017, that concerns or includes market segmentation and affects assessments for the January 1, 2018, assessment date.
- Provides that the DLGF may not adopt a rule concerning the practice of a representative before a property tax assessment board or DLGF that restricts the ability of a certified public accountant to represent a client in a matter relating to the taxation of personal property or distributable property.
- Allows a county treasurer and the county auditor to implement a policy to waive, negotiate, or settle penalties that have accrued on delinquent property taxes, if the fiscal body of the county approves the policy.
- Repeals the requirements that the budget agency publish by May 1 each year an estimate of the total amount of statewide distributions of local income tax revenue for: (1) the following two years, in an odd-numbered year; and (2) the following year, in an even-numbered year.
- Eliminates the requirement in current law that the DLGF review a loan contract entered into by an airport authority.
- Specifies that the election of the directors of a conservancy district's board shall be by a plurality of the votes (instead of a majority of the votes, in current law).
- Provides that a conservancy district is not required to go through the budget review process unless the conservancy district imposes a levy.
- Adds conditions that a school corporation must satisfy to increase its maximum transportation fund levy.
- Specifies an October 20 filing deadline for an appeal. Increases the service of process fee from \$25 to \$28, provides that the clerk shall collect the fee rather than the sheriff, and distributes \$1 of the fee to the clerk's record perpetuation fund.
- Provides that the executive of a township may use money in the township's rainy day fund to pay the costs attributable to providing fire protection and emergency services.
- Removes the requirement that the township firefighting fund be the exclusive fund used for providing fire protection or emergency services.
- Provides that a redevelopment commission's annual report to the unit that created the redevelopment commission must include both a list of parcels of real property and the depreciable personal property of designated taxpayers in the redevelopment area.
- Provides that a fire protection district may be a participating unit in a fire protection territory.
- Provides that a resolution by a provider unit to withdraw from a fire protection territory is effective on January 1 of the year following the year in which the resolution is adopted.
- Provides that if the provider unit of a fire protection territory withdraws, a majority of the remaining units must agree on which unit is to become the successor provider unit.
- Specifies the definition of "public funds" for purposes of public purchasing and public works projects.
- Provides that the drainage board of a county may not impose interest on a drainage assessment for construction or reconstruction if the construction or reconstruction is financed through the issuance of bonds or a construction loan.
- Specifies accounting procedures for drainage assessment construction or reconstruction loans having a term of fewer than six years.

- Allows a school corporation located in Vanderburgh County to impose a property tax at a rate of up to \$0.005 to provide money to a historical society for restoration and maintenance of Bosse Field.
- Allows certain nonprofit entities that failed to comply with the exemption filing deadlines to claim the property tax exemptions that the nonprofit entities were otherwise entitled to claim.
- Requires the DLGF to: (1) increase Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2018; and (2) decrease Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2019.
- Urges the legislative council to assign to a study committee the topic of issues related to establishing a neighborhood enhancement property tax relief program.
- Urges the legislative council to assign to the interim study committee on agriculture and natural resources or another appropriate interim study committee the topic of creating a dedicated funding source for zoological parks in the state to: (1) promote tourism; (2) further job creation; (3) enhance educational opportunities; and (4) develop animal and botanical exhibitions. Makes technical corrections.

GOVERNMENT INFORMATION (HEA 1470, PL 269)

Author: Ober, R-Fort Wayne

Sponsor: Hershman, R-Buck Creek

Aim COMMENT:

HEA 1470 is an “Open Data” bill that sets a framework for how state government data is made available to the public through the state’s Management Performance Hub (MPH). Key goals of this legislation are to promote government transparency and to leverage data in ways that will lead to analytics solutions for a myriad of policy issues. Local government data was not included in the MPH piece of this legislation.

Language was also included in HEA 1470 which requires all units of government, including state agencies, public institutions and local units to comply with requests for information, including confidential information, from the Legislative Services Agency (LSA) (the non-partisan staff to the General Assembly) under specific time frames of 30 days or less.

Aim and others will be looking closely at this language over the interim to determine whether additional safeguards may be necessary when it comes to the sharing of government information with LSA.

- Provides standards for the access of the legislative services agency (LSA) to information held by a state or local governmental entity.
- Establishes the position of state data officer and a management performance hub (MPH) in the office of management and budget (OMB) to do the following: (1) Establish and maintain a program to collect, analyze, and exchange government information from executive state agencies. (2) Establish and maintain a program to make government information available to agencies, political subdivisions, educational institutions, researchers, nongovernmental organizations, and the general public. (3) Establish privacy and quality policies for government information that comply with all applicable Indiana and federal laws, rules, and policies. (4) Establish and maintain a program to ensure the security of government information. (5) Conduct operational and procedural audits of state agencies. (6) Perform financial planning and design and implement efficiency projects for state agencies. (7) Advise and assist state agencies to identify and

implement continuous process improvement. Requires the MPH to conduct a study of policies and practices to be used by the MPH.

- Indicates that the budget director is responsible for the MPH.
- Recommends that governmental entities store data in an open, machine readable format.
- Requires governmental entities that are required by law to submit data for publication on a governmental Internet web site (web site) to submit the data on a prescribed form.
- Limits fees that may be charged by a web site.
- Provides immunity for accidental disclosure of confidential data on a web site if the data was posted in reliance on the determination by the data owner that the data was not confidential. Urges the legislative council to provide for a study of establishing an enterprise fraud program office in the department of state revenue. Repeals the separate division of government efficiency and financial planning within the OMB and the statute that establishes the Indiana workforce intelligence system.

LIENS ON ABANDONED OR TOWED VEHICLES (HEA 1511, PL 157)

Author: Braun, R-Jasper

Sponsor: Messmer, R-Jasper

- Adds state agencies to the definition of "public agency."
- Broadens the application of IC 9-22-1-23 to include all holders of mechanic's liens.
- Requires that additional information be included in the notification to a person whose vehicle was towed to a storage yard or towing service.
- Specifies that a lienholder's failure to comply with certain notice requirements may result in civil damages.
- Provides that proof of receipt of notice for a mechanic's lien by the owner of a vehicle subject to the mechanic's lien is not required in certain instances.
- Provides that, if there is a lienholder, the person that holds the first lien of record may deduct and retain the amount of the lien of record from the surplus purchase price.
- Provides that the costs for storage of an abandoned vehicle may not exceed \$2,000. (Current law is \$1,500.) Makes conforming changes.

VARIOUS ELECTION LAW MATTERS (HEA 1521, PL 201)

Author: Richardson, R-Noblesville

Sponsor: Walker, R-Columbus

- Provides for the election of alternate presidential electors to fill vacancies in the office of presidential electors.
- Requires a nominee for presidential elector or alternate presidential elector to file at the time of nomination or certification a pledge to vote for: (1) the presidential elector's or alternate presidential elector's party nominees for President of the United States and Vice President of the United States; or (2) if the presidential elector or alternate presidential elector is not nominated by a political party, the candidates for President and Vice President on whose behalf the presidential elector or alternate presidential elector is nominated.
- Provides for replacing a presidential elector who refuses to vote or cast a ballot as the presidential elector has pledged. Establishes other procedures relating to casting Indiana's electoral votes.
- Amends statutes to conform language to the terminology used for presidential electors. (These provisions are based on the Uniform Faithful Presidential Electors Act.)

- Provides that if a candidate for president or vice president resigns or dies before the meeting of Indiana's electors, the pledge of the electors refers to the successor candidate for that office nominated by the political party in accordance with the party's rules.
- Provides that, beginning in 2019, the National Voter Registration Act (NVRA) official shall conduct a residency confirmation and outreach procedure in odd-numbered years instead of even-numbered years (which is the requirement under current law).
- Provides that if a circuit court clerk (clerk) denies certification of a petition of nomination filed by a candidate in person, the clerk shall notify the candidate in person of the denial of the certification.
- Provides that an application for an absentee ballot for the primary election before the general election conducted in 2018 and every four years thereafter may not be received by the clerk (or the director of the board of elections and registration) earlier than December 1 of the year before the primary election. Updates municipal election dates in a provision concerning the use of vote centers.
- Provides that, for a special election conducted in only part of a county and not held on the same day as a primary, general, or municipal election, the county election board (board) must provide in the county vote center plan for: (1) at least one vote center; or (2) if the election district for the special election contains at least 10,000 active voters, at least one vote center for each 10,000 active voters, plus one vote center for any fraction of 10,000 active voters.
- Provides that a board may permit a 16 or 17 year old who meets certain conditions to serve as an absentee ballot counter or courier at a central location where absentee ballots are counted. Makes a technical correction in a statute relating to poll takers that was amended during the 2016 session of the general assembly and resolves a conflict with SB 442-2017.

TAX SALES (HEA 1536, PL 32)

Author: Engleman, R-Georgetown

Sponsor: Grooms, R-Jeffersonville

- Specifies deadlines related to acquiring a tax deed for real property if a county assigns a certificate of sale for the real property to a political subdivision.
- Eliminates a conflict with an administrative order of the Indiana supreme court concerning cause numbers.

RECORD OF COUNTY AND CITY VOTES (HEA 1622, PL 204)

Author: Speedy, R-Indianapolis

Sponsor: Sandlin, R-Indianapolis

Aim COMMENT:

HEA 1622 requires first class and second class cities to upload roll call vote information to their websites 1) within three days if the city's software is able to generate a roll call vote; or 2) on the date at which the council is first able to approve the minutes of the meeting at which the vote was taken. When this bill passed the House, it applied to all cities, towns, and counties with websites, and all units would have had to upload the information within 24 hours after the vote. This would have been a significant burden for smaller communities who do not have full-time IT staff, potentially resulting in an unfunded mandate. Aim was able to work with the bill's advocates to narrow the requirement to apply only to first and second class cities and to extend the amount of time these cities have to upload the required information so that

in most cases posting of the roll call votes could be done in conjunction with posting of the meeting minutes.

- Requires a county that has an Internet web site and a population of more than 100,000, a consolidated city, or a second class city that maintains an Internet web site to post on the web site the roll call votes of the executive and fiscal body (of a county) and the legislative body (of a municipality) within three business days after: (1) the date the roll call vote is taken if the county's or city's software is able to generate a roll call vote; and (2) if the county's or city's software is not able to generate a roll call vote, the date the county executive or fiscal body or the city's legislative body is first able to approve the minutes of the meeting at which the roll call vote was taken. Requires the county or city to maintain the roll call vote information on the web site for four years.

AUTHORITY TO SOLEMNIZE MARRIAGES (SEA 20, PL 93)

Author: Glick, R-LaGrange

Sponsor: Friend, R-Macy

- Authorizes the governor, the lieutenant governor, and members of the general assembly to solemnize marriages, and specifies that they may not accept money for solemnizing a marriage.

CONSTRUCTION AND CONSTRUCTION PERMITS (SEA 129, PL 163)

Author: Messmer, R-Jasper

Sponsor: DeVon, R-Granger

- Amends the law requiring the state department of health to approve or disapprove a construction permit application in not more than 30 days to specify that the law applies to applications for permits for the construction of nonresidential onsite sewage systems.
- Provides that the construction, acquisition, or leasing of any sewage works by a municipality is initiated by the adoption, by the municipal works board or other appropriate body of the municipality, of a resolution (rather than by the adoption by the municipal legislative body of an ordinance).

LOCAL REDEVELOPMENT (SEA 152*, PL 52)

Author: Merritt, R-Indianapolis

Sponsor: Zent, R- Angola

Aim COMMENT:

SEA 152 was an Aim-initiated bill that gives redevelopment commissions (RDCs) additional flexibility to acquire distressed and otherwise low-value property in areas targeted for redevelopment. Under current law, property must be on an RDC's acquisition list in order to be purchased. Amending the acquisition list requires RDCs to go through the same procedural steps as the when the redevelopment plan was initially adopted, which is a cumbersome process that can take months.

With SEA 152, RDCs can now purchase property that is not on the acquisition list from a willing seller if that property is blighted, unsafe, abandoned, foreclosed, or structurally damaged. For example, an RDC can act quickly to buy a property that isn't on the acquisition list from a seller that is motivated to sell because a fire destroyed the building. SEA 152 also allows RDCs to buy property without first getting two independent appraisals if the property has a purchase price of less than \$25,000 or if the property is

purchased at auction. The \$25,000 threshold allows RDCs to be make better cost-efficient purchasing decisions and comports with what the civil city can already do. In addition, because the fair market value is revealed through the bidding process for properties sold at auction, local units can now save on the cost of appraisals for properties they purchase at auction.

- Provides that a redevelopment commission may purchase property that is for sale at an auction or that has a purchase price of not more than \$25,000 without first obtaining two independent appraisals.
- Provides that a redevelopment commission may purchase property that is blighted, unsafe, abandoned, foreclosed, or structurally damaged.
- Repeals the tax sale blight registry, and makes conforming amendments.
- Amends the homeowner protection unit account statute to recognize that certain court fees are deposited under current law in that account.

STUDY OF VOLUNTARY PAID FAMILY AND MEDICAL LEAVE SEA 253, PL 56)

Author: Tallian, D-Portage

Sponsor: Ober, R-Fort Wayne

- Urges the legislative council to assign the topic of establishing a voluntary paid family and medical leave program to the interim study committee on employment and labor or another appropriate study committee.

VETERAN PREFERENCE FOR EMPLOYMENT AND TRAINING (SEA 307, PL 109)

Author: Hershman, R-Buck Creek

Sponsor: Baird, R-Greencastle

- Requires the department of workforce development (department) to give a veteran or the spouse of a veteran priority for placement in any federal or state employment or training program administered by the department if the veteran or the veteran's spouse: (1) submits documentation satisfactory to the department establishing the veteran's honorable discharge from service; and (2) meets the eligibility requirements for the program.

USE OF CRIMINAL HISTORY INFORMATION IN HIRING (SEA 312, PL 210)

Author: Boots, R-Crawfordsville

Sponsor: Leonard, R-Huntington

- Provides that a political subdivision may not prohibit an employer from obtaining or using criminal history information during the hiring process to the extent allowed by federal or state law, rules, or regulations.
- Provides that a political subdivision may not prohibit an employer, at the time an individual makes an initial application for employment, from making an inquiry regarding the individual's criminal history information or requiring the individual to disclose criminal history information.
- Provides that criminal history information concerning an employee or former employee may not be introduced against an employer, an employer's agents, or an employer's employees in a civil action based on the employee's or the former employee's conduct if: (1) the criminal history information does not bear a direct relationship to the facts underlying the civil action; (2) the records of the criminal case have been sealed; (3) the criminal conviction has been reversed,

vacated, or expunged; (4) the employee or former employer has received a pardon for the criminal conviction; or (5) the arrest or charge did not result in a criminal conviction. Provides that this provision does not supersede any federal or state law requirement to conduct a criminal history information background investigation or consider criminal history information in hiring for particular types of employment.

REGULATION OF SIGNS (SEA 348, PL 211)

Author: Freeman, R-Indianapolis

Sponsor: Speedy, R-Indianapolis

Aim COMMENT:

SEA 348 contains a pre-emption of local sign ordinances as they relate to the number or size of signs beginning 60 days before an election and ending six days after. Signs that are larger than 32 square feet may still be regulated at any time, and the local unit may still enforce regulations at any time if necessary for public safety purposes. This legislation also contains “substitution clause” language in response to the recent U.S. Supreme Court decision regarding sign ordinances, *Reed v. Town of Gilbert*. The decision in *Reed* was complex and left a lot undecided, but one key takeaway is that content-based regulation of non-commercial signs must meet strict scrutiny. Under this decision, local sign ordinances across the country are questionably constitutional, and the “substitution clause” language in this legislation is intended to prevent Indiana municipalities from being held liable for unconstitutional sign ordinances.

- Provides that an ordinance or a regulation of a political subdivision relating to the number or size of signs is unenforceable beginning 60 days before an election and ending at the beginning of the sixth day after the election. Provides that for purposes of the statute, a "sign" refers to a sign, the surface area of which is not greater than 32 square feet. (Provides that the measurement of the surface area of a sign that has two faces is determined by measuring the surface area of only one of the faces if the faces are mounted back to back and the measure of the angle between the faces is not more than 15 degrees.)
- Provides that the statute does not prohibit a political subdivision from enforcing an ordinance or regulation relating to the number or size of signs at any time if necessary to ensure public safety.
- Provides that a zoning ordinance relating to signs is considered to contain a provision that permits the substitution of the copy on a sign regardless of whether the original and new copy is commercial or noncommercial.

EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES (SEA 390, PL 68)

Author: Stoops, D-Bloomington

Sponsor: Karickhoff, R-Kokomo

- Increases the number of members and changes the membership of the commission on rehabilitation services (commission).
- Makes changes in the terms of service of commission members and requires the governor to specify each member's term of service to ensure that terms expire on a staggered basis.
- Adds the following to the commission's duties: (1) Establish baseline data regarding the number of individuals with disabilities in competitive integrated employment and set annual goals for increasing the percentage of individuals with disabilities in competitive integrated employment. (2) Identify and resolve barriers to employment for individuals with disabilities. (3) Analyze federal, state, and local agency policies concerning the provision of services to individuals with

disabilities, including the impact of those policies on opportunities for competitive integrated employment, and recommend changes to state policies. (4) Assist state agencies in the implementation of the policy concerning employment opportunities for individuals with disabilities. (5) Provide an annual report to the governor and the rehabilitation services administration commissioner concerning the employment of individuals with disabilities.

- Provides that the policy (policy) of the state is to promote competitive integrated employment, including self-employment, as the first and preferred option when providing services to individuals with disabilities who are of working age.
- Provides that the policy applies to programs and agencies that provide services and support to help obtain employment for individuals with disabilities.
- Requires state agencies to implement the policy in a manner that is consistent with an individual's right to make an informed choice about employment options that meet an individual's needs and preferences.
- Provides that the primary objective and preferred outcome of transition services provided as part of a special education program or related services to a child with a disability who is at least 14 years of age is to assist the child in obtaining competitive integrated employment.

OPPORTUNITY TO CORRECT VIOLATION (SEA 413, PL 215)

Author: Koch, R-Bedford

Sponsor: Lehman, R-Berne

- Imposes a duty on certain state agencies under certain circumstances to give a person an opportunity to correct an alleged violation of a state rule or state statute that is discovered in an inspection.

EARLY ABSENTEE IN-PERSON VOTING (SEA 417, PL 71)

Author: Walker, R-Columbus

Sponsor: M. Smith, R-Columbus

- Provides that, whenever a county that uses electronic poll books offers early absentee in-person voting on an electronic voting system, the county may comply with the requirement that there is a procedure to ensure that an invalid ballot is not counted by: (1) requiring each voter to make and subscribe to an affidavit that includes a unique identifier; or (2) establishing a procedure to produce a document, label, or electronic record that is associated with each voter and includes a unique identifier.
- Requires a county to file with the election division a copy of the affidavit or description of the procedure used to ensure cancellation of a vote if a voter is disqualified before the county uses the affidavit or procedure in an election.
- Specifies the procedure for a voter who casts a ballot during early absentee in-person voting on an optical scan voting system in a county that uses electronic poll books.

VARIOUS ELECTION MATTERS (SEA 442, PL 74)

Author: Walker, R-Columbus

Sponsor: Richardson, R-Noblesville

- Removes a reference to a county executive in the definition of "county voter registration office."

- Specifies the allocation of municipal and special election administration expenses among a county and the municipalities in the county in vote center counties.
- Specifies the extended deadline for taking an action or making a filing when a government office is closed.
- Adds a county voter registration office to the list of offices where filings by fax or electronic mail are not available.
- Specifies that any petition that requires the county voter registration office to certify the validity of the signatures may not contain electronic, digitized, or photocopied signatures.
- Adds courses on law governing accessibility to polling places and voting systems to the certified election worker training curriculum, and reduces the term of the certification from four to two years.
- Specifies the number of challengers, pollbook holders, poll watchers, and media representatives who are allowed in a voting location.
- Specifies that the date on which voter registration closes before an election and reopens after an election applies to special elections and municipal primary elections.
- Makes changes to the voter list maintenance procedures. Provides that a felony conviction that has been pardoned, reversed, vacated, set aside, or expunged does not disqualify a person from holding elected office.
- Provides that a declaration of candidacy is not invalid if a candidate is unable to state the ward in which the candidate resides.
- Specifies the ways in which a candidate for a small town office or multiple candidates for an at-large town council seat may be nominated.
- Specifies that a candidate for local office is not required to file a written consent to a nomination until after petitions for nomination have been filed with the appropriate election official.
- Allows a candidate to contest the denial of certification based on a county voter registration office's failure to certify petitioners.
- Updates dates of election for various offices.
- Adds affidavits for presidential voting and for voting in a precinct of prior residence to the list of election materials to be preserved.
- Specifies that, whenever the boundaries of a political subdivision change as the result of annexation or disannexation of territory, or whenever the boundaries of an election district within a political subdivision change, the precinct boundaries within the political subdivision do not automatically change and may be changed only as provided by IC 3- 11-1.5.
- Requires that candidates seeking election to a school board office as a member representing a district be placed on the ballot before candidates seeking election to a school board office as an at-large member.
- Adds the purchase of electronic poll books as an allowable use of a county voting system purchase fund and appropriated funds to the voting system technical oversight fund.
- Requires a county election board of a county planning to use automatic tabulating machines at an election to randomly select and test at least 10% of the machines in a public test.
- Provides that, if an individual attending the public test requests that additional machines be tested, then the county election board shall randomly select and test additional machines up to a maximum of 15% of the machines that will be used at the election.
- Allows a voter who is a parent, grandparent, or other person caring for a minor child to take the child into the voting booth with the voter.
- Increases from 10 to 50 the number of days before an election that the county election board must notify the political parties of the number of absentee ballot workers that may be appointed.

- Revises the procedure to deposit or bond for recount expenditures chargeable to a petitioner. Specifies which recounts are conducted by the state recount commission.
- Requires superior court judges in Lake and St. Joseph counties to file a statement with the secretary of state requesting a retention vote.
- Urges the legislative council to assign to the interim study committee on elections or another appropriate interim study committee the topic of the notification of offenders being released from custody of their right to vote and the requirement that they must re-register in order to vote. Makes conforming amendments.

WAR MEMORIALS (SEA 456, PL 6)

Author: Head, R-Logansport

Sponsor: Friend, R-Macy

- Provides that the fiscal body of a city, county, or township may by ordinance or resolution authorize the sale or donation of a war memorial to certain organizations exempt from federal income taxation.
- Requires an organization acquiring a war memorial to continue to operate and maintain the war memorial.
- Provides that ownership of the war memorial reverts to the city, county, or township if the acquiring organization determines that it is unable to continue operating the war memorial, is dissolved, or otherwise ceases to exist.

RECORDING OF DOCUMENTS (SEA 505, PL 127)

Author: Bray, R-Martinsville

Sponsor: Zent, R- Angola

- Changes the amounts and distribution of recording fees. Sets a statutory fee for bulk form copies of 10 cents per copy of a recorded document and 10 cents per recorded document for a copy of the indices.
- Allows a fee set by ordinance in an amount of up to 20 cents per copy and per recorded document if the county executive finds that the costs incurred by the county recorder exceed the amount of the statutory fee.
- Requires a recipient of bulk form copies (bulk user) to enter into a contract with the county recorder as a prerequisite to receiving bulk form copies.
- Allows a bulk user that meets certain requirements to charge its customers a fee for using bulk form copies but not sell or transfer copies of recorded documents to another party. Adds the Uniform Real Property Electronic Recording Act that provides, effective January 1, 2018, that for purposes of recording: (1) an electronic document satisfies any legal requirement for an original paper document or other medium; and (2) an electronic signature satisfies a legal requirement that a document must be signed, notarized, acknowledged, or verified.
- Creates the electronic recording commission to adopt standards before January 1, 2018, to implement the Uniform Real Property Electronic Recording Act.
- Provides that a recorded memorandum of contract serves as evidence of and provides notice of the existence of the contract. Replaces, throughout IC 36, gender specific words with gender neutral words.

NOTARIES PUBLIC AND TRADEMARKS (SEA 539, PL 128)

Author: Bray, R-Martinsville

Sponsor: Carbaugh, R-Fort Wayne

- Provides that a person who wishes to register a trademark must file an electronic application for the registration of the trademark.
- Allows the governor to appoint notaries public in certain instances. Describes permitted notarial acts.
- Provides that notarial acts performed in another state are presumptively valid in certain instances. Provides that notarial acts performed: (1) under the authority of; and (2) within the jurisdiction of; a federally recognized tribe are presumptively valid in certain instances.
- Provides that notarial acts performed by foreign governments or nations are presumptively valid in certain instances.
- Specifies records should be notarized.
- Specifies how the identity of a principal may be authenticated.
- Specifies the components of notary seals.
- Requires that notary stamping devices must be secured.
- Prohibits the use of a stamping device by any person other than the authorized notary public.
- Describes how stamping devices must be disposed of when a notary public's commission ends.
- Describes eligibility requirements for a notary public.
- Requires a notary public to secure an assurance in the amount of \$25,000.
- Specifies acts that a notary public is prohibited from taking.
- Prohibits a notary public from engaging in false or misleading advertising.
- Allows a notary public to charge not more than \$10 for certain notarial acts.
- Allows a notary public to charge for travel expenses.
- Allows the secretary of state to attest to the authenticity of a signature of a public official. Prohibits the secretary of state from attesting to the signature of a public official or notary public on a document: (1) declaring allegiance to a government or jurisdiction; (2) renouncing citizenship, military status, sovereignty, or world service authority; or (3) claiming immunity from the jurisdiction or laws of the United States or any state of the United States. Makes conforming technical amendments.

LEASES AND SALES OF REAL PROPERTY (SEA 558, PL 266)

Author: Holdman, R-Markle

Sponsor: Eberhart, R-Shelbyville

Aim COMMENT:

SEA 558 contains a few different provisions that are not necessarily related in subject matter, but do share the similar effect of pre-empting certain local government actions. One section of the bill prohibits local units from imposing penalties against landlords for excessive police runs to properties. Local units may still bring actions against landlords under the state civil nuisance statute, but local ordinances that, for example, set a threshold for the maximum number of police runs to a property after which the landlord will be charged a fee will no longer be enforceable against landlords. Tenants may still be charged, but any such penalty is limited to \$250.

Another section of SEA 558 prohibits local units from adopting “inclusionary zoning” ordinances that would have the effect of controlling the purchase price or lease price of property. The intent of this provision is to prevent locals from requiring developers of private property to set aside a certain number of units for affordable housing. To Aim’s knowledge, no local government in Indiana has adopted such an ordinance. Although mandates that have the effect of controlling the purchase price are not permitted, there is an exception for developers to voluntarily enter into an agreement in exchange for incentives or grants.

Aim advocated for defeat of this legislation after our suggested language was not accepted. On final passage, it passed the Senate by two votes.

- Amends the statute concerning landlord and tenant relations to provide that a unit may not regulate rental rates for privately owned real property, through a zoning ordinance or otherwise, unless the regulation is authorized by an act of the general assembly. (Current law provides that regulation of rental rates for such property must be authorized by an act of the general assembly.)
- Prohibits a political subdivision from imposing certain penalties against a tenant, an owner, or a landlord for a contact made to request law enforcement or other emergency assistance for one or more rental units if: (1) the contact is made by or on behalf of: (A) a victim or potential victim of abuse; (B) a victim or potential victim of a crime; or (C) an individual in an emergency; and (2) certain conditions apply.
- Specifies that a political subdivision is not prohibited from adopting an ordinance, a rule, or a regulation to impose a penalty for a request for law enforcement or other emergency assistance if the request is not made by or on behalf of: (1) a victim or potential victim of abuse; (2) a victim or potential victim of a crime; or (3) an individual in an emergency.
- Provides that if a political subdivision: (1) imposes a penalty under any such authorized ordinance, rule, or regulation; and (2) the prohibited request for law enforcement is made by a tenant in a rental unit; the penalty imposed must be assessed against the tenant and not against the landlord or owner of the rental unit. Provides that any such penalty may not exceed \$250.
- Provides that a housing authority retains the ability to enforce rights and remedies established by contract or federal law.
- Provides that a city, county, or town attorney retains the ability to bring a nuisance action against a landlord or the owner of a rental unit in certain instances.
- Provides that a county or municipality may not adopt or enforce any land use or planning ordinance or regulation that has the effect of: (1) controlling rental or purchase price; or (2) requiring real property to be reserved for lease or sale to certain owners.
- Provides that a county or municipality may not require the owner of privately owned real property to agree to: (1) any requirement that would have the effect of controlling rental or purchase price; or (2) the payment of a fee, in lieu of a requirement that would have the effect of controlling rental or purchase price, as a prerequisite to consideration or approval of: (A) certain permits; or (B) any primary, secondary, or revised plats.
- Provides that a county or municipality retains the right to: (1) manage and control the development of a commercial or residential property in which the county or municipality has an ownership interest; and (2) enact, enforce, or maintain any general land use or zoning regulation that does not have the effect of: (A) controlling rental or purchase price; or (B) requiring real property to be reserved for sale or lease to certain owners.

- Allows an owner of privately owned real property to voluntarily enter into an agreement with a county or municipality that: (1) controls rental or purchase price; or (2) requires real property to be reserved for sale or lease to certain owners; in exchange for incentives or grants.

Community and Economic Development

[PREKINDERGARTEN EDUCATION \(HEA 1004, PL 184\)](#)

Author: Behning, R-Indianapolis

Sponsor: Raatz, R-Centerville

- Provides that, after June 30, 2017, the early education grant pilot program (prekindergarten pilot program) includes: (1) eligible providers in an additional 15 counties; and (2) eligible providers that received a grant under the early education matching grant program and meet certain conditions.
- Changes references to the "pilot program" to the "prekindergarten pilot program."
- Adds additional requirements for an eligible provider to participate in the prekindergarten pilot program.
- Adds additional requirements for an eligible child to qualify for or receive a grant under the prekindergarten pilot program.
- Amends income eligibility requirements for eligible children in counties that meet certain conditions and establishes certain requirements and restrictions.
- Provides that the office of the secretary of family and social services (office) may award a grant to a potential eligible provider or existing eligible provider for an expansion plan if certain requirements are met. Requires a potential eligible provider or existing eligible provider to repay to the office the total amount of the grant awarded if the potential eligible provider or existing eligible provider fails to use the grant funds in accordance with the expansion plan or in compliance with the agreement with the office. Requires the office to: (1) monitor the educational outcomes resulting from the implementation of expansion plans; and (2) annually provide the governor and legislative council a report of the findings of the office concerning the educational outcomes.
- Amends a provision that requires a match for the prekindergarten pilot program be from at least 10% but not more than 50% to be at least 5% but not more than 50%, with an exception. Requires the office to make random onsite inspections, as determined necessary by the office, of facilities of eligible providers and potential eligible providers or existing eligible providers each year.
- Provides that the office may determine that an eligible provider or potential eligible provider or existing eligible provider is no longer eligible under the prekindergarten pilot program.
- Provides that eligible children who use a prekindergarten pilot program grant to attend a prekindergarten program at an eligible choice scholarship school are eligible to receive a choice scholarship to attend the same eligible choice scholarship school if certain conditions are met.
- Requires the division of family resources to develop a provider rate reimbursement schedule that uses money appropriated by the general assembly as an incentive for providers eligible to receive voucher payments under the federal Child Care and Development fund voucher program to meet the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating. Requires the department of education (department) to approve an early learning development framework for prekindergarten.

- Requires the office to apply for waivers from all applicable federal agencies to receive any federal funding for child care or prekindergarten education in one block grant to use for child care and prekindergarten programs in the state. Establishes the prekindergarten pilot program fund (fund).
- Allows the office to develop and implement a reimbursement program to reimburse costs incurred by parents to provide technology based, in-home early education services to a child. Allows money in the fund to be used to pay for the reimbursements.
- Repeals the provisions concerning the early education matching grant program.

MENTAL HEALTH MATTERS (HEA 1006, PL 243)

Author: Kirchhofer, R-Beech Grove

Sponsor: Merritt, R-Indianapolis

- Requires the secretary of family and social services to provide that residences for residential care and supported housing for chronic addiction that receive reimbursement when used as a recovery residence to be certified and meet standards determined by the division of mental health addiction through administrative rules.
- Adds, subject to the approval of the Indiana commission to combat drug abuse (commission), an individual who is: (1) less than 18 years of age; and (2) a defendant whose case is either waived from juvenile court to adult court or directly filed in adult court; to the individuals who may be eligible for mental health and addiction forensic treatment services.
- Provides that a child welfare program may be established for the purpose of providing child welfare substance abuse treatment services for families and children who have an open child welfare or delinquency case with the juvenile court.
- Requires that information and training concerning child welfare substance abuse treatment services be provided to certain judges, department of child services employees, and public defenders. Includes neonatal abstinence syndrome as a factor for a child to be determined a child in need of services.
- Urges the legislative council to assign to the interim study committee on corrections and criminal code the topic of extending mental health and addiction forensic treatment services to individuals in the criminal justice system: (1) who: (A) are charged with a misdemeanor offense; or (B) have a prior misdemeanor conviction; and (2) who have been placed in or are eligible for placement in a pretrial services program, a community corrections program, a prosecuting attorney's diversion program, or jail. (The introduced version of this bill was prepared by the interim study committee on public health, behavioral health, and human services).

EDUCATION COURSE ACCESS PROGRAM (HEA 1007, PL 80)

Author: Cook, R-Cicero

Sponsor: Kruse, R-Auburn

- Allows the department of education (department) to authorize course providers to offer course access program courses that provide for the delivery of instruction through any method, including online technologies, in the course access program (program).
- Requires the department to: (1) oversee the program; (2) approve courses offered in the program; and (3) maintain a course access program catalog.

- Requires the department to negotiate a tuition fee for each offered course. Requires the school corporation in which an eligible student is enrolled to transfer the tuition fee for a course to the authorized course provider.
- Defines "eligible student" as a student pursuing: (1) any type of diploma available for students to receive in Indiana; or (2) an industry certification that appears on the state board of education's approved industry certification list.
- Provides certain reasons a school corporation may deny a student's enrollment in a course access course. Provides that a parent of an eligible student or an emancipated eligible student may appeal the school corporation's decision to the department.
- Allows the state board of education to adopt emergency and nonemergency rules.

REFERENDUM AND REMONSTRANCE PROCESS (HEA 1043, PL 246)

Author: Thompson, R-Danville

Sponsor: Hershman, R-Buck Creek

Aim COMMENT:

HEA 1043 changes the threshold (increased for some and decreased for others) for determining whether a capital project is a controlled project. (A controlled project is one that meets the dollar threshold in statute and is financed by bonds or leases payable from a pledge of property taxes.) Depending on the amount of the controlled project, it is subject to either the petition and remonstrance process or to the referendum process.

Because after tax caps municipalities fund fewer major projects with property taxes, it is not as often that the controlled project requirements come into play for them as compared with school corporations which fund most all of their capital projects with property tax revenues. For more detailed information on the threshold and other related new language impacting controlled projects, see HEA 1043 under Municipal Finance.

- Increases the threshold used for purposes of determining whether a capital project is a controlled project as follows: (1) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or to enter into a lease for the project, the threshold is increased from \$2,000,000 to \$5,000,000. (2) In the case of an ordinance or resolution adopted after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold is increased by applying the assessed value growth quotient for the year to the threshold amount determined for the preceding year.
- Specifies that a capital project is also a controlled project if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$100,000,000; or (2) \$1,000,000, if the total gross assessed value of property within the political subdivision is not more than \$100,000,000. Increases the thresholds used for applying the petition and remonstrance process and referendum process as follows: (1) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or to enter into a lease for the project, the threshold is increased from \$10,000,000 to \$15,000,000 for school building projects and from \$12,000,000 to \$15,000,000 for any civil unit project. (2) In the case of an ordinance or resolution

adopted after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold is increased by applying the assessed value growth quotient for the year to the threshold amount determined for the preceding year.

- Provides that a school building project is also subject to the referendum process if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$1,000,000,000; or (2) \$10,000,000, if the total gross assessed value of property within the political subdivision is not more than \$1,000,000,000.
- Provides that a civil unit project is also subject to the referendum process if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$100,000,000; or (2) \$1,000,000, if the total gross assessed value of property within the political subdivision is not more than \$100,000,000.
- Provides that a controlled project for which a political subdivision makes a preliminary determination to issue bonds or enter into a lease is subject to the referendum process if the sum of: (1) the cost of that controlled project; plus (2) the costs of all other controlled projects for which the political subdivision has previously adopted within the preceding 365 days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects; exceeds \$25,000,000.
- Requires that a political subdivision's notice of the preliminary determination to issue bonds or enter into a lease for a controlled project must also include information concerning the estimated amount of the political subdivision's debt service levy and rate that will result during the following 10 years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate.
- Provides that a petition objecting that a political subdivision has divided a controlled project in order to avoid the requirements of the petition and remonstrance process or the referendum process must be filed with the department of local government finance (DLGF) not more than 10 days after the political subdivision gives notice of the political subdivision's determination to issue bonds or enter into leases for the capital project.
- Specifies that if the DLGF determines that a political subdivision divided a controlled project in order to avoid the referendum requirements and the political subdivision continues to desire to proceed with the project, the political subdivision may appeal the determination of the DLGF to the Indiana board of tax review.
- Specifies that a political subdivision shall be considered to have divided a capital project in order to avoid the requirements of the petition and remonstrance process or the referendum process if the result of one or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project.
- Relocates existing law concerning calculation of the cost of certain projects by a school corporation career and technical education school to a separate section within the controlled projects statute.
- Requires a political subdivision to: (1) conduct at least two public hearings on a preliminary determination concerning a controlled project (rather than one hearing under current law); and (2) make certain information available to the public at each of the public hearings.

- Provides that if a referendum for a controlled project or for a school operating referendum fund property tax levy is defeated, another referendum may not be held earlier than 700 days after the date of the first referendum (rather than 350 days under current law).
- Specifies that the 350 day limit applies if a sufficient petition requesting that limit is submitted by property owners or voters.
- Provides that a school corporation operating referendum fund property tax levy may not be imposed for more than eight years. (Current law provides that the referendum levy may not be imposed for more than seven years.)
- Applies to a referendum that takes place after June 30, 2017.

BICYCLE TRAILS (HEA 1174, PL 83)

Author: Culver, R-Goshen

Sponsor: Kruse, R-Auburn

- Establishes the Indiana bicycle trails task force (task force) to: (1) develop actionable concepts to connect existing bicycle trails throughout Indiana; (2) estimate the cost of each concept; (3) present at least six innovative ways to fund the connections to existing bicycle trails; (4) prepare a timeline that shows the phases of completion to connect existing bicycle trails throughout Indiana for each funding method; and (5) recommend changes to Indiana law to increase bicycle safety on trails and roadways. Requires the task force to submit a report to the legislative council and governor not later than July 1, 2019.

REGIONAL DEVELOPMENT AUTHORITIES (HEA 1286, PL 83)

Author: Stemler, D- Jeffersonville

Sponsor: Kruse, R-Auburn

- Provides that the exercise of the power of eminent domain by a regional development authority (other than the northwest Indiana regional development authority) is subject to the approval of the legislative body of the municipality in which the property is located or, if the property is not located within a municipality, the legislative body of the county in which the property is located.

ALCOHOL MATTERS (HEA 1496, PL 270)

Author: Smaltz, R-Auburn

Sponsor: Alting, R-Lafayette

- Provides that after May 14, 2017, a restaurant may not sell carryout unless at least 60% of its gross retail income from alcoholic beverage sales is derived from sales of alcoholic beverages consumed on the premises.
- Makes the following exceptions to the gross retail income requirements for sale of carryout: (1) Exempts retailer's permits issued to a city market, marina, state park, golf course, hotel, resort hotel, social or fraternal club, or restaurant operated by a microbrewer. (2) Provides that a restaurant initially issued or transferred a retailer's permit before November 1, 2016, is not required to comply with the gross retail income requirements to sell carryout unless the permit is transferred to another location. (3) Provides that a restaurant initially issued or transferred a retailer's permit after October 31, 2016, and before May 14, 2017: (A) is not required to comply with the gross retail income requirements until renewing the permit or transferring the permit to

another owner or location; and (B) upon a showing of good cause, may be issued permit extensions that may not extend past April 1, 2018.

- Provides that any new retailer's permits for restaurants issued after May 14, 2017, must comply with the gross retail income requirements in order to sell carryout.
- Provides that an applicant for an artisan distiller's permit must hold a farm winery, brewer's, or distiller's permit for 18 months (instead of three years) before the date of the application. Allows a farm winery, brewery, and distillery to occupy the same tent or structure at a trade show or exposition.
- Allows a small brewer, farm winery, or artisan distiller to employ a minor who is a family member in a capacity that does not involve the sale or serving of alcoholic beverages.
- Allows a minor to be on the premises of a farm winery or an artisan distillery under certain circumstances.
- Allows an artisan distiller to store liquor manufactured by the artisan distiller at a facility within 10 miles of the artisan distiller's distillery, if allowed by federal law.
- Prohibits the ATC from issuing a new alcoholic beverage permit if the applicant has unpaid taxes.
- Changes the definition of "banquet or gathering space" to include a contiguous area of the licensed premises.
- Allows a holder of a retailer's permit issued for the premises of a hotel or restaurant that has a banquet or gathering space to temporarily amend the floor plans of the licensed premises to use the banquet or gathering space to securely store alcoholic beverages at the preferred temperature, and requires the ATC to approve amended floor plans that are consistent with the provision.
- Expresses the intent of the general assembly that the ATC use the "character of the business test" when considering whether to grant or renew certain retailer's permits that would allow the sale of alcoholic beverages for carryout, including cold beer. Increases, from four days to seven days, the number of days in a calendar month that may be designated as guest days by the holder of a club permit for alcoholic beverages.
- Defines "entertainment", "gift", and "professional and educational expenses", and specifies that certain prohibitions that apply to alcoholic beverage permittees concerning gifts do not apply to entertainment or professional and educational expenses.
- Defines "advertising specialty" and "consumer advertising specialty", and voids certain rules of the ATC that relate to advertising specialties and consumer advertising specialties.

TAX SALES (HEA 1536, PL 32)

Author: Engleman, R-Georgetown

Sponsor: Grooms, R- Jeffersonville

- Specifies deadlines related to acquiring a tax deed for real property if a county assigns a certificate of sale for the real property to a political subdivision.
- Eliminates a conflict with an administrative order of the Indiana supreme court concerning cause numbers.

CERTIFIED TECHNOLOGY PARKS (HEA 1601, PL 259)

Author: Huston, R-Fishers

Sponsor: Hershman, R-Buck Creek

- Requires that a certified technology park be recertified every three years beginning January 1, 2018. (Under current law, a certified technology park is required to be recertified every four years.) Requires the Indiana economic development corporation (IEDC), in conjunction with the office of management and budget (OMB), to develop metrics for measuring the performance of a certified technology park during a review period.
- Requires the IEDC to consult with local units of government in developing the metrics.
- Requires the metrics to include: (1) the criteria to be used to analyze and evaluate each category of information furnished by a certified technology park to the IEDC during the course of a review; and (2) a set of minimum threshold requirements for performance to be achieved regarding each category of information.
- Provides that a certified technology park must meet the minimum threshold requirements for performance set forth in the metrics before it may be recertified.
- Specifies that the board of the IEDC is the appropriate entity to adopt the metrics used in the performance review of a certified technology park.
- Requires the IEDC to submit a report that describes the adopted metrics to the legislative council and the interim study committee on fiscal policy before July 1, 2018.

STUDY OF UNIVERSAL SERVICE FOR TELECOMMUNICATIONS (HEA 1626, PL 33)

Author: Negele, R-Attica

Sponsor: Messmer, R-Jasper

- Provides that a local governmental unit (unit) that wishes to be certified as a broadband ready community must establish a procedure (procedure) under which the unit promotes increasing the number of subscribers to broadband services in the unit after the unit is certified as a broadband ready community.
- Specifies criteria for the procedure.
- Prohibits: (1) discrimination among communication service providers with respect to broadband adoption in the unit; and (2) imposition of a fee on communications service providers to fund promotion of broadband adoption in the unit; under the procedure established to promote broadband subscriptions.
- Urges the legislative council (council) to assign to the interim study committee on energy, utilities, and telecommunications (committee) the topic of universal service funding for telecommunications services in Indiana.
- Provides that if the topic is assigned to the committee, the committee may: (1) consider issues related to universal service, rural broadband, broadband adoption and deployment, and federal funding sources; and (2) request information concerning these issues from: (A) the Indiana utility regulatory commission; (B) service providers and customers; and (C) experts, stakeholders, or other interested parties.
- Provides that if the topic is assigned to the committee, the committee shall issue a final report, including any recommendations for legislation, to the council not later than November 1, 2017.

REGULATION OF FOOD DISPENSING MICRO MARKETS (SEA 77, PL 46)

Author: Ford, R-Terre Haute

Sponsor: Ober, R-Fort Wayne

- Provides that a retail food establishment that is a micro market is not required to have a person in charge present at the micro market if certain requirements are met.

DOING BUSINESS OR MARKETING AS A COOPERATIVE (SEA 90, PL 97)

Author: Leising, R-Oldenburg

Sponsor: Lehe, R-Brookston

- Specifies that certain cooperative entities are not subject to the restrictions of the bill.
- Provides that it is unlawful for a business entity that is not a cooperative entity to do the following: (1) Use the terms "cooperative", or "co-op", or any derivative of those terms in a business entity name if the use of the term would create a substantial likelihood of misleading the public by implying that the business entity is a cooperative. (2) Advertise or represent the business entity to the public, its customers, or prospective customers as a cooperative or as an entity operating on a cooperative basis.
- Defines the term "cooperative". Requires the department of agriculture to regulate the use of the terms "cooperative", and "co-op", and any derivative of those terms.
- Authorizes the use administrative dissolution by the secretary of state to enforce the restrictions on the use of the terms "cooperative", and "co-op", and any derivative of those terms.

EDUCATION MATTERS (SEA 108, PL 228)

Author: Kruse, R-Auburn

Sponsor: Behning, R-Indianapolis

- Provides that when a school corporation authorizes an absence to permit a student to attend any educationally related nonclassroom activity, the student may not be recorded as being absent on any date for which the excuse is operative and may not be penalized by the school.
- Provides that an initial school improvement plan must be established and approved by the governing body not later than August 1 of the school year in which the plan is to be implemented. Requires: (1) the Indiana education employment relations board (board) to publish a model compensation plan with a model salary range that a school corporation may adopt; (2) each school corporation to submit its local compensation plan to the board; and (3) the board to publish local compensation plans on the board's Internet web site. (Under current law, the department of education publishes and oversees the model compensation plan and local compensation plans.)
- Provides that the board: (1) shall review a compensation plan for compliance; and (2) has jurisdiction to determine compliance of a compensation plan submitted.
- Establishes an expiration for emergency rules that the board adopts.
- Requires a school corporation that has a compensation plan but does not have a ratified collective bargaining agreement to, not later than October 1 of the year in which the compensation plan becomes effective, submit the school corporation's compensation plan to the board. Provides that, if a school corporation does not submit the compensation plan by October 1, the compensation plan is considered not in compliance unless a compliance officer of the board finds good cause shown for the delay.

- Provides that a principal or superintendent, or the principal's or superintendent's designee, may recommend an individual to participate in the Indiana high school equivalency diploma program.
- Allows the governing body of a school corporation to deny a request for a student to transfer to the school corporation or discontinue enrollment, or establish terms or conditions for enrollment or for continued enrollment, if the student has a history of unexcused absences and the governing body believes that, based on the location of the student's residence, attendance would be a problem.
- Provides that a special needs bus may be used to provide transportation for a sibling of a student with a developmental or physical disability.
- Requires the department of education (department), in collaboration with the state board of education, to prepare a report that includes recommendations regarding certificated employee evaluations.
- Requires the department, not later than November 1, 2017, to submit the report to the general assembly. Provides that a provision requiring cardiopulmonary resuscitation training applies to a charter school other than a virtual charter school.
- Requires, before December 1, 2017, the department of workforce development to commission an entity that specializes in improving access to adult literacy programs to: (1) prepare and submit a report regarding adult literacy programs to the legislative council; and (2) present the report to the state workforce innovation council.

REGIONAL INFRASTRUCTURE IMPROVEMENT PROJECTS (SEA 128, PL 229)

Author: Messmer, R-Jasper

Sponsor: Braun, R-Jasper

- Provides that the Indiana finance authority (IFA), rather than the budget agency, administers the local infrastructure revolving loan funds (loan funds).
- Expands the types of entities that may participate in the loan funds. Authorizes the IFA to issue its bonds to carry out the loan funds.
- Expands the types of infrastructure that are eligible for the loan funds to include bridges or other public ways. Provides that a regional development authority (RDA) may apply for a "FASTLANE" grant from the Federal Highway Administration (or a grant from any other federal program) for highway funding.
- Authorizes an RDA to enter into a supplemental funding agreement with the Indiana department of transportation or a political subdivision to contribute local matching funds to be used to pay a part or all of the nonfederal share of the costs necessary to carry out regional transportation infrastructure projects.
- Allows a county or municipality participating in an RDA to transfer money to a fund from its general fund or rainy day fund (or other available fund) to the RDA for purposes of providing funds for regional transportation infrastructure projects.
- Provides that a city, county, or political subdivision that fails to make a payment or transfer to a development authority as required is subject to a deduction by the state treasurer and a deduction of available funds from the development authority.
- Creates the regional development authority infrastructure fund (infrastructure fund). Provides that a regional development authority may expend money in the fund for certain infrastructure development projects.

- Provides that the IFA will administer the infrastructure fund.
- Provides an adjusted gross income tax deduction to a taxpayer that makes a contribution or gift to the infrastructure fund.
- Allows a county, city, or town to provide local income tax revenue to the infrastructure fund. Upon recommendation by an RDA, authorizes a county or municipality to establish a cumulative fund for the purpose of funding regional transportation infrastructure projects.

LOCAL REDEVELOPMENT (SEA 152*, PL 52)

Author: Merritt, R-Indianapolis

Sponsor: Zent, R- Angola

Aim COMMENT:

SEA 152 was an Aim-initiated bill that gives redevelopment commissions additional flexibility to acquire distressed and otherwise low-value property in areas targeted for redevelopment. Under current law, property must be on an RDC's acquisition list in order to be purchased. Amending the acquisition list requires RDCs to go through the same procedural steps as the when the redevelopment plan was initially adopted, which is a cumbersome process that can take months.

With SEA 152, RDCs can now purchase property that is not on the acquisition list from a willing seller if that property is blighted, unsafe, abandoned, foreclosed, or structurally damaged. For example, an RDC can act quickly to buy a property not on the acquisition list from a seller that is motivated to sell because a fire destroyed the building. SEA 152 also allows RDCs to buy property without first getting two independent appraisals if the property has a purchase price of less than \$25,000 or if the property is purchased at auction. The \$25,000 threshold allows RDCs to be make better cost-efficient purchasing decisions and comports with what the civil city can already do. In addition, because the fair market value is revealed through the bidding process for properties sold at auction, local units can now save on the cost of appraisals for properties they purchase at auction.

- Provides that a redevelopment commission may purchase property that is for sale at an auction or that has a purchase price of not more than \$25,000 without first obtaining two independent appraisals.
- Provides that a redevelopment commission may purchase property that is blighted, unsafe, abandoned, foreclosed, or structurally damaged.
- Repeals the tax sale blight registry, and makes conforming amendments.
- Amends the homeowner protection unit account statute to recognize that certain court fees are deposited under current law in that account.

CAREER AND TECHNICAL EDUCATION (SEA 198, PL 230)

Author: Long, R-Fort Wayne

Sponsor: Huston, R-Fishers

- Requires the state board of education to use data from the department of workforce development (DWD) in developing and implementing certain plans, recommendations, and other matters relating to career and technical education.

- Requires the department of education (department) to implement a pilot program for instruction in and use of the Indiana career explorer program and curriculum by all students in grade 8 attending the schools in 15 schools.
- Provides that the pilot program expires July 1, 2018, unless the department determines the pilot program shall be extended until July 1, 2019.
- Provides that beginning on July 1 in the year in which the pilot program expires, each school in a school corporation and each charter school must include in the school's curriculum for all students in grade 8 either: (1) instruction in and use of the Indiana career explorer program and curriculum; or (2) an alternative system and curriculum approved by the department in consultation with the DWD.
- Requires the DWD, with review and approval of the state board of education, to designate each career and technical education program (program) based on specified program designations. Provides that a program must be approved by the DWD in order for a school corporation to receive a career and technical education enrollment grant (grant).
- Specifies the calculation and the amount of a school corporation's grant beginning after June 30, 2018.
- Makes changes to the definitions used to determine grant amounts.
- Provides that each school corporation that receives a grant must report to the department the pupil count and per pupil cost for each program in which the school corporation receives a grant.
- Requires the department to post the school corporation's pupil count and per pupil costs reported to the department on the department's Internet web site.
- Specifies the requirements for the award of a high value workforce ready credit-bearing grant and a high value workforce ready noncredit-bearing grant.
- Adds an applicant who attends or has attended an accredited nonpublic school or a nonaccredited nonpublic school as eligible to receive a high value workforce ready credit-bearing grant.
- Establishes conditions for the renewal of a high value workforce ready credit-bearing grant, and provides alternatives to maintenance of satisfactory academic progress that allow a student to qualify for and renew an adult student grant and a high value workforce ready credit-bearing grant.
- Establishes the maximum period during which a student may receive an adult study grant and a high value workforce ready credit-bearing grant.
- Establishes the high value workforce ready grant program implementation fund, administered by the DWD and the commission for higher education, to award high value workforce ready grants and administer the grant program.
- Requires the DWD to give a veteran or the spouse of a veteran priority for placement in any federal or state employment or training program administered by the DWD if the veteran or the veteran's spouse: (1) submits documentation satisfactory to the DWD establishing the veteran's honorable discharge from service; and (2) meets the eligibility requirements for the program. Establishes an annual reporting requirement to the governor, the legislative council, the state workforce innovation council, and the DWD by state providers of workforce related programs concerning the results of each of those programs.
- Requires the governor's office to develop a comprehensive workforce development plan with assistance of the DWD, the commission for higher education, and the state board of education,

and forward a copy of the report to the legislative council before November 1, 2017. Makes conforming amendments.

WIRELESS SUPPORT STRUCTURES (SEA 213, PL 261)

Author: Hershman, R-Buck Creek

Sponsor: Ober, R-Fort Wayne

Aim COMMENT:

Wireless internet service is viewed by local governments as a tool to promote economic growth. Having access to high speed internet service attracts and retains high tech developments as well as residential property owners. SEA 213 was introduced as a collocation bill, requiring local government to allow wireless equipment to be co-located on existing utility poles and signs, but it was amended to become a local government preemption bill that prohibits locals from regulating the location of wireless support structures and facilities in public right of ways. Aim's primary concern with this bill was giving the telecom industry unfettered access to public right of ways to locate its new structures. Language was added during conference committee to allow locals to regulate placement of poles in areas designated before May 1, 2017 for underground utilities. Even in these designated areas, local governments are still able to grant waivers to allow wireless structures to be located there as long as certain guidelines are met for the protection of property owners.

- Makes the following changes to the statute concerning the local permitting of wireless support structures:
 - (1) Amends the definition of "small cell facility" to: (A) increase the maximum specified antenna volume from three cubic feet to six cubic feet per antenna; (B) eliminate the maximum specified total volume for all antennas; and (C) increase the maximum specified primary equipment enclosure volume from 17 cubic feet to 28 cubic feet.
 - (2) Amends the definition of "utility pole" to: (A) mean a structure that is designed or used for certain specified purposes (versus existing statutory language defining the term to mean a structure that is designed and used for those specified purposes); and (B) include structures designed or used to provide traffic control or signage.
 - (3) Amends the definition of "wireless support structure" to include structures that are capable of supporting (in addition to those designed to support) wireless facilities.
 - (4) Defines the following terms: (A) "Communications service provider". (B) "Micro wireless facility". (C) "Wireless communications service".
 - (5) Prohibits a permit authority from requiring an application or a permit for, or charging fees for: (A) the routine maintenance of wireless facilities; (B) the replacement of wireless facilities with others that are: (i) substantially similar to; or (ii) the same size or smaller than; those being replaced; or (C) the installation, placement, maintenance, or replacement of micro wireless facilities that are suspended on cables strung between existing utility poles in compliance with applicable codes.
 - (6) Provides that with respect to the construction, placement, or use of small cell facilities and associated supporting structures, a permit authority may prohibit the placement of a new utility pole or wireless support structure in a right-of-way within an area that is designated before May 1, 2017, strictly for underground or buried utilities, if certain conditions are met.

- (7) Requires a permit authority to allow a neighborhood association or homeowners association to register with the permit authority to receive notice by United States mail of any application filed with the permit authority for the construction, placement, or use of a small cell facility on one or more new utility poles or one or more new wireless support structures in an area within the jurisdiction of the neighborhood association or homeowners association.
- (8) Provides that with respect to the permitting of small cell facilities and associated supporting structures within: (A) a historic preservation district; (B) a historic preservation area; or (C) an area within the jurisdiction of the Meridian Street preservation commission; a permit authority may apply any generally applicable procedures that require applicants to obtain a certificate of appropriateness.
- (9) Specifies that an applicant for the placement of a small cell facility and an associated supporting structure shall comply with applicable Federal Communications Commission (FCC) requirements and industry standards for identifying the owner's name and contact information.
- (10) Provides that the placement of a small cell facility and an associated supporting structure in the public right-of-way is considered a permitted use and is exempt from local zoning review if the height of the supporting structure does not exceed the greater of: (A) 50 feet measured from grade; or (B) the height of any utility pole in place on July 1, 2017, and within 500 feet of the proposed small cell facility, plus 10 feet.
- (11) Sets forth limits for application fees for a permit for the construction, placement, or use of small cell facilities.
- (12) Allows a permit authority to propose, as an alternative location for a proposed small cell facility at a location where a supporting structure does not exist, that the small cell facility be collocated on an existing utility pole or wireless support structure if the existing utility pole or wireless support structure is located within 50 feet of the location proposed in the application.
- (13) Provides that for an application for the construction, placement, or use of a small cell facility and the associated supporting structure, a permit authority has 60 days to approve or deny the application but shall otherwise follow the application procedures that apply to collocation permit applications under the statute.
- (14) Prohibits a permit authority from taking certain specified actions with respect to the construction, placement, or use of small cell facilities and the associated supporting structures.
- (15) Specifies that a permit authority is not prohibited from applying a reasonable and generally applicable safety regulation to the construction, placement, or use of small cell facilities and associated supporting structures in the public right-of-way.
- (16) With respect to the construction, placement, or use of small cell facilities on a utility pole owned or controlled by a governmental unit, sets forth certain requirements with which the unit must comply and certain actions that the unit is prohibited from taking, including a prohibition against the unit or a utility owned by the unit imposing a rental or other recurring fee for small cell facilities that are strung or located between utility poles if one or more of the utility poles has an associated attachment for which a rental rate is charged.

- (17) Provides that a unit may impose additional terms and conditions for the construction, placement, or use of small cell facilities on utility poles owned or controlled by the unit if the terms and conditions are: (A) consistent with the bill's requirements; (B) reasonable; (C) nondiscriminatory; and (D) generally applicable.
- (18) Specifies that the bill's provisions do not: (A) authorize the collocation of small cell facilities on privately owned utility poles, wireless support structures, or property without the consent of the property owner; (B) affect the duty of an entity seeking to place a small cell facility on a utility pole or wireless support structure owned, controlled, or operated by a public utility to obtain from the utility any necessary authority for the placement; or (C) affect the authority of a public utility that owns, controls, or operates a utility pole or wireless support structure with respect to the use of or attachment to the utility pole or wireless support structure, consistent with federal law and FCC decisions and rules.

INDIANA HOUSING FIRST PROGRAM (SEA 242, PL 103)

Author: Merritt, R-Indianapolis

Sponsor: Frizzell, R-Indianapolis

- Establishes the Indiana housing first program (program) to provide housing and support services for eligible persons that have: (1) a serious and persistent mental illness; (2) a chronic chemical addiction; or (3) serious and persistent mental illness with a co-occurring chronic chemical addiction.
- Requires the housing and community development authority (authority) to administer the program.
- Requires the authority to establish, not later than January 1, 2018, policies and procedures to implement and administer the program.
- Provides that the policies and procedures must ensure the program does the following along with other requirements: (1) Includes partnerships with private and public entities to provide support services and a continuum of care for program participants. (2) Provide for program rental assistance for use in dedicated supportive housing units and in existing market units in the community. (3) Include a plan for the: (A) initial leasing of; and (B) management of rental assistance for; supportive housing developed under the program.
- Provides that in establishing the required policies and procedures, the authority may collaborate with or seek guidance from: (1) other appropriate state agencies; (2) officials in other states or municipalities that have implemented housing first programs; and (3) other specified public or private entities.
- Establishes the Indiana housing first account within the state general fund to provide funds to provide housing and support services to eligible persons under the program.
- Allows the authority to adopt rules to establish the policies and procedures to implement and administer the program. Provides that the Indiana commission to combat drug abuse may award grants to the authority for the purposes of the program.

LAND BANKS (SEA 310, PL 110)

Author: Hershman, R-Buck Creek

Sponsor: VanNatter, R-Kokomo

- Allows a county fiscal body to adopt an ordinance authorizing a deduction for property transferred from a land bank.
- Allows a county fiscal body to adopt an ordinance authorizing the allocation of property tax revenue collected with respect to transferred properties to the transferring entities.
- Authorizes a third class city to which the unsafe building law applies to establish a land bank to manage and improve the marketability of distressed real property in the city.
- Establishes memberships on the land bank board of a third class city.

ECONOMIC DEVELOPMENT (SEA 507, PL 237)

Author: Head, R-Logansport

Sponsor: Torr, R-Carmel

- Repeals the statute establishing the emerging technology grant fund.
- Repeals the statute that authorized the Indiana finance authority to issue bonds before July 1, 2011, for the Indiana twenty first century research and technology fund.
- Repeals the Indiana regional city fund statute, and transfers the provisions in that statute to the Indiana regional cities development fund statute.
- Eliminates the strategic review committee under the regional cities program, and assigns its duties to the board of the Indiana economic development corporation (IEDC).
- Authorizes the governor to appoint up to three additional members to the IEDC board. Eliminates the provision allowing the IEDC board to determine that part of a grant or loan under the regional cities program that shall be made from the environmental remediation revolving loan fund.
- Provides that in addition to applications for grants and loans from the Indiana regional cities development fund, a development authority may also submit an application to the IEDC for review and approval of the entity's development plan without applying for a grant or loan.
- Eliminates the expiration provisions in current law for the following tax credits: (1) The venture capital investment tax credit. (2) The Hoosier business investment tax credit. Repeals the statute authorizing the establishment of the twenty-first century research and technology fund grant office.
- Repeals the current statute concerning trademarks for use on Indiana products and relocates it within the statutes governing the IEDC.
- Changes the name of the training 2000 fund to the skills enhancement fund.
- Repeals the statute establishing the office of small business and entrepreneurship.
- Transfers duties related to small businesses from the office of small business and entrepreneurship to the IEDC.
- Provides that the IEDC designates the small business ombudsman.
- Extends the motorsports improvement program through June 30, 2019, eliminates the grant limits, and provides grants for the New Castle Motorsports Park and the Winchester Speedway.
- Provides that the IEDC board may engage an independent certified public accounting firm to conduct an examination of the IEDC and the IEDC's funds, accounts, and financial affairs and the IEDC's nonprofit subsidiary corporation if: (1) an independent certified public accounting firm

conducts an examination; (2) the IEDC submits the examination report to the state board of accounts; and (3) the state board of accounts reviews the examination report and determines that the examination and examination report comply with the uniform compliance guidelines, directives, and standards established by the state board of accounts.

- Provides that notwithstanding such a waiver, the state board of accounts may examine the IEDC and the nonprofit subsidiary corporation at any time.
- Adds committees appointed by the IEDC board to the list of committees that may meet electronically without having the greater of two members or 1/3 of the members physically present.
- Specifies that the IEDC shall submit the quarterly and annual reports concerning the Indiana twenty-first century research and technology fund to both the budget committee and the legislative council. Eliminates the requirement that the IEDC must submit a semiannual report.
- Deletes the provision in current law that requires each county or municipal economic development commission to file a copy of its annual report with the IEDC. (Under current law, these annual reports are filed with both the IEDC and the fiscal body that the economic development commission serves.)
- Specifies the information that these reports must contain.
- Provides that the office of management and budget may waive the requirement that a certified public accountant perform an annual financial audit of a regional development authority established under the general redevelopment authority law if that regional development authority certifies that it had no financial activity during the year.

ENTREPRENEUR AND ENTERPRISE DISTRICTS (SEA 514, PL 238)

Author: Hershman, R-Buck Creek

Sponsor: Siegrist, R-West Lafayette

- Establishes the entrepreneur and enterprise district pilot program (program).
- Provides that an entrepreneur and enterprise district (district) may be established in: (1) the city of Lafayette; and (2) the city of Fort Wayne.
- Specifies the conditions that must be satisfied before an area may be designated as a district.
- Specifies that the mayor of a city in which a district is established must designate the board of directors of the district by doing one of the following: (1) Designate the urban enterprise association in that city as the board of directors of the district. (2) Appoint a board of directors of the district consisting of seven members selected by the mayor and the fiscal body of the city.
- Provides that a district expires on the earlier of: (1) five years after the establishment of the district; or (2) December 31, 2022.
- Requires a district board to present a written report each year to the legislative body of the qualified municipality that established the district. Provides that the Indiana economic development corporation (IEDC) may make grants from the Indiana twenty-first century research and technology fund (fund) to district boards established in the city of Lafayette and the city of Fort Wayne.
- Provides that the IEDC may allocate \$2,000,000 of the total amount held within the fund during each state fiscal year beginning after June 30, 2017, and ending before July 1, 2022, for the purposes of making grants to district boards in the city of Lafayette and the city of Fort Wayne.

- Provides that the grant amount from the fund for each city during a state fiscal year may not exceed \$1,000,000.
- Provides that the grant money must be used for programs that support entrepreneurship, small business development, technology development, and innovation.
- Provides for the following incentives for district businesses that meet certain conditions: (1) An exclusion from the 30% valuation floor for depreciable personal property. (2) A property tax deduction for certain investment in a district. (3) A property tax abatement deduction for vacant buildings in a district. Provides that a taxpayer is not entitled to receive any of the following: (1) An enterprise zone loan interest credit for interest received on a loan made after December 31, 2017. (2) An enterprise zone investment cost credit for a qualified investment made after December 31, 2017.

Courts

MARION COUNTY JUDICIAL SELECTION (HEA 1036, PL 245)

Author: Steuerwald, R-Danville

Sponsor: Merritt, R-Indianapolis

- Provides for the selection of Marion superior court (court) judges. Establishes the 14 member Marion County judicial selection committee (committee).
- Provides that, when the committee learns of a vacancy on the court, the committee follows certain procedures that conclude in the committee sending the names of three nominees to the governor.
- Requires the governor to appoint one of the nominees as judge to fill the vacancy within 60 days, and specifies that the chairperson of the committee makes the appointment if the governor does not appoint a nominee within 60 days.
- Provides that, at the end of a judge's term on the court, the judge may have the question of the judge's retention on the court placed on the general election ballot.
- Provides that, before a judge may stand for retention, the judge must appear before the committee to allow the committee to issue a recommendation to voters concerning the judge's qualifications and suitability to continue to hold judicial office.
- Requires that the judge's retention on the court must be approved or rejected by the electorate of Marion County. Makes a technical correction.

COUNTY MAGISTRATES (HEA 1053, PL 129)

Author: Eberhart, R-Shelbyville

Sponsor: Crider, R-Greenfield

- Allows the Clark County circuit court to appoint four full-time magistrates.
- Allows the Shelby County circuit and superior courts to appoint a full-time magistrate.
- Allows the Marion County superior courts to appoint 20 full-time magistrates after December 31, 2017, not more than ten of whom may be from the same political party.

BAIL AGENT LICENSE RENEWAL AND BOND FORFEITURE (HEA 1137, PL 187)

Author: Frizzell, R-Indianapolis

Sponsor: M. Young, R-Indianapolis

- Decreases the bail agent renewal fee from \$600 to \$300.
- Requires forfeiture, not earlier than 120 days or later than 365 days after the defendant's failure to appear, of a bond executed through cash or securities deposited with the clerk of court. (Current law requires forfeiture not earlier than 120 days after failure to appear.)
- Provides that the supreme court should adopt rules to establish the Indiana pretrial risk assessment system before January 1, 2020, to assist courts in assessing an arrestee's likelihood of: (1) committing a new criminal offense; or (2) failing to appear.

JUVENILE JUSTICE (HEA 1218, PL 86)

Author: McNamara, R-Evansville

Sponsor: Head, R-Logansport

- Adds additional members to a community corrections advisory board. Allows an application for a state grant for a community corrections program for juveniles to be made to the department of correction division of youth services.
- Provides that a child who was: (1) the victim of human trafficking; and (2) adjudicated a delinquent child for an act performed while a victim of human trafficking and the delinquent act was a result of human trafficking; is entitled to have the adjudication expunged.
- Specifies that expunged electronic records must be stored in a secure data base.
- Permits the department of correction to award funding to a court appointed forensic advocate program.
- Provides that a person who was: (1) the victim of human trafficking; and (2) convicted of a nonviolent offense committed while the person was being trafficked; is entitled to have the person's conviction vacated if certain conditions are met.
- Provides that prostitution is a criminal offense only if committed by a person who is at least 18 years of age. Defines "juvenile prostitution."
- Provides that a person less than 18 years of age who is engaged in juvenile prostitution is considered a victim of juvenile prostitution and human or sexual trafficking.
- Adds juvenile prostitution to offenses involving prostitution in human trafficking crimes and the crimes of visiting a common nuisance and promoting prostitution. Makes technical corrections.

TRAFFIC AMNESTY PROGRAM (HEA 1268, PL 18)

Author: Shackelford, D-Indianapolis

Sponsor: Head, R-Logansport

- Urges the legislative council to assign to the appropriate study committee the topic of studying a traffic amnesty program to permit certain persons owing unpaid traffic fines, or who may be required to pay a fee for driver's license reinstatement, to obtain a reduction in the amount owed or amount payable.

PRO BONO LEGAL SERVICES FEE (SEA 42, PL 39)

Author: Grooms, R- Jeffersonville

Sponsor: Clere, R-New Albany

- Postpones the current sunset provision for the pro bono legal services fee from July 1, 2017, to July 1, 2022. Makes conforming amendments.

PLAN FOR THE PERMANENT PLACEMENT OF A CHILD (SEA 49, PL 42)

Author: Glick, R-LaGrange

Sponsor: Zent, R-Angola

- Requires that a permanency plan is filed simultaneously with a petition for termination of a parent-child relationship.

DRUG OR ALCOHOL SCREENING TESTS (SEA 55, PL 43)

Author: Bray, R-Martinsville

Sponsor: McNamara, R-Evansville

- Expands the definition of "drug or alcohol screening test" for purposes of the criminal law governing forgery, fraud, and other deceptions to include testing that is ordered by a court as part of a civil action.

PLEA AGREEMENTS AND SENTENCING (SEA 120, PL 50)

Author: Koch, R-Bedford

Sponsor: Steuerwald, R-Danville

- Removes a provision excluding a plea agreement, a presentence report, and hearings on a plea agreement from the official record of a case unless the plea agreement is accepted by the court.
- Removes a provision requiring that a trial court advise a convicted defendant of the earliest release date and the maximum possible release date at the time the court pronounces the defendant's sentence, and requires the court to advise certain convicted defendants of the number of days the defendant served while awaiting trial and sentencing.

VALUE OF PROPERTY (SEA 190, PL 166)

Author: M. Young, R-Indianapolis

Sponsor: Washburne, R-Evansville

- Provides that, with respect to an offense with a penalty that may be enhanced due to the value of the property involved in the offense: (1) if the offense is committed within a 30 day period all offenses may be charged in a single count; and (2) if the offenses are charged in a single count, the value of the property involved in the offenses may be aggregated.

DNA FOR FELONY ARRESTEES (SEA 322, PL 111)

Author: Houchin, R- Salem

Sponsor: Steuerwald, R-Danville

- Requires every person arrested for a felony after December 31, 2017, to submit a DNA sample, and specifies that the sample may be obtained only by buccal swab.
- Provides that the DNA sample may not be shipped for DNA identification unless the arrestee was arrested pursuant to a felony arrest warrant or a court has found probable cause for the felony arrest. Provides for removal of a DNA sample from the data base if: (1) the person is acquitted of all felony charges or the charges are converted to misdemeanors; (2) all felony charges against the person are dismissed; or (3) no felony charges are filed against the person within 365 days.
- Requires the officer who obtains a DNA sample from a person to inform the person of the right to DNA removal and to provide the person with instructions and a form that may be used for DNA removal.
- Provides that a person who knowingly or intentionally disseminates, receives, or otherwise uses information in the DNA data base for a purpose other than authorized by law commits a Level 6 felony.

- Increases the DNA sample processing fee from \$2 to \$3.
- Amends distribution percentages to hold harmless all funds and to provide an additional amount to the DNA processing fund.
- Specifies that the discovery of DNA evidence tending to show previously unknown crimes committed by a person on bail may lead to revocation of bail or an increase in the amount of bail.

ANIMAL PROTECTIVE ORDERS AND WIRELESS SERVICE PROVIDERS (SEA 323, PL 112)

Author: Houchin, R- Salem

Sponsor: McNamara, R-Evansville

- Allows a court to grant an order of protection to: (1) grant possession and care of an animal to a petitioner; (2) prohibit a respondent from taking action against the animal; and (3) direct a law enforcement officer to accompany the petitioner to retrieve the animal.
- Allows a court to include the transfer of wireless telephone numbers and accounts as part of an order for protection.

MOTOR VEHICLE RELATED OFFENSES (SEA 479, PL 123)

Author: Koch, R-Bedford

Sponsor: J. Young, R-Franklin

- Provides that a person who commits a Class A misdemeanor or a felony by failing to comply with the duties of the operator of a motor vehicle involved in an accident commits a separate offense for each person whose serious bodily injury or death is caused by the person's failure to comply with those duties.
- Provides that it is a Level 4 felony (instead of a Level 5 felony) for a vehicle operator to cause the death of another person when: (1) the vehicle operator's blood or breath has a certain alcohol concentration; (2) the vehicle operator's blood contains a controlled substance or its metabolite; or (3) the vehicle operator is intoxicated; if, in addition, the vehicle operator causes the death of the other person when the driving privileges of the vehicle operator are suspended under the habitual traffic violator law.
- Permits a court to impose consecutive terms of imprisonment on a person who commits multiple offenses of failing to comply with the duties of the operator of a motor vehicle involved in an accident resulting in serious bodily injury or death, and that the consecutive terms are not subject to certain sentencing limitations that otherwise apply.

Criminal Code Changes

[COMMITMENT TO THE DOC FOR A LEVEL 6 FELONY \(HEA 1010, PL 7\)](#)

Author: Steuerwald, R-Danville

Sponsor: M. Young, R-Indianapolis

- Amends the law limiting the circumstances under which a person convicted of a Level 6 felony can be committed to the department of correction (DOC).
- Provides that a person convicted of a Level 6 felony can be committed to the DOC if: (1) the commitment is due to the revocation of the person's sentence for violating probation, parole, or community corrections and the revocation of the person's sentence is due to a new criminal offense; or (2) the person is convicted of a Level 6 felony and the sentence for that felony is ordered to be served consecutively to the sentence for another felony.

[CONTROLLED SUBSTANCES \(HEA 1019, PL 8\)](#)

Author: Ellington, R-Bloomington

Sponsor: Merritt, R-Indianapolis

- Adds the substance U-47700 to Schedule I. Adds Etizolam to Schedule I. Adds the chemical description of buphedrone.

[CODE REVISION CORRECTIONS \(HEA 1020, PL 9\)](#)

Author: Washburne, R-Evansville

Sponsor: M. Young, R-Indianapolis

- Updates the list of criminal statutes codified outside IC 35. Makes no substantive change to law. (The introduced version of this bill was prepared by the code revision commission.)

[HABITUAL OFFENDER REQUIREMENTS \(HEA 1064, PL 12\)](#)

Author: Steuerwald, R-Danville

Sponsor: Head, R-Logansport

- Provides that to be sentenced as a habitual offender (other than for a conviction of a Level 1 through Level 4 felony or murder), a person must have accumulated at least one of the required number of prior unrelated felony convictions within 10 years of accumulating the current offense.

[ANNUAL REPORT ON CRIMINAL CODE REFORM \(HEA 1065, PL 26\)](#)

Author: Steuerwald, R-Danville

Sponsor: M. Young, R-Indianapolis

- Requires the Indiana criminal justice institute to prepare its annual report for the governor and the legislative council before December 1 of each year (instead of July 1 of each year).

[ACCESSING CHILD PORNOGRAPHY \(HEA 1091, PL 132\)](#)

Author: Washburne, R-Evansville

Sponsor: Tomes, R-Wadesville

- Makes it a Level 6 felony to access with intent to view a photograph or other pictorial representation that depicts or describes sexual conduct by a child who the person knows is less than 18 years of age or who appears to be less than 18 years of age.

[ADULTERANT AND SYNTHETIC URINE BAN \(HEA 1104, PL 134\)](#)

Author: Beumer, R-Winchester

Sponsor: Merritt, R-Indianapolis

- Defines "adulterant" and "synthetic urine". Provides distributing synthetic urine or an adulterant with the intent to assist a person in defrauding a drug screen is a misdemeanor.

[REHABILITATION PROGRESS AND RECIDIVISM REPORTING \(HEA 1349, PL 151\)](#)

Author: Steuerwald, R-Danville

Sponsor: M. Young, R-Indianapolis

- Provides that any entity in receipt of funds: (1) recommended by the justice reinvestment advisory council; and (2) appropriated by the department of correction; must provide certain statistics related to recidivism, rehabilitation, supervision, and treatment. Defines certain terms.
- Urges the legislative council to assign to a study committee the topic of the implementation of HEA 1006-2014. Makes conforming amendments.

[CRIMINAL OFFENSES \(HEA 1406, PL 252\)](#)

Author: Washburne, R-Evansville

Sponsor: Koch, R-Bedford

- Provides that a person who knowingly or intentionally manufactures or finances the manufacture of methamphetamine commits manufacturing methamphetamine, a Level 4 felony.
- Specifies circumstances under which the crime is a Level 3 or Level 2 felony.
- Provides that the crime of strangulation includes application of pressure to a victim's torso, and increases the penalty to a Level 5 felony if it is knowingly committed against a pregnant woman.
- Provides that a person commits controlled substances criminal mischief if the person damages property while manufacturing or dealing in a controlled substance. (Under current law, the statute applies only to certain controlled substances.)
- Creates an enhancement to obstruction of justice if a person interferes with a witness during the investigation or pendency of a domestic violence or child abuse case. Increases the penalty for receiving stolen auto parts if the person has a prior conviction for this offense or for auto theft.
- Defines "drug related felony", and requires the division of state court administration to report certain drug related felonies to the National Precursor Log Exchange (NPLeX) so that NPLeX can generate a stop sale alert to prevent individuals with drug related felonies from purchasing ephedrine or pseudoephedrine.
- Provides that the offense of possession of a precursor by a methamphetamine offender (which prohibits the possession of pseudoephedrine or ephedrine without a prescription by persons convicted of certain offenses) applies to a person who has been convicted of a drug related felony.

- Makes cemetery mischief: (1) a Class A misdemeanor if the pecuniary loss is less than \$750; (2) a Level 6 felony if the pecuniary loss is at least \$750 but less than \$50,000; and (3) a Level 5 felony if the pecuniary loss is at least \$50,000.
- Increases the penalty for contributing to the delinquency of a minor: (1) to a felony of the same level as the delinquent act committed by the child, if the child commits an act that would be a felony if committed by an adult; and (2) to a felony one level higher than the level that the delinquent act would be if committed by an adult, with the exception of murder or a Level 1 felony, if the person who commits the offense is at least 21 years of age, the child is less than 16 years of age, and the child commits a delinquent act that would be a misdemeanor or felony if committed by an adult.
- Establishes sentence enhancements applicable if a certain quantity of heroin is sold within a 90 day period. Makes dealing in heroin as a Level 2 or Level 3 felony nonsuspendible if the person has a prior felony conviction.

TELECOMMUNICATIONS (HEA 1444, PL 153)

Author: Judy, R-Columbia City

Sponsor: Zay, R-Huntington

- Specifies that a person that controls, directly or indirectly, a person that violates certain requirements concerning unlawful telephone solicitation (the "do not call" statute) is equally liable for the violation.
- Defines "caller" for purposes of the "do not call" statute. Defines "pecuniary loss" for purposes of an offense against computer users, and increases the penalty for an offense against computer users (including "ransomware" attacks) based on the pecuniary loss.
- Specifies that certain offenses against computer users are deceptive acts actionable by the attorney general.

PHARMACIES AND PHARMACISTS (HEA 1540, PL 202)

Author: Davisson, R-Salem

Sponsor: Grooms, R- Jeffersonville

- Allows the state health commissioner or a designated public health authority who is a licensed prescriber to issue a statewide standing order, prescription, or protocol that allows a pharmacist to administer or dispense a smoking cessation product.
- Requires that the standing order, prescription, or protocol be posted on the Internet web site of the board of pharmacy (board).
- Allows: (1) more than four members of the same political party; and (2) individuals who are full-time members or professors at a school of pharmacy; to serve on the board.
- Allows the board to adopt emergency rules concerning pharmacies that perform compounding.
- Removes the requirement that a pharmacy permit and pharmacist's license be prominently displayed at the pharmacy.
- Removes the requirement that a prescriber be notified when there is a change in the quantity filled of certain prescriptions.
- Adds the following immunizations to the list of immunizations that pharmacists may administer if certain conditions are met: (1) Measles, mumps, and rubella. (2) Varicella. (3) Hepatitis A. (4)

Hepatitis B. (5) Haemophilus influenzae type b (Hib). Allows a pharmacist to administer pneumonia immunizations to individuals who are at least 50 years of age.

- Requires a pharmacist to comply with the public health emergency consent requirements for immunizations administered during a public health emergency.
- Authorizes a pharmacist to administer immunizations under a standing order, prescription, or protocol of the state health commissioner. Defines "patient care", "remote dispensing facilities" and "telepharmacy" for purposes of the laws concerning remote dispensing facilities.
- Establishes a registration for pharmacy remote dispensing facilities and sets forth requirements for the registration.
- Makes various changes to the laws concerning drug regimens and the use of protocols. Requires that a health insurance policy and a health maintenance organization contract that provide coverage for prescription medications must provide for synchronized refill schedule coordination for prescription medications for chronic conditions.
- Provides that the taking of a controlled substance from: (1) a pharmacist acting in an official capacity; or (2) a pharmacy; is robbery, a Level 4 felony.
- Provides that: (1) the use of a deadly weapon; or (2) causing bodily injury to any person other than the defendant; during the robbery of: (A) a pharmacist acting in an official capacity; or (B) a pharmacy; is a Level 2 felony. Provides that causing serious bodily injury to any person other than the defendant during a robbery of: (1) a pharmacist acting in an official capacity; or (2) a pharmacy; is a Level 1 felony.

LIFETIME PAROLE (SEA 38, PL 95)

Author: Zakas, R-Elkhart

Sponsor: J. Young, R-Franklin

- Requires a sexually violent predator released on lifetime parole to be placed on 24 hour GPS monitoring, subject to a sex offender risk assessment and funds specifically appropriated to the department of correction for this purpose. Requires the parole board to inform the county sheriff and prosecuting attorney: (1) that an offender has been placed on lifetime parole; and (2) whether the offender is required to wear a GPS monitoring device as a condition of parole.
- Provides that a person placed on lifetime parole who violates a condition of parole involving a child or a victim commits criminal parole violation by a sexual predator. (Under current law, a person commits the offense only if the person has two previous parole violations or if the person has completely served the person's sentence.)
- Prohibits a sex or violent offender from expunging a misdemeanor conviction.

PATRONIZING A PROSTITUTE (SEA 100, PL 48)

Author: Bray, R-Martinsville

Sponsor: Mayfield, R-Martinsville

- Renames the crime of patronizing a prostitute as making an unlawful proposition.

PLEA AGREEMENTS AND SENTENCING (SEA 120, PL 50)

Author: Koch, R-Bedford

Sponsor: Steuerwald, R-Danville

- Removes a provision excluding a plea agreement, a presentence report, and hearings on a plea agreement from the official record of a case unless the plea agreement is accepted by the court.
- Removes a provision requiring that a trial court advise a convicted defendant of the earliest release date and the maximum possible release date at the time the court pronounces the defendant's sentence, and requires the court to advise certain convicted defendants of the number of days the defendant served while awaiting trial and sentencing.

VALUE OF PROPERTY (SEA 190, PL 166)

Author: M. Young, R-Indianapolis

Sponsor: Washburne, R-Evansville

- Provides that, with respect to an offense with a penalty that may be enhanced due to the value of the property involved in the offense: (1) if the offense is committed within a 30 day period all offenses may be charged in a single count; and (2) if the offenses are charged in a single count, the value of the property involved in the offenses may be aggregated.

PYRAMID PROMOTIONAL SCHEMES (SEA 283, PL 105)

Author: Messmer, R-Jasper

Sponsor: Lehman, R-Berne

- Removes references to pyramid promotional schemes in the deceptive consumer sales law and addresses pyramid promotional schemes in a separate law.
- Provides that a person may not establish, promote, operate, or participate in a pyramid promotional scheme.
- Specifies the enforcement powers of the attorney general with respect to a person who establishes, operates, or promotes a pyramid promotional scheme.
- Provides for a private cause of action for a consumer deceived by a pyramid promotional scheme.
- Provides that, in certain circumstances, the burden of showing that a person benefitted from a pyramid scheme lies with the plan or operation or a person involved with the plan or operation.
- Increases the maximum amount of a civil penalty that may be imposed upon a pyramid promotional scheme to \$10,000.
- Prescribes a rule of construction and its application to certain marketing operations.

OFFENSES INVOLVING UNMANNED AERIAL VEHICLES (SEA 299, PL 107)

Author: Koch, R-Bedford

Sponsor: Washburne, R-Evansville

- Amends the definition of "unmanned aerial vehicle" to specify that the term includes: (1) an unmanned aircraft and an unmanned aircraft system; and (2) a small unmanned aircraft and a small unmanned aircraft system; all as defined in federal law.

- Creates the following new criminal offenses involving the use of an unmanned aerial vehicle as Class A misdemeanors: (1) Sex offender unmanned aerial vehicle offense. (2) Public safety remote aerial interference. (3) Remote aerial voyeurism. (4) Remote aerial harassment.
- Provides that the offenses are Level 6 felonies if the accused person has a prior unrelated conviction for the same offense.
- Provides that it is not a defense to a prosecution for invasion of privacy that the accused person used or operated an unmanned aerial vehicle in committing the violation.

ADOPTION MATTERS (SEA 332, PL 113)

Author: Zakas, R-Elkhart

Sponsor: Olthoff, R-Crown Point

- Amends provisions regarding adoption notices. Provides that a consent to an adoption is not required from the biological father of a child born out of wedlock who was conceived as a result of a crime in any jurisdiction in which the elements of the crime are substantially similar to certain crimes under Indiana law.
- Amends provisions regarding: (1) when a putative father is not entitled to establish paternity; and (2) postadoption contact privileges.
- Prohibits any person from challenging an adoption decree after the expiration period. Makes the following changes to the crime of profiting from an adoption: (1) Provides that the crime does not apply if the birth mother is not a resident of Indiana and the adoption takes place outside of Indiana. (2) Increases, from \$3,000 to \$4,000, the allowable payments for certain costs and expenses.
- Prohibits the state department of health from processing a birth certificate with respect to a record for adoption unless certain fees have been paid and the report summarizing the available medical, psychological, and educational records concerning the birth parents has been submitted to the state department of health.
- Increases the penalty for adoption deception from a Class A misdemeanor to a Level 6 felony. Increases the penalty for unauthorized adoption advertising from a Class A misdemeanor to a Level 6 felony.
- Exempts the Indiana department of child services and federal agencies from the criminal statute pertaining to unauthorized adoption advertising.

POSSESSION OF A FIREARM BY AN ILLEGAL ALIEN (SEA 344, PL 63)

Author: M. Young, R-Indianapolis

Sponsor: Lucas, R-Seymour

- Provides that an alien who is illegally or unlawfully present in the United States and knowingly or intentionally possesses a firearm commits unlawful possession of a firearm by an alien, a Level 6 felony.

LOW LEVEL OFFENSES (SEA 425, PL 234)

Author: M. Young, R-Indianapolis

Sponsor: Frizzell, R-Indianapolis

- Makes the penalty for crimes concerning certain election filings a Class A misdemeanor. (Under current law, the offenses are Level 6 felonies.)
- Reduces several crimes concerning elections from Level 6 felonies to Class C infractions, and removes a provision prohibiting the possession of a pencil outside a polling area.
- Permits an alcoholic beverage retailer or dealer to: (1) accept credit cards; and (2) extend credit to a consumer if the amount owed is paid before the consumer leaves the premises.

MOTOR VEHICLE RELATED OFFENSES (SEA 479, PL 123)

Author: Koch, R-Bedford

Sponsor: J. Young, R-Franklin

- Provides that a person who commits a Class A misdemeanor or a felony by failing to comply with the duties of the operator of a motor vehicle involved in an accident commits a separate offense for each person whose serious bodily injury or death is caused by the person's failure to comply with those duties.
- Provides that it is a Level 4 felony (instead of a Level 5 felony) for a vehicle operator to cause the death of another person when: (1) the vehicle operator's blood or breath has a certain alcohol concentration; (2) the vehicle operator's blood contains a controlled substance or its metabolite; or (3) the vehicle operator is intoxicated; if, in addition, the vehicle operator causes the death of the other person when the driving privileges of the vehicle operator are suspended under the habitual traffic violator law.
- Permits a court to impose consecutive terms of imprisonment on a person who commits multiple offenses of failing to comply with the duties of the operator of a motor vehicle involved in an accident resulting in serious bodily injury or death, and that the consecutive terms are not subject to certain sentencing limitations that otherwise apply.

Environmental

[TRANSBORDER WATER RESOURCES AUTHORITY \(HEA 1211, PL 142\)](#)

Author: Stemler, D- Jeffersonville

Sponsor: Charbonneau, R-Valparaiso

- Establishes the transborder water resources authority (authority) as a body consisting of four members of the general assembly, four ex officio members, and four individuals appointed by the governor. Requires the authority to: (1) study the subject of ownership rights in one or more transborder water resources shared by Indiana and other states; (2) explore the desirability of entering into interstate compacts with other states concerning the mutually fair and prudent use of transborder water resources shared by Indiana and the other states; and (3) make recommendations concerning the content of any such interstate compact.
- Authorizes the authority to provide a forum for the discussion, study, and evaluation of issues concerning transborder water resources and to facilitate and foster cooperative planning and coordinated management of transborder water resources.
- Provides that the authority may invite the governor, government officials, or other individuals from a state with which Indiana shares a transborder water resource to: (1) attend the authority's meetings; and (2) advise the authority, upon the authority's request.
- Requires the authority to report annually on its activities.
- Provides that the authority expires July 1, 2022.

[REGULATION OF COAL COMBUSTION RESIDUALS \(HEA 1230, PL 1\)](#)

Author: Wolkins, R-Winona Lake

Sponsor: Bassler, R-Washington

- Authorizes the environmental rules board to adopt rules consistent with the regulations of the United States Environmental Protection Agency concerning standards for the disposal of coal combustion residuals in landfills and surface impoundments.

[STORAGE OF AGRICULTURAL AMMONIA \(HEA 1234, PL 143\)](#)

Author: Lehe, R-Brookston

Sponsor: Leising, R-Oldenburg

- Provides for the regulation by the state chemist of facilities for the storage of ammonia or ammonia solutions. Defines "ammonia" to mean anhydrous ammonia that is intended for use as a fertilizer for agricultural purposes.
- Defines "facility for the storage of ammonia or ammonia solutions" as a facility in which ammonia or ammonia solutions are: (1) stored by a person that manufactures or distributes ammonia or ammonia solutions; (2) stored in stationary containers; or (3) stored in mobile containers for more than 30 days in a calendar year. Prohibits the installation of a facility for the storage of ammonia or ammonia solutions unless the state chemist has issued written approval of the location of the proposed facility.
- Provides for the inspection by the state chemist of facilities for the storage of ammonia or ammonia solutions.

- Authorizes the state chemist to deny, suspend, revoke, or amend a certificate issued under the law regulating commercial fertilizers for a violation of the law regulating agricultural ammonia. Authorizes the state chemist to request the issuance of subpoenas to compel the attendance of witnesses or the production of books or records as part of an investigation concerning a registration under the law regulating commercial fertilizers.

LEAD AND ARSENIC SOIL CONTAMINATION IN EAST CHICAGO (HEA 1344, PL 88)

Author: Harris, D-East Chicago

Sponsor: Charbonneau, R-Valparaiso

- Defines "East Chicago area of special concern" to refer to the areas of the city of East Chicago in which lead or arsenic has been discovered in the soil through testing or in which the presence of lead or arsenic in the soil is probable.
- Encourages the department of environmental management (IDEM) to cooperate with and provide assistance to the United States Environmental Protection Agency (EPA) in the sampling, excavation, and removal of contaminated soil and restoration work in the East Chicago area of special concern.
- Requires the Indiana housing and community development authority to cooperate with and provide assistance to the United States Department of Housing and Urban Development in the relocation of residents of the East Chicago area of special concern to other residential areas.
- Requires the state agencies and, if necessary, the attorney general to collect from the EPA the reasonable costs incurred by the state agencies in providing the assistance.
- Requires IDEM to conduct testing of the water supply for East Chicago to determine whether it is in compliance with the national primary drinking water regulations for lead.

ENVIRONMENTAL MANAGEMENT (HEA 1495, PL 200)

Author: Wolkins, R-Winona Lake

Sponsor: Bassler, R-Washington

- Authorizes an ex officio advisory member of the Indiana recycling market development board to designate a representative to serve in an advisory capacity when the ex officio member is unable to attend a board meeting.
- Amends the law concerning certain facilities for the composting of vegetative matter to require that the facilities be designed and operated to prevent contamination from stormwater and leachate runoff and to require the use of controls at the facilities for ground water or surface water contamination, dust, odor, and noise.
- Amends the law on the recycling of electronic waste: (1) to require manufacturers of video display devices to submit an annual registration to the department of environmental management (department) not later than March 1 of each year and to report to the department not later than March 1 of each year the total weight in pounds of covered electronic devices that the manufacturers collected and recycled during the previous program year; and (2) to require collectors and registered recyclers of covered electronic devices to submit annual registrations to the department not later than March 1 of each year.
- Provides that, in determining how much a claimant will be paid from the underground petroleum storage tank excess liability trust fund (ELTF) in connection with an eligible release discovered on

or after July 1, 2016, the amount otherwise available from the fund shall be reduced by the amount of all annual registration fees for tanks located at the facility from which the release occurred that were due in 2014 or later and that have not been paid.

- Authorizes payment from the ELTF to reimburse a claimant for compensation paid by the claimant to technicians for services performed in preparation of the claimant's ELTF claim.
- Provides for the underground storage tank financial assurance board to include one member who represents an environmental consulting firm that performs work involving underground storage tank corrective actions.
- Amends the law concerning regional water, sewage, and solid waste districts to eliminate a provision under which a contract providing for a governmental or private body to supply water to or treat the sewage and solid waste of a regional district is subject to the approval of the department.

CONSTRUCTION AND CONSTRUCTION PERMITS (SEA 129, PL 163)

Author: Messmer, R-Jasper

Sponsor: DeVon, R-Granger

- Amends the law requiring the state department of health to approve or disapprove a construction permit application in not more than 30 days to specify that the law applies to applications for permits for the construction of nonresidential onsite sewage systems.
- Provides that the construction, acquisition, or leasing of any sewage works by a municipality is initiated by the adoption, by the municipal works board or other appropriate body of the municipality, of a resolution (rather than by the adoption by the municipal legislative body of an ordinance).

SOLID WASTE MANAGEMENT DISTRICT BOARD MEMBERSHIP (SEA 300, PL 60)

Author: Koch, R-Bedford

Sponsor: May, R-Bedford

- Provides that if a county contains only one municipality, the board of the county's single county solid waste management district must include one member: (1) who is a freeholder; (2) whose freehold is located in a conservancy district that is located entirely within the county and contains the greatest number of freeholds of any conservancy district located in the county; and (3) who is appointed to the board of the county district by the board of the conservancy district.

ABOVE GROUND STORAGE TANKS (SEA 421, PL 72)

Author: Bassler, R-Washington

Sponsor: Wolkins, R-Winona Lake

- Repeals the law requiring owners of certain above ground storage tanks to register their tanks with the department of environmental management.
- Authorizes the person responsible for the operation of a public water system to gather information from potential sources of contamination for the purpose of developing or updating the public water system's threat minimization and response plan.
- Provides that, depending on the circumstances, the information gathered from potential sources of contamination may be excepted from inspection and copying under the public records law.

- Urges the legislative council to assign to the interim study committee on environmental affairs for study during the 2017 interim the topic of public water supply protection, including: (1) the potential creation of a central repository for all information about above ground storage tanks that is reported to various agencies; (2) resources available to the operators of public water systems for developing and maintaining emergency plans for responding to threats to the drinking water supply; and (3) whether the information available to emergency responders and environmental regulators concerning above ground storage tanks is sufficient to ensure the protection of public water supplies.

Municipal Finance

[STATE BIENNIAL BUDGET \(HEA 1001, PL 217\)](#)

Author: T. Brown, R-Crawfordsville

Sponsor: Kenley, R-Noblesville

Aim COMMENT:

The biennial budget contains several provisions that will impact municipalities. The most pertinent fiscal matter addresses funding necessary improvements for the Department of Revenues antiquated income tax distribution computer program. The state will capture 0.5% of local income taxes in the reserve account for calendar year 2018. This will only occur in calendar year 2018 and will not continue in outlying years. This is expected to generate \$6 million dollars from local funds. The state will be contributing the remaining balance to the technology modernization project estimated to exceed \$80 million.

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides for bonding authority for capital projects for higher education institutions.
- Terminates the legislative evaluation and oversight program.
- Replaces the statutory appropriation from the counter cyclical and revenue stabilization fund to the state general fund based on the budget report with a limited discretionary transfer determined by the budget director and approved by the governor.
- Requires the attorney general to include certain language concerning settlement funds in proposed court order language.
- Establishes the agency settlement fund for purposes of receiving certain funds paid to the state as part of a settlement or similar agreement.
- Permits money held in a trust fund for other post-employment benefits (other than pension) to be invested in the same manner as money may be invested by the public employees' retirement fund or any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system.
- Establishes the teachers' defined contribution plan (plan) as an account within the Indiana state teachers' retirement fund (fund).
- Provides that an individual who begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund may elect to become a member of the plan.
- Provides that an individual who does not elect to become a member of the plan becomes a member of the fund.
- Requires the board of trustees of the Indiana public retirement system (board) to establish, subject to any approval from the Internal Revenue Service that the board considers necessary or desirable, alternative investment programs within the annuity savings account as the initial alternative investment programs for the plan.
- Provides that, if the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan, except that the board shall maintain the stable value fund. Provides that each member's contribution to the plan is 3% of the member's

compensation and requires the employer to pay the member's contribution on behalf of the member.

- Allows a member to make additional contributions to the plan up to 10% of the member's compensation.
- Provides that the employer's contribution rate for the plan is equal to the employer's contribution rate for the fund as determined by the board, although the amount credited from the employer's contribution rate to the member's account may not be greater than the normal cost of the fund, and any amount not credited to the member's account is applied to the unfunded accrued liability of the fund.
- Provides that an employer's minimum contribution to the plan is 3% of the compensation of all members of the plan.
- Provides that member contributions and net earnings on the member contributions belong to the member at all times and do not belong to the employer.
- Provides that a member vests in the employer contribution subaccount at 20% per year with full vesting after five years of participation.
- Provides that, if a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the subaccount that is not vested is: (1) transferred to the member's new employer, if the new employer participates in the plan; or (2) held in the member's employer contribution subaccount until forfeited.
- Provides that a member who: (1) terminates service in a covered position; and (2) does not perform any service in a covered position for at least 30 days after the date on which the member terminates service; is entitled to withdraw vested amounts in the member's account. Provides that a member may elect to have withdrawals paid as: (1) a lump sum; (2) a direct rollover to another eligible retirement plan; or (3) if the member is at least 62 years of age with at least five years of participation in the plan, a monthly annuity in accordance with the rules of the board.
- Provides that, on the plan's effective date, school corporations become participants in the plan. Provides that the board shall provide education to employers and members regarding retirement benefit options of all applicable pension and retirement funds that the board administers.
- Establishes the next level Indiana trust and trust fund.
- Provides that the trust proceeds of the next generation trust shall be transferred to the next level Indiana trust and trust fund and that the next generation trust shall cease upon completion of the transfer.
- Provides that the proceeds transferred to the next level Indiana trust fund shall be used exclusively for the provision of highways, roads, and bridges.
- Requires the board of trustees (board) of the Indiana public employees' retirement system, after December 31, 2017, to establish and maintain the next level Indiana innovation and entrepreneurial fund (fund) as an annuity savings account investment option for members of the public employees' retirement fund (PERF) and the Indiana state teachers' retirement fund (TRF).
- Requires the deferred compensation committee (committee), after December 31, 2017, to establish and maintain the fund as an investment option in the state employees' deferred compensation plan.
- Requires the board and the committee to consult with the board of trustees of the next level Indiana trust fund to establish the fund's investment objectives and policies. Limits initial transfers into the fund to 20% of the balance in a fund member's or state employee's account.
- Limits annual contributions to the fund to 20% of a member's or an employee's total contributions for that year.

- Provides that, if a member or employee contributes not less than the amount the member or employee initially designated to the fund for at least 36 consecutive months and maintains in the fund the amounts transferred and contributed during that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 36 month period.
- Provides that for each additional 12 consecutive months that a member or an employee contributes not less than the member or employee initially designated to the fund and maintains in the fund the amounts transferred and contributed that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 12 month period.
- Provides that, for purposes of determining the amount of the state's match, the total amount contributed by the member or employee or on the member's or employee's behalf excludes the amount of any state match.
- Provides that, in the case of a group insurance plan established by the state police department, conservation officers of the department of natural resources, and the state excise police (state law enforcement agencies), any proposed modification to change the benefits under the plan may not be made unless the modification is approved by the budget agency.
- Provides that, on or before July 1 of each year, state law enforcement agencies must submit to the budget agency the current plan documents and any other related information for the agency's group insurance plan as well as any proposed modifications to the plan.
- Provides that the budget agency may request additional information from a state law enforcement agency to analyze the impact of a proposed modification to the state's contribution and post-employment liability under the group insurance plan.
- Provides that, if a state law enforcement agency fails to provide the information, the budget agency may recommend to the budget committee that the state personnel department manage the state law enforcement agency's group insurance plan during the next succeeding calendar year. Establishes the personal services/fringe benefits contingency fund for the purpose of allotting money to departments, institutions, and state agencies for: (1) salary increases; (2) fringe benefit increases; (3) an employee leave conversion program; (4) state retiree health programs; and (5) any related expenses.
- Provides that the budget agency shall administer the fund and may use money in the fund only with the approval of the governor.
- Permits the director of the horse racing commission to negotiate an interstate compact and represent Indiana on a commission to negotiate an interstate compact.
- Specifies that money in each horse breed development fund is continuously appropriated to make payments ordered by the horse racing commission.
- Specifies that the horse racing commission's share of the money in the gaming integrity fund is continuously appropriated to carry out the purposes of the fund.
- Extends the effective date from July 1, 2017, to July 1, 2018, for provisions in the sales tax code declaring that a person is a retail merchant making a retail transaction if the person furnishes rooms, lodgings, or accommodations in a house, condominium, or apartment for transient residential housing for consideration.
- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code declaring that a "facilitator" is a retail merchant making a retail transaction when the facilitator accepts payment for a room, lodging, or accommodation rented or furnished in Indiana.

- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code requiring a retail merchant who rents or furnishes lodgings to provide to the consumer of the lodging an itemized statement separately stating certain information and that imposes a penalty on a facilitator for each transaction in which the facilitator fails to separately state such information.
- Merges the law enforcement academy building fund and the law enforcement training fund into the law enforcement academy fund with no changes to the funds' uses.
- Allows the law enforcement academy to charge a fee to all users for training and corresponding marginal and fixed costs according to an annual cost and fee schedule approved by the budget director.
- Allows the academy to house and train law enforcement agencies from outside Indiana. Permits the distressed unit appeal board to employ an executive director.
- Authorizes the department of correction to enter into a contract with an outsourcing facility, a wholesale drug distributor, a pharmacy, or a pharmacist for the issuance or compounding of a lethal substance necessary to carry out an execution by lethal injection.
- Specifies that the provision of a lethal substance for lethal injection does not constitute the practice of pharmacy and is not subject to the jurisdiction of the board of pharmacy, the medical licensing board, the state department of health, or the professional licensing agency.
- Provides that information relating to the identity of a person who provides a lethal substance for lethal injection is confidential.
- Prohibits the office of the secretary of family and social services from reducing Medicaid reimbursement for home health services.
- Voids an administrative rule containing a 3% reimbursement reduction and any successor rule or renewal from reducing home health services.
- Specifies powers of the treasurer of state, acting as the chairperson of the achieving a better life experience (ABLE) board, related to the approval of expenses of the ABLE board and the ABLE authority. Establishes the Indiana tourism task force to study the tourism departments of other states for the purposes of learning: (1) the structure of state tourism departments; (2) the level of funding provided to state tourism departments; and (3) the relationship between state funding of a state's tourism department and the economic impact of tourism on the state. Increases the maximum school scholarship income tax credits that may be awarded during a state fiscal year.
- Specifies the foundation amounts, special education grant amounts, and honors diploma award amounts.
- Provides that the spring ADM count of students is only for informational purposes. Provides that if a participating innovation network charter school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school is to be treated as a charter school for purposes of determining tuition support.
- Requires virtual charter schools to report annually certain information to the department of education (DOE). Deletes the provision specifying that the DOE shall accept applications for choice scholarship students from September 2 through January 15 for the spring semester of the current school year. Provides for a teacher appreciation grant for school corporations and virtual charter schools. Provides that if a school corporation or a charter school enters into an agreement with a choice scholarship school to provide dropout recovery educational services for an at-risk student who is enrolled at a public school, the student may not be included in the calculation of the public school's performance grade.

- Amends the primary care shortage area scholarship statute to provide that it applies to qualifying applicants who will practice in Indiana (rather than only those who will practice in a primary care shortage area).
- Specifies that the scholarship may also be awarded to qualifying nonresidents who intend to remain in Indiana (but provides that the commission for higher education (CHE) shall give a preference to Indiana residents when awarding such a scholarship).
- Deletes the requirement that the scholarship may only be awarded to a student in the first year class. Specifies the maximum amounts of the scholarship (depending on the class year in which it is awarded).
- Provides that the CHE (in coordination with the Marian University College of Osteopathic Medicine) shall administer the scholarship program. Exempts Ivy Tech Community College through December 31, 2017, from having to obtain three appraisals to sell real estate.
- Provides that an acute care hospital is entitled to a credit against the hospital's adjusted gross income tax liability equal to 20% of the property taxes paid in Indiana. (The current credit is equal to 10% of the property taxes paid in Indiana.)
- Specifies that the credit applies only to taxes on real property.
- Provides that the amount of any unused credit may be claimed as a refundable tax credit. Provides for an income tax deduction for military retirement and survivor's benefits of \$6,250 (retains a \$5,000 deduction for military income that is not a military retirement benefit, which is now a combined deduction including military income and military retirement benefits).
- Authorizes the Indiana department of veterans' affairs to make grants to be used for the purpose of providing services to veterans.
- Requires the budget agency to retain and transfer to the department of state revenue in 2019 a part of the certified distribution of local income tax that is equal to the amount of the certified distribution that represents certified shares for calendar year 2018 multiplied by 0.5%.
- Specifies that the money in the standard bred horse fund is continuously appropriated to carry out the purposes of the fund.
- Repeals the power of the Indiana finance authority to enter into direct negotiations with a single offeror for a public-private partnership involving state communications systems infrastructure.
- Provides that a governmental entity may issue a request for information with respect to a public-private agreement: (1) to consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project involving a public facility or transportation project; (2) to prepare a request for proposals; or (3) to evaluate any aspect of an existing public-private agreement.
- Provides that responses to a request for information are confidential unless confidentiality is waived in writing. Requires the state board of finance to notify the state board of education and the DOE when the state board of finance takes certain actions.
- Provides for an increase in the reimbursement rate for certain services provided to an individual under a Medicaid waiver and whose services are delivered by direct care staff.
- Changes the expiration dates for the hospital assessment fee and the health facility quality assessment fee from June 30, 2017, to June 30, 2019.
- Provides that deer research and management fund fee revenue, migratory waterfowl stamp revenue, and game bird restoration stamp revenue may be retained in the fish and wildlife fund if the budget agency finds that it would reduce the balance in the fish and wildlife fund below \$3,000,000 at the end of the state fiscal year.

- Modifies the replacement facility exemption for purposes of the prohibition on the approval of licensure of comprehensive care health facilities and comprehensive care beds, and extends the prohibition through June 30, 2019.
- Establishes the school corporation efficiency incentive grant program. Provides that certain reorganized school corporations are eligible for a one time efficiency incentive grant if requirements are met.
- Provides that the grant may be used to: (1) pay expenses associated with the reorganization, including professional service fees, legal costs, and necessary capital expenditures; and (2) provide salary bonuses to teachers.
- Provides that the amount of the grant is \$250 multiplied by the most recent average daily membership (ADM) count of the reorganized school corporation.
- Provides that a reorganized school corporation may increase its new combined maximum permissible school transportation levy and school bus replacement levy by 3% after all other adjustments.
- Adds a definition of "postsecondary SEI affiliated educational institution."
- Allows a state educational institution to be a member of and control a postsecondary SEI affiliated educational institution under certain conditions.
- Requires a postsecondary SEI affiliated educational institution and any educational programs offered to be authorized by the CHE.
- Provides that a postsecondary SEI affiliated educational institution is not subject to open door laws.
- Provides that the CHE may request information from a postsecondary SEI affiliated educational institution.
- Provides that a postsecondary SEI affiliated educational institution may be confirmed as a public school for purposes of United States Department of Education regulations.
- Increases the automated record keeping fee from \$19 to \$20 permanently.
- Adds the increase in the presumptive cost concerning selling of cigarettes under the state cigarette fair trade act.
- Provides that certain annexation ordinances are void.
- Provides \$5,000,000 from a 2013 appropriation for the health and safety contingency fund to rehabilitate a state owned building to be used to provide services to Indiana's veterans.
- Requires the budget agency to transfer an amount from the state general fund to the state bicentennial capital account to cover obligations incurred before July 1, 2017.
- Provides that the amount transferred may not exceed \$5,500,000. Extends the legislative and judicial branch leave conversion pilot program through June 30, 2019.
- Repeals: (1) the bonding authority enacted in 2007 for the Purdue University West Lafayette-Animal Disease Diagnostic Laboratory; and (2) the bonding authority enacted in 2009 for the Indiana University Southeast education and technology building.
- Requires the CHE to: (1) review the metrics used in the performance funding formula to ensure that those metrics are aligned with the state's higher education goals; and (2) make recommendations before July 1, 2018, to the legislative council and the governor concerning the metrics used in the performance funding formula.
- Requires the CHE to study the effectiveness of the academic program at the Indiana Academy for Science, Math, and Humanities and report the CHE's findings to the legislative council and the governor. Urges the legislative council to assign to the interim study committee on courts and the judiciary the topic of studying issues related to providing indigent defense services.

TRANSPORTATION INFRASTRUCTURE FUNDING (HEA 1002, PL 218)

Author: Soliday, R-Valparaiso

Sponsor: Crider, R-Greenfield

Aim COMMENT:

The measures passed in HEA 1002, considered to be the largest increase in infrastructure funding in our state's history, will be a huge benefit for local roads and streets. Early estimates indicate local governments will see an increase of 40% in MVH funds and a 50% increase in LRS revenue in 2018 due to the gas tax increases and new fees approved by the General Assembly. These numbers will fluctuate over the next four years, but will go a long way to meet the annual local need of \$775 million.

Additional funds were also dedicated to the INDOT Community Crossings matching grant program which will have an estimated grant fund of \$190 million starting in 2018. Another provision favorable for local government reduced the population threshold for adopting the municipal wheel tax from 10,000 to 5,000. This will allow nearly 120 municipalities the flexibility to generate additional revenue to finance road infrastructure projects.

Another key component and a 2017 Aim initiative, was the creation of a Federal Funds Exchange swap. This swap will allow local units that utilize some of the \$250 million in annual federal funds to swap federal dollars for state dollars, thereby cutting out the requirement to follow costly and time consuming federally mandated procedures.

- Eliminates the sales tax on the sale of special fuel. Establishes the special transportation flexibility fund.
- Provides the following for gasoline use tax collections for state fiscal year 2020 and each state fiscal year thereafter: (1) 14.286% of the collections shall be deposited in the motor vehicle highway account. (2) 21.429% of the collections shall be deposited in the local road and bridge matching grant fund. (3) A percentage of the gasoline use tax collections shall be deposited in the state general fund in each state fiscal year before state fiscal year 2025. (4) In state fiscal year 2020 through state fiscal year 2023, a percentage of the gasoline use tax collections shall be deposited in the special transportation flexibility fund. (5) In state fiscal year 2020 and thereafter, a percentage of the gasoline use tax collections shall be deposited in the state highway fund.
- Changes the deadline for the adoption and notification of county and municipal vehicle excise and wheel tax ordinances.
- Provides for a one-time fuel tax rate increase using a multiyear index factor based on the last time the particular fuel tax rate was increased and the current fuel tax rate per gallon. (Gasoline tax is currently \$0.18, special fuel tax is currently \$0.16, and motor carrier surcharge tax is currently \$0.11.) Limits the one-time increase to \$0.10 per gallon.
- Provides for an annual rate increase in fuel tax rates based on an annual index factor. Limits the annual rate increase based on the annual index factor to \$0.01 per gallon.
- Provides that the last index factor adjustment to the fuel tax rates is July 1, 2024. Increases the aviation fuel excise tax by \$0.10 per gallon and transfers the increased revenue to the airport development grant fund for airport capital improvement matching grants. Increases alternative fuel decal fees by 50%.
- Specifies that the motor carrier fuel surcharge tax must be paid on special fuel that is not an alternative fuel at the time of purchase (the same time the special fuel tax is paid), instead of being entirely paid using a quarterly return.

- Provides that the surcharge tax also applies to purchases of special fuel by persons other than carriers.
- Imposes a motor carrier fuel surcharge inventory tax on motor fuel held in storage and offered for sale to motor carriers on the date the surcharge tax rate changes.
- Eliminates from the distribution of the gasoline and special fuel taxes: (1) the \$0.01 going to the state highway fund; (2) the \$0.01 going to counties, cities, and towns; and (3) the \$25,000,000 special distribution allocation distributions.
- Establishes a \$15 transportation infrastructure improvement fee that applies to the registration of all motor vehicles except trailers, semitrailers, non-motive recreational vehicles, special machinery, vehicles registered as military vehicles, vehicles registered as collector vehicles, motor driven cycles, trucks, tractors used with a semitrailer, and for-hire buses with a declared gross weight greater than 26,000 pounds. Increases annual registration fees for certain motor vehicles with a declared gross weight that equals or exceeds 26,000 pounds.
- Requires a person who registers an electric vehicle to pay a supplemental registration fee of \$150 with an increase every five years based on an index factor.
- Requires a person who registers a hybrid vehicle to pay a supplemental registration fee of \$50 with an increase every five years based on an index factor.
- Provides that the percentage of the amounts distributed to the state and to the local units from the motor vehicle highway account changes incrementally from 53% for the state and 47% for the local units under current law to 60% for the state and 40% for the local units after June 30, 2022. Eliminates the authority for cities and towns to use distributions from the motor vehicle highway account for: (1) the painting of structures and objects; and (2) law enforcement.
- Requires counties, cities, and towns to use at least 50% of the distributions from the motor vehicle highway account for the construction, reconstruction, and maintenance of highways.
- Repeals restrictions on when a tolling project can be undertaken.
- Provides that before the governor, the Indiana department of transportation (INDOT), the Indiana Finance Authority (IFA), or an operator may enter into an agreement for the financing, construction, maintenance, or operation of a toll road project, the budget committee must first review the proposed agreement.
- Provides that neither the IFA nor INDOT may issue a request for proposals for a public-private agreement that would authorize an operator to impose tolls unless the budget committee has reviewed the request for proposals.
- Requires INDOT to seek a Federal Highway Administration waiver to toll interstate highways. Limits the first toll lanes under the waiver to certain interstate highways.
- Provides for a public comment period and requires replies to the public comments for a toll road project by INDOT or a tollway project carried out using a public private partnership. Imposes other duties on INDOT.
- Amends the assessment procedures for motor carrier civil penalties. Establishes the weigh-in-motion pilot program.
- Makes various changes to the local road and bridge matching grant program.
- Allows INDOT to approve certain railroad crossing projects, and authorizes the IFA to finance an approved project subject to a maximum annual debt service limit of \$10,000,000.
- Authorizes the IFA to take certain actions in the event a public-private agreement is terminated.
- Annually appropriates \$250,000 to INDOT for the local technical assistance program to develop and maintain a centralized electronic statewide asset management data base.

- Provides that the owner of a semitrailer permanently registered in Indiana does not pay an annual registration renewal fee. Makes various changes to the transportation funding exchange program between the state and counties and municipalities.
- Adds various study requirements.

SCHOOL FINANCIAL MANAGEMENT (HEA 1009, PL 244)

Author: Cook, R-Cicero

Sponsor: Kenley, R-Noblesville

Aim COMMENT:

HEA 1009 largely deals with the financial management of schools. Effective January 1, 2019, the bill eliminates the School General Fund. Instead of “silo-ing” various funds, between which transfers are prohibited or limited, districts will now have an Education Fund that is be used exclusively for student instruction and learning, and an Operations Fund which replaces the Transportation Fund, the Capital Projects Fund, and the School Bus Replacement Fund. The intent is to give school boards added flexibility to co-mingle funds to better meet the needs of the district.

Debt service levy funds remain separate, and HEA 1009 may lead to some increased circuit breaker losses for units in a county with impacted school corporations. In 2014 and 2016, the General Assembly passed legislation to allow school corporations that experience a loss of at least 10% in their Transportation Fund from 2014 through 2018 to allocate circuit breaker losses proportionally across all non-exempt funds for that year. HEA 1009 will allow school corporations that meet certain requirements this ability for an additional year.

The fiscal impact to individual taxing units will depend on the number of eligible school corporations in 2019, which of those eligible corporations choose to reallocate, and the amount of the reallocations. The Legislative Services Agency estimates that circuit breaker losses for all taxing units is \$89M in CY 2018, \$100M in CY 2019 and \$113M in CY 2020.

HEA 1009 also provides that, effective July 1, 2017, a municipality may not issue any bonds unless it has filed its annual financial report with the State Examiner for the preceding fiscal year. It also delays a current law that requires municipalities with populations above 75,000 to file their annual financial reports in accordance with GAAP principles by certain graduated deadlines through 2020. HEA 1009 removes these graduated deadlines, so all municipalities over 75,000 must prepare their annual financial reports using GAAP principles for the preceding budget year in order to issue bonds after June 30, 2020. The State Examiner may waive these requirements after a determination that a waiver is in the best interest of the municipality.

- Provides for the following, effective January 1, 2019: (1) Eliminates the school general fund. (2)
- Creates an education fund to be used as the exclusive fund to pay expenses allocated to student instruction and learning. (3) Creates an operations fund to replace the capital projects fund, the transportation fund, the school bus replacement fund, an art association or a historical society fund, and the public playground fund.
- Provides that the levy for a school corporation's operations fund consists of the following separately calculated levies: (1) A transportation levy. (2) A school bus replacement levy. (3) A

capital projects levy. (4) For certain schools, levies to provide funding for an art association, a historical society, or a public playground.

- Specifies that each separately calculated maximum levy for 2019 is the 2018 maximum levy increased by the maximum levy (assessed value) growth quotient and that after 2019 each separately calculated maximum levy is increased by the maximum levy (assessed value) growth quotient. Provides that on January 1, 2019, the balance in the school corporation's general fund shall be transferred to the education fund.
- Specifies that before March 1, 2019, the governing body of a school corporation may transfer to the school corporation's operations fund, from the amounts transferred from the school corporation's general fund, any amounts that are not allocated to student instruction and learning.
- Allows transfers between the education fund and operations fund.
- Specifies that money transferred from the operations fund to the education fund is not revenue for purposes of collective bargaining.
- Provides new allowable expenditures from the operations fund to include all skilled trades, school maintenance vehicles, and contracted services related to buildings and grounds.
- Eliminates the requirement to publish the entire capital projects plan and school bus replacement plan in a newspaper and requires that the plans be posted on the school corporation's web site.
- Removes the approval of the plans and appropriations by the department of local government finance.
- Eliminates various dedicated funds and moves the purpose for each of these funds to the education fund or operations fund.
- Creates the school corporation referendum controlled project tax levy fund to pay for projects approved by a voter referendum.
- Makes corresponding changes.
- Extends (through 2019) the ability in current law for a school corporation to allocate circuit breaker credits proportionately (without taking protected taxes into account) under certain circumstances. Provides that the chart of accounts to be used by school corporations must coincide with the following expenditure categories: (1) Student academic achievement expenditures. (2) Student instructional support expenditures. (3) Overhead and operational expenditures. (4) Nonoperational expenditures.
- Provides that a school corporation that has an ADM of more than 15,000 may not issue bonds after August 15, 2020, unless the school corporation has for its preceding budget year prepared an annual financial report using the modified accrual basis of accounting in accordance with generally accepted accounting principles.
- Provides that a county that has a population of more than 100,000 and a municipality that has a population of more than 75,000 may not issue bonds after June 30, 2020, unless the county or municipality has for its preceding budget year prepared an annual financial report using the modified accrual basis of accounting in accordance with generally accepted accounting principles.
- Allows the state examiner to waive these requirements if the state examiner determines that a waiver is in the best interest of the school corporation, county, or municipality.
- Replaces the provisions in current law (which would be phased in during 2017-2020) concerning annual financial report requirements that must be met before a school corporation, county, or municipality may issue bonds.
- Provides that effective July 1, 2017, a school corporation may not issue any bonds unless it has filed its annual financial report with the department of education.

- Provides that effective July 1, 2017, a county or municipality may not issue any bonds unless it has filed its annual financial report with the state examiner for the preceding fiscal year.

STATE EXAMINER FINDINGS (HEA 1031, PL 176)

Author: Slager, R-Schererville

Sponsor: Niemeyer, R-Lowell

Aim COMMENT:

Legislators desired to provide additional enforcement capabilities for the State Board of Accounts (SBOA) to address local units of government or local officials cited with consistent findings of noncompliance during the audit process. The original version of the bill would have allowed the Department of Local Government Finance (DLGF) to freeze a local unit’s budget. However, Aim worked with the SBOA and legislators to remove the budget freeze language and instead allow for additional engagement by the state audit committee. Aim members had varying opinions on the need for additional enforcement by SBOA, though many agreed there was validity to address repeat findings of noncompliance.

- Specifies requirements for corrective action when audited entities fail to comply with certain guidelines or laws. Requires an audited entity to file a corrective action plan following findings of noncompliance in two consecutive examination reports.
- Specifies actions that the audit committee may take if an audited entity fails to comply with a corrective action plan.

REFERENDUM AND REMONSTRANCE PROCESS (HEA 1043, PL 246)

Author: Thompson, R-Danville

Sponsor: Hershman, R-Buck Creek

Aim COMMENT:

HEA 1043 changes the threshold (increased for some and decreased for others) for determining whether a capital project is a controlled project. (A controlled project is one that meets the dollar threshold in statute and is financed by bonds or leases payable from a pledge of property taxes.) Depending on the amount of the controlled project, it is subject to either the petition and remonstrance process or to the referendum process. Effective July 1, 2017, a project becomes a controlled project based on following thresholds:

Gross Assessed Value of the Unit	Threshold
< \$100M	\$1M
\$100M - \$500 M	1% of AV (\$1M - \$5M)
>\$500 M	\$5M

This is a change from current law for most units, though the impact varies – HEA 1043 increases the controlled project minimum cost for 148 municipalities but decreases the minimum cost for 352 municipalities. For the latter, this means that future projects may trigger the remonstrance process for less expensive projects than would have occurred before this legislation passed.

Many units will also see a change in the minimum cost of a controlled project that triggers the referendum requirement. Of the 403 impacted municipalities, 352 are projected to experience a decrease in the

referendum threshold (meaning a less expensive project would require a referendum than under current law).

HEA 1043 adds a new automatic referendum requirement if a project's cost plus the costs of all other controlled projects for which the unit has adopted a resolution/ordinance in the previous year exceeds \$25M. There is also new language dealing with taxpayer and political subdivision recourse for projects that a taxpayer alleges to have been artificially divided in order to avoid either remonstrance or referendum.

Because after tax caps municipalities fund fewer major projects with property taxes, it is not as often that the controlled project requirements come into play for them as compared with school corporations which fund most all of their capital projects with property tax revenues.

- Increases the threshold used for purposes of determining whether a capital project is a controlled project as follows: (1) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or to enter into a lease for the project, the threshold is increased from \$2,000,000 to \$5,000,000. (2) In the case of an ordinance or resolution adopted after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold is increased by applying the assessed value growth quotient for the year to the threshold amount determined for the preceding year.
- Specifies that a capital project is also a controlled project if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$100,000,000; or (2) \$1,000,000, if the total gross assessed value of property within the political subdivision is not more than \$100,000,000.
- Increases the thresholds used for applying the petition and remonstrance process and referendum process as follows: (1) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or to enter into a lease for the project, the threshold is increased from \$10,000,000 to \$15,000,000 for school building projects and from \$12,000,000 to \$15,000,000 for any civil unit project. (2) In the case of an ordinance or resolution adopted after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold is increased by applying the assessed value growth quotient for the year to the threshold amount determined for the preceding year.
- Provides that a school building project is also subject to the referendum process if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$1,000,000,000; or (2) \$10,000,000, if the total gross assessed value of property within the political subdivision is not more than \$1,000,000,000.
- Provides that a civil unit project is also subject to the referendum process if the cost of the project will exceed: (1) 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$100,000,000; or (2) \$1,000,000, if the total gross assessed value of property within the political subdivision is not more than \$100,000,000.
- Provides that a controlled project for which a political subdivision makes a preliminary determination to issue bonds or enter into a lease is subject to the referendum process if the sum of: (1) the cost of that controlled project; plus (2) the costs of all other controlled projects for

which the political subdivision has previously adopted within the preceding 365 days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects; exceeds \$25,000,000.

- Requires that a political subdivision's notice of the preliminary determination to issue bonds or enter into a lease for a controlled project must also include information concerning the estimated amount of the political subdivision's debt service levy and rate that will result during the following 10 years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate.
- Provides that a petition objecting that a political subdivision has divided a controlled project in order to avoid the requirements of the petition and remonstrance process or the referendum process must be filed with the department of local government finance (DLGF) not more than 10 days after the political subdivision gives notice of the political subdivision's determination to issue bonds or enter into leases for the capital project.
- Specifies that if the DLGF determines that a political subdivision divided a controlled project in order to avoid the referendum requirements and the political subdivision continues to desire to proceed with the project, the political subdivision may appeal the determination of the DLGF to the Indiana board of tax review.
- Specifies that a political subdivision shall be considered to have divided a capital project in order to avoid the requirements of the petition and remonstrance process or the referendum process if the result of one or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project.
- Relocates existing law concerning calculation of the cost of certain projects by a school corporation career and technical education school to a separate section within the controlled projects statute.
- Requires a political subdivision to: (1) conduct at least two public hearings on a preliminary determination concerning a controlled project (rather than one hearing under current law); and (2) make certain information available to the public at each of the public hearings.
- Provides that if a referendum for a controlled project or for a school operating referendum fund property tax levy is defeated, another referendum may not be held earlier than 700 days after the date of the first referendum (rather than 350 days under current law).
- Specifies that the 350 day limit applies if a sufficient petition requesting that limit is submitted by property owners or voters.
- Provides that a school corporation operating referendum fund property tax levy may not be imposed for more than eight years. (Current law provides that the referendum levy may not be imposed for more than seven years.)
- Applies to a referendum that takes place after June 30, 2017.

LOCAL INCOME TAX AND STATE SALES TAX MATTERS (HEA 1129*, PL 247)

Author: Thompson, R-Danville

Sponsor: Hershman, R-Buck Creek

Aim COMMENT:

In 2015, the General Assembly rewrote the Local Option Income Tax statute, now called the Local Income Tax (LIT) statute. Anytime there is a re-write of several sections of Code like this, tweaks are necessary for the next couple of sessions as the new statute is implemented and issues are spotted. Under the original 2015 legislation, the Department of Local Government Finance (DLGF) had the authority to set notice and

hearing requirements, which could be in conflict with the customary requirements under IC 5-3-1. The DLGF also had the authority to prescribe the forms that were to be used as units submitted their ordinances to the department. This authority made things unnecessarily burdensome for attorneys and could have jeopardized the validity of LIT ordinances that were not in perfect compliance with the DLGF's policies.

Cleaning this language up was an operational priority for Aim this session, which was achieved in HEA 1129. Going forward, the DLGF does not have the authority to set notice and hearing requirements beyond what is required under IC 5-3-1. HEA 1129 also sets the basic statutory requirements for form uniformity for LIT ordinances. A new or additional LIT rate is not effective until confirmation by the DLGF that they've received the necessary information from the local unit. The DLGF has 30 days after submission to notify the local unit either way, but the ordinance is not void in the meantime (it is just not effective).

- Provides that a retail merchant that does not have a physical presence in Indiana shall, as an agent for the state, collect sales tax on a retail transaction made in Indiana, remit the sales tax, and comply with all applicable procedures and requirements of the sales tax laws as if the retail merchant has a physical presence in Indiana, if: (1) the retail merchant's gross revenue from sales into Indiana in a calendar year exceeds \$100,000; or (2) the retail merchant makes sales into Indiana in more than 200 separate transactions.
- Authorizes the department of state revenue (department) to bring a declaratory judgment action against such a remote seller to establish that the remote seller has an obligation to collect sales tax and that the remote seller's obligation to collect sales tax is valid under state and federal law.
- Provides that the department and other state agencies and state entities may not, during the pendency of the declaratory judgment action (including any appeals from a judgment in the declaratory judgment action), enforce the obligation to collect sales tax against any person that does not affirmatively consent or otherwise remit the sales tax on a voluntary basis.
- Specifies certain findings of the general assembly. Adds law enforcement training to the permitted uses of the local income tax.
- Removes the requirement that the department of local government finance (DLGF) prescribe the form for notices, ordinances, and resolutions that may be adopted under the local income tax law.
- Removes the DLGF's duty to prescribe the hearing requirements and procedures to be used for submitting a notice and vote results on ordinances and adopting and submitting an ordinance or a resolution and replaces it with the general requirements for hearings and procedures.
- Requires the DLGF to prescribe the procedures to be used by the adopting body or governmental entity for submissions to the DLGF.
- Requires the DLGF to notify the submitting entity within thirty (30) days of submission as to whether the DLGF has received the necessary information.
- Provides that imposing a new tax or changing an existing tax is not effective until the DLGF notifies the adopting body or governmental entity that the DLGF has received the required information. Specifies that, for a county that adopted a levy freeze under the former county adjusted gross income tax (CAGIT) or county option income tax (COIT), the levy freeze must be funded using a minimum levy freeze rate that may not be decreased or rescinded unless the levy freeze dollar amount can be funded by a lower levy freeze rate for a year.

- Specifies that the maximum levy freeze tax rate is one percent (1%). Requires the adopting body to adopt an ordinance to lower the levy freeze tax rate to a rate approved by the DLGF.
- Requires that the allocation of property tax credits must be on the basis of the percentage of property tax replacement revenue within a property category.
- Removes real property, a mobile home, and industrialized housing that would qualify as a homestead if the taxpayer had filed for a homestead credit or the standard deduction and real property consisting of units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days from the list of real property that may be provided a homestead credit.
- Specifies that an adopting body must include in its allocation ordinance whether it is allocating additional revenue to funding for a public safety answering point (PSAP).
- Provides that unit level allocations must be based on total property taxes being imposed by the unit for the year preceding the distribution year.
- Authorizes the fiscal body of Guilford Township in Hendricks County to pass a resolution to place on the ballot a local public question on a public transportation project in the township. Requires Guilford Township to fund and carry out a public transportation project in the township if the voters approve the local public question. Specifies the conditions under which Guilford Township may impose an additional local income tax rate on county taxpayers who reside in the township. Makes technical changes to the local income tax laws.
- Corrects conflicts that involve references to the local income tax.

TRAFFIC AMNESTY PROGRAM (HEA 1268, PL 18)

Author: Shackelford, D-Indianapolis

Sponsor: Head, R-Logansport

- Urges the legislative council to assign to the appropriate study committee the topic of studying a traffic amnesty program to permit certain persons owing unpaid traffic fines, or who may be required to pay a fee for driver's license reinstatement, to obtain a reduction in the amount owed or amount payable.

GAMING (HEA 1350, PL 268)

Author: Huston, R-Fishers

Sponsor: Hershman, R-Buck Creek

Aim COMMENT:

The future of gaming in Indiana is for river boat casinos to transition to multi-faceted “destinations” which include other attractions. In an effort to promote this type of development, HEA 1350 modifies the collection system for the supplemental wagering tax. The tax will now be based on 3% of the adjusted gross revenue of the casino rather than the daily number of visitors. This percentage was determined to be a happy medium as this is a positive for some gaming communities and a negative for others. The General Assembly also modified the guaranteed distribution of the supplemental distribution as well as the revenue sharing revenue. Beginning in 2021, if the revenue collections are to decrease, the percentage of revenue for the supplemental distribution and the revenue sharing will decrease by an identical percentage.

- Authorizes advance deposit wagering on horse racing.

- Provides that each permit holder shall pay to the Indiana horse racing commission (IHRC) as an advance deposit wagering fee an amount equal to 60% of the net source market fee received by the permit holder from a licensed secondary pari-mutuel organization (SPMO).
- Provides that the IHRC shall use this revenue as follows: (1) 25% of the revenue shall be used to promote horse racing conducted at the state fair and at county fairs. (2) 75% of the revenue shall be distributed to different horsemen's associations to encourage Indiana horse owners and horse trainers to participate at the permit holders' horse racing facilities.
- Exempts the IHRC from the general procurement law in making certain expenditures.
- Requires the IHRC to adopt procurement rules applying to expenditures for emergency purchases, drug and forensic testing, expert and specialized witnesses, and equipment and supplies costing less than \$10,000 that are necessary for the regulation and administration of horse racing.
- Specifies that a person must be a licensee to be eligible to receive owner, breeder, or stallion awards.
- Prohibits certain individuals associated with the IHRC from wagering on gambling games at race track casinos.
- Changes requirements concerning fingerprinting, sanctions for refusing breath tests, the use of development fund money, payment for certain endoscopic examinations, the analysis of primary blood or urine specimens, and off-premises searches.
- Requires the IHRC to annually transfer from the gaming integrity fund to the Indiana state board of animal health \$75,000 for each racetrack operated by a licensee. (Current law requires the transfer of 15% of the money deposited into the gaming integrity fund.)
- Provides that a transaction involving the sale of a race horse in a claiming race is exempt from the state gross retail tax.
- Makes the supplemental wagering tax 3% of a riverboat's adjusted gross receipts (AGR) for a riverboat that has relocated to an inland casino.
- Provides that the supplemental wagering tax shall be imposed starting the day operations begin at an inland casino. Provides that beginning July 1, 2018, the supplemental wagering tax is based on the riverboat's AGR multiplied by: (1) the total riverboat admissions tax that the riverboat paid beginning July 1, 2016, and ending June 30, 2017; divided by (2) the riverboat's AGR beginning July 1, 2016, and ending June 30, 2017.
- Provides that admission, wagering, and supplemental wagering taxes must be paid monthly to the department of state revenue (department).
- Provides that after June 30, 2020, and before July 1, 2021, the amount of wagering taxes that would be distributed to South Bend shall be deposited as being received from all riverboats whose supplemental wagering taxes are over 3.5% and distributed in the same manner as the supplemental wagering tax.
- Provides that the admission, supplemental wagering, and wagering tax be paid monthly to the department.
- Provides that after June 30, 2021, the amount of wagering taxes that would be distributed to South Bend shall be deposited in the state general fund.
- Provides that after June 30, 2021, if the total AGR received by licensees from gambling games under the riverboat gambling law during the preceding state fiscal year is less than the total AGR received from gambling games during the state fiscal year ending June 30, 2020, then: (1) the \$33,000,000 of wagering tax set aside for revenue sharing is reduced proportionately; and (2) the \$48,000,000 maximum amount of the supplemental distribution is reduced proportionately.
- Requires the Indiana economic development corporation (IEDC) to transfer 10% of the amount of wagering taxes and historic hotel district community support fees that are distributed to the IEDC

to the South Central Indiana Regional Economic Development Corporation for economic development purposes.

- Provides for an eight year phase out of the state income tax add back for wagering taxes deducted on a taxpayer's federal income tax return.
- Removes references to "gambling excursions". Repeals flexible scheduling for riverboats.
- Urges the legislative council to assign gaming related issues to a study committee.

WAIVER OF LOCAL OCCUPATIONAL LICENSE FEES (HEA 1394, PL 223)

Author: Frizzell, R-Indianapolis

Sponsor: M. Young, R-Indianapolis

- Requires a unit (county, city, town, or township) to waive as applicable all or part of the occupational and professional license fees and taxes imposed by the unit for the initial issuance and reinstatement of an occupational or professional license for applicants who are veterans, on active duty with the military or national guard, or indigent.

PROPERTY TAX MATTERS (HEA 1450*, PL 255)

Author: Leonard, R-Huntington

Sponsor: Mishler, R-Bremen

Aim COMMENT:

HEA 1450 was an omnibus bill that contained many other provisions related to local government. See more information about this bill also under Administration and Public Safety. With regard to municipal finance matters, HEA 1450: 1) Clarifies that only contracts exceeding \$50,000 that were entered into after July 1, 2016 must be uploaded to the Transparency Portal (a 2017 Aim operational priority); 2) Provides that the Department of Local Government Finance (DLGF) must release their annual determination of the agricultural land base rate by March 1; 3) Allows a county treasurer and a county auditor to implement a policy, with the fiscal body's approval, to waive, negotiate or settle delinquent property tax penalties; 4) Requires redevelopment commissions' annual reports to include a list of real property parcels and the depreciable personal property of designated taxpayers in the redevelopment area; and 5) Adds new conditions that must be met before the DLGF approves a school corporation's appeal to increase their maximum levy.

- Provides that a political subdivision must upload a copy of a contract that the political subdivision enters into after June 30, 2016, to the Indiana transparency Internet web site if the total cost of the contract exceeds \$50,000.
- Specifies the definition of "low income rental property" for purposes of property tax assessment.
- Specifies the total true tax value of low income rental property that is used to provide Medicaid assisted living services.
- Allows the department of local government finance (DLGF) to use estimated data to compute six year rolling averages for the purpose of determining the annual adjustments of assessed values between reassessments.
- Provides that the DLGF shall release DLGF's annual determination of the statewide agricultural land base rate value (base rate) on or before March 1 of each year.

- Makes the statute specifying the assessed value of outdoor advertising signs permanent. Provides that certain outdoor signs shall be disregarded for the purpose of determining an assessment of the land on which the outdoor sign is located.
- Provides that a public utility that fails to timely file a statement concerning the property owned or used by the public utility on an assessment date shall remit the penalty to the department of state revenue. Defines the terms "installment loan" and "mortgage" for purposes of the mortgage deduction.
- Restates the conditions for when a taxpayer must reapply for various property tax deductions.
- Restates the requirement that a taxpayer file a certified statement with the county auditor when the taxpayer ceases to be eligible for the standard deduction for a property.
- Provides that Jennings Township in Fayette County may increase its maximum township unit levy and its maximum levy for fire protection and emergency services for 2018.
- Provides that both the executive of a political subdivision and a majority of the members of the fiscal body of a political subdivision may independently request technical assistance from the distressed unit appeal board in helping prevent the political subdivision from becoming a distressed political subdivision.
- Provides that a multiple county property tax assessment board of appeals shall submit to the DLGF, the Indiana board of tax review, and the legislative services agency separate reports for each county participating in the multiple county property tax assessment board of appeals.
- Authorizes, but does not require, the DLGF to adopt rules to limit the basis of payment for services provided by professionals who work on capital projects to a fee for service agreement.
- Provides that the DLGF may adopt a rule after June 30, 2016, and before September 1, 2017, that concerns or includes market segmentation and affects assessments for the January 1, 2018, assessment date.
- Provides that the DLGF may not adopt a rule concerning the practice of a representative before a property tax assessment board or DLGF that restricts the ability of a certified public accountant to represent a client in a matter relating to the taxation of personal property or distributable property.
- Allows a county treasurer and the county auditor to implement a policy to waive, negotiate, or settle penalties that have accrued on delinquent property taxes, if the fiscal body of the county approves the policy.
- Repeals the requirements that the budget agency publish by May 1 each year an estimate of the total amount of statewide distributions of local income tax revenue for: (1) the following two years, in an odd-numbered year; and (2) the following year, in an even-numbered year.
- Eliminates the requirement in current law that the DLGF review a loan contract entered into by an airport authority.
- Specifies that the election of the directors of a conservancy district's board shall be by a plurality of the votes (instead of a majority of the votes, in current law).
- Provides that a conservancy district is not required to go through the budget review process unless the conservancy district imposes a levy.
- Adds conditions that a school corporation must satisfy to increase its maximum transportation fund levy.
- Specifies an October 20 filing deadline for an appeal. Increases the service of process fee from \$25 to \$28, provides that the clerk shall collect the fee rather than the sheriff, and distributes \$1 of the fee to the clerk's record perpetuation fund.
- Provides that the executive of a township may use money in the township's rainy day fund to pay the costs attributable to providing fire protection and emergency services.

- Removes the requirement that the township firefighting fund be the exclusive fund used for providing fire protection or emergency services.
- Provides that a redevelopment commission's annual report to the unit that created the redevelopment commission must include both a list of parcels of real property and the depreciable personal property of designated taxpayers in the redevelopment area.
- Provides that a fire protection district may be a participating unit in a fire protection territory.
- Provides that a resolution by a provider unit to withdraw from a fire protection territory is effective on January 1 of the year following the year in which the resolution is adopted.
- Provides that if the provider unit of a fire protection territory withdraws, a majority of the remaining units must agree on which unit is to become the successor provider unit.
- Specifies the definition of "public funds" for purposes of public purchasing and public works projects.
- Provides that the drainage board of a county may not impose interest on a drainage assessment for construction or reconstruction if the construction or reconstruction is financed through the issuance of bonds or a construction loan.
- Specifies accounting procedures for drainage assessment construction or reconstruction loans having a term of fewer than six years.
- Allows a school corporation located in Vanderburgh County to impose a property tax at a rate of up to \$0.005 to provide money to a historical society for restoration and maintenance of Bosse Field.
- Allows certain nonprofit entities that failed to comply with the exemption filing deadlines to claim the property tax exemptions that the nonprofit entities were otherwise entitled to claim.
- Requires the DLGF to: (1) increase Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2018; and (2) decrease Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2019.
- Urges the legislative council to assign to a study committee the topic of issues related to establishing a neighborhood enhancement property tax relief program.
- Urges the legislative council to assign to the interim study committee on agriculture and natural resources or another appropriate interim study committee the topic of creating a dedicated funding source for zoological parks in the state to: (1) promote tourism; (2) further job creation; (3) enhance educational opportunities; and (4) develop animal and botanical exhibitions.
- Makes technical corrections.

CLARK COUNTY TAXES (HEA 1489, PL 199)

Author: T. Brown, R-Crawfordsville

Sponsor: J. Smith, R-Charlestown

- Provides that the county council of Clark County may adopt a resolution authorizing the county executive to appeal to the department of local government finance to increase the county's maximum permissible property tax levy for 2018 in an amount equal to: (1) the amount of the Judgment Funding Bonds of 2016 issued by the county; multiplied by (2) a percentage specified in the resolution adopted by the county council and agreed to in a resolution adopted by the county executive, but not to exceed 100%.
- Reduces the maximum permissible property tax levy for the county in certain cases. Provides for an adjusted allocation of local income taxes, phased out over three years, to prevent the county from receiving an increase in its share of local income taxes as a result of the levy increase.

- Urges the legislative council to assign the following to a study committee: (1) The topic of studying issues related to the tax increment financing process. (2) The topic of the uniform property tax assessment of nonprofit entities.

VARIOUS MOTOR VEHICLE LAW AMENDMENTS (HEA 1491, PL 256)

Author: Soliday, R-Valparaiso

Sponsor: Merritt, R-Indianapolis

- Renames the county motor vehicle excise surtax to be the county vehicle excise tax.
- Renames the municipal motor vehicle license excise surtax to be the municipal vehicle excise tax.
- Renames the motor vehicle license excise tax to be the vehicle excise tax.
- Makes other revisions in the following statutes: (1) The vehicle excise tax. (2) The excise tax on recreational vehicles and truck campers. (3) The commercial vehicle excise tax. (4) The boat excise tax.
- Makes clarifying amendments in Title 9.
- Provides that an autocycle manufactured before July 1, 2015, is not required to be equipped with antilock brakes.
- Provides that an ordinance adopted by a county, city, or town authorizing the operation of a golf cart or an off-road vehicle on the highways of the county, city, or town must require an individual who operates the golf cart or off-road vehicle: (1) to hold a driver's license (current law); or (2) be at least 16 years and 180 days of age and hold an identification card issued by the bureau of motor vehicles, including a photo exempt identification card.
- Provides that the definition of "farm wagon" exempts off-road vehicles from title and registration procedures when the farm wagon is used on private farm property.
- Provides that upon approaching a stationary survey or construction vehicle, a person who drives an approaching vehicle shall yield the right-of-way and proceed with caution.
- Removes the sunset clause for distributions of fee revenue to the integrated public safety communications fund. Amends the Abraham Lincoln license plate statute.
- Exempts the Lewis and Clark expedition license plate from the specialty group license plate requirements. Provides that a court may not award attorney's fees in a class action suit against a governmental entity until a hearing is held.
- Emphasizes that a permanent registration must be renewed on an annual basis to pay all applicable excise tax.
- Urges the legislative council to assign to the interim study committee on roads and transportation for study during the 2017 interim the topic of the motor vehicle inspection and maintenance program in Lake and Porter counties and whether there are alternatives to the program that would satisfy regulatory requirements and have a comparable effect on air quality. Makes conforming amendments.

SEARCH FEE FOR PUBLIC RECORDS REQUESTS (HEA 1523, VETOED)

Author: Richardson, R-Noblesville

Sponsor: Bray, R-Indianapolis

Aim COMMENT:

This bill was the only bill vetoed by Governor Holcomb from the 2017 legislative session. The bill would have allowed local units of government to charge a requestor a fee for a public records search that

exceeded two hours. The fee was not to exceed \$20 per hour. Similar legislation was vetoed by former Governor Pence.

- Allows a state or local government agency (agency), with certain exceptions, to charge a maximum hourly fee for any records search that exceeds two hours.
- Prohibits, with certain exceptions, an agency from charging a fee for providing a public record by electronic mail. Provides that if a public record is in an electronic format, an agency (excluding the office of the county recorder) shall provide an electronic copy or a paper copy, at the option of the person making the request for a public record.

REGIONAL INFRASTRUCTURE IMPROVEMENT PROJECTS (SEA 128, PL 229)

Author: Messmer, R-Jasper

Sponsor: Braun, R-Jasper

- Provides that the Indiana finance authority (IFA), rather than the budget agency, administers the local infrastructure revolving loan funds (loan funds).
- Expands the types of entities that may participate in the loan funds.
- Authorizes the IFA to issue its bonds to carry out the loan funds.
- Expands the types of infrastructure that are eligible for the loan funds to include bridges or other public ways.
- Provides that a regional development authority (RDA) may apply for a "FASTLANE" grant from the Federal Highway Administration (or a grant from any other federal program) for highway funding.
- Authorizes an RDA to enter into a supplemental funding agreement with the Indiana department of transportation or a political subdivision to contribute local matching funds to be used to pay a part or all of the nonfederal share of the costs necessary to carry out regional transportation infrastructure projects.
- Allows a county or municipality participating in an RDA to transfer money to a fund from its general fund or rainy day fund (or other available fund) to the RDA for purposes of providing funds for regional transportation infrastructure projects.
- Provides that a city, county, or political subdivision that fails to make a payment or transfer to a development authority as required is subject to a deduction by the state treasurer and a deduction of available funds from the development authority.
- Creates the regional development authority infrastructure fund (infrastructure fund).
- Provides that a regional development authority may expend money in the fund for certain infrastructure development projects.
- Provides that the IFA will administer the infrastructure fund.
- Provides an adjusted gross income tax deduction to a taxpayer that makes a contribution or gift to the infrastructure fund.
- Allows a county, city, or town to provide local income tax revenue to the infrastructure fund.
- Upon recommendation by an RDA, authorizes a county or municipality to establish a cumulative fund for the purpose of funding regional transportation infrastructure projects.

SCHOOL DEBT SERVICE OBLIGATIONS (SEA 196, PL 167)

Author: Kenley, R-Noblesville

Sponsor: T. Brown, R-Noblesville

- Provides the following for purposes of the school bond payment intercept statute:

- (1) The term "debt service obligations" also includes principal and interest payable to a school corporation's designated paying agent under a written agreement entered into in connection with the issuance of a school corporation's general obligation bonds.
- (2) Upon being notified of a school corporation's failure to pay debt service obligations when due, the treasurer of state shall within five days pay the unpaid debt service obligations that are due from state funds, in an amount equal to the amount of the unpaid debt service obligations that are due to the claimant (but only to the extent that amounts are available to the treasurer of state to fulfill this requirement).
- (3) The treasurer of state shall provide notice of the request by a claimant to the budget director, the auditor of state, and any department or agency of the state responsible for distributing funds appropriated by the general assembly for distribution to the school corporation from state funds, and such a department or agency of the state shall transfer those funds to the treasurer of state for purposes of paying the unpaid debt service obligations.
- (4) The amounts made available to the treasurer of state for this purpose shall be made from the following sources and in the following order of priority: (A) First, from amounts appropriated by the general assembly for the state fiscal year for distribution to the school corporation from state funds. (B) Second, from any remaining amounts appropriated by the general assembly for distribution for tuition support in each state fiscal year in excess of the aggregate amount of tuition support needed for distribution to school corporations. (C) Third, to the extent that the general assembly has adopted a biennial budget appropriating amounts in the immediately succeeding state fiscal year for distribution to the school corporation from state funds, then from such fund or account, as determined by the state budget director (from which fund or account there is appropriated to the treasurer of state an amount equal to the lesser of: (i) the unpaid debt service obligations not paid from the other sources; or (ii) the amount appropriated by the general assembly for the immediately succeeding state fiscal year for distribution to the school corporation).
- (5) If any amounts are transferred to the treasurer of state to pay the unpaid debt service obligations of the school corporation, the applicable department or agency shall recover those amounts by deducting an amount equal to the transfer from any future amounts to be distributed to the school corporation from state funds.

CONSTITUTIONAL AMENDMENT BALLOT LANGUAGE (SEA 222, PL 209)

Author: Hershman, R-Buck Creek

Sponsor: Lehman, R-Berne

- Prescribes the ballot language for the proposed constitutional amendment concerning the state budget.

CONSOLIDATION OF SCHOOL ADMINISTRATIVE FUNCTIONS (SEA 248, PL 169)

Author: Raatz, R-Centerville

Sponsor: Huston, R-Fishers

- Allows two or more school corporations situated in the same or adjoining counties to consolidate in a manner in which debts or obligations paid by a debt service levy incurred by a school corporation before the new consolidated school corporation comes into existence may be levied

only on the taxpayers of the subunit that initially incurred the debt or obligation before consolidation.

- Provides that each school corporation is considered a subunit of the consolidated school corporation. Provides that the resolution consolidating the school corporations may declare: (1) that administrative functions of each subunit will be consolidated in the proposed consolidated school corporation; and (2) that the name or attendance area of each school within a subunit may remain unchanged after the date the consolidated school corporation comes into existence.
- Provides that, if two or more school corporations consolidate under the new consolidation provision, the department of local government finance shall set for the consolidated school corporation: (1) new maximum levies, which must equal the sum of the existing maximum levies adjusted for assessed value growth; and (2) a maximum capital projects levy rate.
- Relocates and amends the provision that provides that 20% of the legal voters residing in the district of any school corporation, jointly with 20% of the legal voters residing in the district of each of one or more other school corporations, may petition the trustees of their respective school corporations to consolidate the school corporations.
- Provides that the meeting that the governing bodies of the school corporations are required to hold one week after the date of the appearance of the last publication of notice of intention to consolidate must be a public meeting.
- Amends provisions concerning compensation and vacancies regarding the membership of the governing body after a consolidation. Provides that the governing body must meet to reorganize not more than 15 days after the commencement date of the members' terms of office.

DONATION OF CERTAIN LOCAL FUNDS TO A FOUNDATION (SEA 346, PL 114)

Author: Grooms, R- Jeffersonville

Sponsor: Clere, R-New Albany

- Provides that when a county, municipality, or township (unit) donates the proceeds of the sale of a utility or a facility, or the amount of a gift, to a foundation, the unit and the foundation may agree that distribution of the proceeds is governed by the Uniform Prudent Management of Institutional Funds Act (IC 30-2-12).
- Provides that this authority applies only to the donation of proceeds that occurs after December 31, 2015. Provides that department of local government finance may not reduce a unit's property tax levy because of: (1) the donation of the proceeds of money from the sale of a utility or a facility; (2) a distribution from the endowment to the unit; or (3) a return of the donation to the general fund of the unit.
- Expands the investment powers of a trust established before 1990 from the proceeds of the sale of a county hospital to be the same as a foundation investing a donation. Specifies requirements of investing.

PROPERTY TAXATION (SEA 386, PL 232)

Author: Niemeyer, R- Lowell

Sponsor: Slager, R- Schererville

- Makes procedural changes and technical corrections to various property tax provisions in the Indiana Code that relate to property tax assessments, reviews, appeals, and refunds.
- Provides for the exchange of information before a hearing to be held by a county property tax assessment board of appeals (PTABOA).

- Provides that property tax appeals must be filed not later than the following: (1) For assessments before January 1, 2019, the earlier of: (A) 45 days after the date on which the notice of assessment is mailed by the county; or (B) 45 days after the date on which the tax statement is mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment. (2) For assessments after December 31, 2018, the earlier of: (A) June 15 of the assessment year, if the notice of assessment is mailed by the county before May 1 of the assessment year; or (B) June 15 of the year in which the tax statement is mailed by the county treasurer, if the notice of assessment is mailed by the county on or after May 1 of the assessment year.
- Provides that the last day for the county assessor to certify to the county auditor the assessed value of personal property is July 1 (rather than June 15, under current law).
- Provides that the last day for the county assessor to provide assessed values of real property to the county auditor is July 1 (rather than June 1, under current law).
- Requires the DLGF to prepare and make available to taxpayers a power of attorney form that allows the owner of property that is the subject of an appeal to appoint a relative for specific assessment years to represent the owner concerning the appeal before the PTABOA and the DLGF (but not the Indiana board of tax review).
- Provides that such a relative that is appointed by the owner of the property is not required to be certified as a tax representative in order to represent the owner concerning the appeal.
- Permits, instead of requires, the county assessor to impose a penalty against a taxpayer that fails to attend a scheduled hearing by the PTABOA.
- Allows a church that meets certain conditions and that missed the applicable deadline to claim a property tax exemption for the 2011 assessment date to file an application to claim the exemption.
- Allows a taxpayer that: (1) meets certain conditions; and (2) would have been eligible for certain property tax exemptions if the exemption applications had been properly and timely filed; to retroactively claim the property tax exemptions.

INFRASTRUCTURE ASSISTANCE FUND (SEA 416, PL 233)

Author: Charbonneau, R-Valparaiso

Sponsor: Ober, R-Fort Wayne

- Requires the Indiana finance authority to study the ability of utilities to provide clean and safe drinking water in Indiana for the foreseeable future.
- Requires the utility regulatory commission (IURC), in its deliberations in a general rate case of a water or wastewater utility, to consider governmental requirements arising from environmental law and their effect upon the utility's operational expenses.
- Authorizes the IURC, upon request by a water or wastewater utility in a general rate case, to permit the utility to voluntarily establish a customer assistance program.
- Provides that an IURC-approved customer assistance program may not be deemed a discriminatory utility regulation.
- Provides that certain water utilities that have withdrawn from the jurisdiction of the IURC may form a policy review committee to receive complaints from customers if certain conditions are met. Requires the environmental rules board to adopt rules to carry out the intent of the law concerning the safety of the public water supply.
- Authorizes the commissioner of the department of environmental management, when the point of water collection of a public water system is being relocated, to require that the water be tested

at the new point of collection the public water system may begin to collect water at the new location.

- Establishes the infrastructure assistance fund (fund) to provide grants, loans, and other financial assistance for the planning, designing, acquisition, construction, renovation, improvement, and expansion of public water systems.
- Requires the Indiana finance authority (IFA) to administer the fund and to establish criteria for the making of grants, loans, and other financial assistance from the fund.
- Authorizes the IFA to sell loans and other obligations from the fund and to deposit the proceeds of the sales in the fund or in certain other funds.
- Authorizes the IFA to pledge loans and other obligations from the fund to secure other loans or financial assistance from the fund or from certain other funds.
- Requires the public finance director to submit a report on the fund to the budget committee and the legislative council not later than August 1 of each odd-numbered year through 2021.
- Changes the name of the Indiana geological survey to the Indiana geological and water survey (survey). Requires the survey to provide geological information about the water resources of Indiana.
- Changes the name of the geological survey advisory council to the geological and water survey advisory council.

VARIOUS TAX MATTERS (SEA 440, PL 73)

Author: Holdman, R-Markle

Sponsor: Leonard, R-Huntington

- Requires the party that petitions for equitable allocation and apportionment of state income tax to bear the burden of proof that the standard allocation and apportionment provisions do not fairly represent the taxpayer's income derived from sources within Indiana and that the proposed alternative method to the standard allocation and apportionment provisions is reasonable.
- Requires the department of state revenue (department) to adopt certain procedures for department employees to follow in mailing documents that provide notice to a taxpayer.
- Specifies the content of a notice to a taxpayer that establishes a deadline for the taxpayer to act or respond.
- Requires the department to do the following: (1) Study the department's retention of records with respect to an investigation, audit, or claim for refund. (2) Submit a report to the legislative council and the interim study committee on fiscal policy containing the results of the department's study.
- Requires the interim study committee on fiscal policy to hold at least one public hearing at which the department presents the results of the report.

PROPERTY TAX AUDIT CONTRACTOR COMPENSATION (SEA 449, PL 119)

Author: Niemeyer, R- Lowell

Sponsor: Slager, R- Schererville

- Extends the prohibition under current law against contracting for property tax audit services on a percentage basis to include any method that bases payments under the contract on increases of assessed value or property tax revenue that are attributable to the discovery of property that has been undervalued or omitted from assessment.

- Specifies conditions for intermediate distributions of property tax revenue that is collected before the expiration of a contract for property tax audit services. Provides that the term of a contract for property tax audit services may not exceed three years, including any extensions.

TAX ADMINISTRATION OF MOBILE HOMES (SEA 455, PL 235)

Author: Head, R-Logansport

Sponsor: Engleman, R-Georgetown

- Establishes an optional procedure by which a county treasurer may sell a mobile home assessed as personal property at auction to the highest bidder in order to satisfy the amount owed by the owner for delinquent personal property taxes, penalties, and collection expenses attributable to the mobile home.
- Modifies the definition of "inventory" under the property tax code to also include certain mobile homes or manufactured homes that are held for lease by the owner of a mobile home community. Modifies the definition of the "owner" of tangible property in the property tax code to provide that the term means the owner designated as the grantee, buyer, or other equivalent term in the title document or a bureau of motor vehicles (BMV) affidavit of sale or disposal, if a title document is ordinarily issued to an owner for that type of property.
- Specifies that a person owning a mobile home assessed as personal property on the assessment date of a year is liable for the taxes imposed for that year on the property. Requires a person to furnish certain information to the assessor within 30 days after the person places or allows a mobile home to be placed on land the person owns, possesses, or controls.
- Requires a person that operates a mobile home community to furnish certain information to the assessor within 30 days after: (1) the person places or allows a mobile home to be placed in the mobile home community; (2) a sale or lease of a mobile home previously held as inventory occurs; or (3) the status of a mobile home is changed to inventory.
- Provides that a county treasurer may not issue a permit to move or transfer the title to a mobile home unless the person requesting the permit has a state issued title, a court order, or a BMV affidavit of sale or disposal.
- Requires a person who is engaged to move a mobile home to visibly display the moving permit while the mobile home is in transit.
- Effective January 1, 2020, changes the information that the operator of a mobile home community must enter in the mobile home register of the mobile home community for each mobile home placed in the mobile home community.
- Provides with respect to civil, criminal, infraction, and ordinance violation actions that the \$5 document storage fee becomes \$2 on July 1, 2022, instead of July 1, 2017.
- Provides that a clerk of a court may not collect certain fees for small claims actions or civil actions filed through the Indiana electronic filing system adopted by the Indiana supreme court.
- Requires the BMV and the Indiana archives and records administration (IARA) to update the records retention schedule to provide for a retention period of 20 years for titles of mobile homes and manufactured homes.
- Urges the legislative council to assign to an appropriate interim study committee for study in 2017 questions concerning the distribution of court fees to cities and towns under IC 33-37-7-6.

WAR MEMORIALS (SEA 456, PL 6)

Author: Head, R-Logansport

Sponsor: Friend, R-Macy

- Provides that the fiscal body of a city, county, or township may by ordinance or resolution authorize the sale or donation of a war memorial to certain organizations exempt from federal income taxation.
- Requires an organization acquiring a war memorial to continue to operate and maintain the war memorial.
- Provides that ownership of the war memorial reverts to the city, county, or township if the acquiring organization determines that it is unable to continue operating the war memorial, is dissolved, or otherwise ceases to exist.

VARIOUS TAX MATTERS (SEA 515, PL 239)

Author: Hershman, R-Buck Creek

Sponsor: T. Brown, R-Crawfordsville

- Provides and modifies sales and use tax exemptions.
- Provides an income tax deduction for certain amounts a taxpayer included as an item of income in a prior tax year.
- Specifies that, in determining an Indiana net operating loss deduction, certain modifications to adjusted gross income are not to be applied.
- Provides that certain professional sports team members or race team members are subject to the local income tax, and that in Marion County this local income tax revenue: (1) must be deposited in a dedicated fund established by its capital improvement board; and (2) is not captured by the Marion County professional sports development area. (Under current law, a county's local income tax applies only to residents of the county and to nonresidents who have their principal place of business or employment in the county.)
- Adds exemptions to certain taxes in connection with an NBA All-Star game and NBA related events when held in Indiana.
- Provides that a return under the financial institutions tax is due one month after the taxpayer's federal tax return is due.
- Creates a three month window during which an owner of an aircraft that is located in another state may register in Indiana without paying the difference in the sales tax paid to that state at its rate and the Indiana use tax rate.
- Provides that the department of state revenue may collect debts of a local unit of government through a tax refund set off program.
- Requires the legislative services agency to conduct a study concerning the correlation between employment growth and the statutory tax relief realized by C corporations during the period 2011 through 2016. Makes technical corrections.

[DISTRESSED AND FISCALLY IMPAIRED POLITICAL SUBDIVISIONS \(SEA 567, PL 241\)](#)

Author: Kenley, R-Noblesville

Sponsor: T. Brown, R-Crawfordsville

Aim COMMENT:

SEA 567 declares the Gary Community School Corporation a distressed political subdivision and the Muncie Community Schools a fiscally impaired school corporation. Both school corporations are prescribed various steps to take in an effort to return them to financial solvency. Going forward, this framework may be used for other political subdivisions who are faced with severe financial hardships.

SEA 567 also authorizes the Treasurer of the State to file a petition with the Distressed Unit Appeals Board to have a school corporation designated as a distressed unit if the Treasurer has reason to believe the corporation will be unable to pay their debt service obligations as they become due. Another piece allows school corporations to opt out of a State Board of Accounts examination and instead obtain an independent examination at their own expense.

- Changes the membership of the distressed unit appeal board (DUAB) by replacing the voting member who is appointed by the chairperson of the legislative council with a member appointed by the governor and adding three nonvoting legislative members.
- Adds to and modifies the duties and powers of the DUAB. Designates the Gary Community School Corporation as a distressed political subdivision. Specifies the powers and duties of the emergency manager appointed for the Gary Community School Corporation.
- Establishes the fiscal management board for the Gary Community School Corporation, and provides that the fiscal management board shall make recommendations to the emergency manager and shall advise the emergency manager as requested by the emergency manager.
- Requires the emergency manager for the Gary Community School Corporation to employ a chief financial officer and chief academic officer for the school corporation.
- Specifies that the chief financial officer shall report to the emergency manager and shall assist the emergency manager and the fiscal management board in carrying out the day to day financial operations of the school corporation.
- Specifies that the chief academic officer shall report to the emergency manager and shall assist the emergency manager and the fiscal management board in carrying out the academic matters of the school corporation.
- Authorizes the DUAB to do the following concerning the Gary Community School Corporation:
 - (1) Delay or suspend any payments of principal or interest, or both, that would otherwise be due from the school corporation on loans or advances from the common school fund.
 - (2) Recommend to the state board of finance that the state board of finance make an interest free loan to the school corporation from the common school fund.
 - (3) Establish benchmarks of financial improvement.
 - (4) Provide grants to the school corporation, from funds appropriated to the DUAB, to assist the school corporation in overcoming short term financial problems.
 - (5) Make a recommendation to the general assembly concerning the possible restructuring of advances made to the school corporation from the common school fund, including forgiveness of principal and interest on those advances.
- Requires the emergency manager to do the following: (1) Attempt to negotiate with the creditors of the school corporation to establish a plan specifying the schedule for paying each creditor. (2) Submit the plan to the DUAB for approval.

- Provides that the emergency manager must consult with the governing body of the school corporation, the fiscal management board, and the mayor of the city of Gary in developing the school corporation's annual budget, and that the DUAB must review and approve the school corporation's annual budget.
- Provides that the annual budget adopted by the emergency manager for the school corporation must dedicate a significant part of the school corporation's budget to eliminating the school corporation's debt obligations.
- Requires the emergency manager appointed for the Gary Community School Corporation to provide written notice to the mayor of the city of Gary at least 30 days before selling assets or transferring property, and specifies that if the mayor notifies the emergency manager of any concerns or objections regarding the proposed sale or transfer, the emergency manager must confer with the mayor regarding those concerns or objections.
- Provides that during the period after the effective date of the bill and before an emergency manager is appointed: (1) the financial specialist appointed for the Gary Community School Corporation may identify and implement labor force reductions, including contract cancellations due to a reduction in force; and (2) the governing body may not enter into or renew any contract unless that contract or contract renewal is first approved by the DUAB.
- Designates the Muncie Community Schools as a fiscally impaired school corporation.
- Specifies that the Muncie Community Schools' designation as a fiscally impaired school corporation is not a designation as a distressed political subdivision, and provides that the school corporation's designation as a fiscally impaired school corporation terminates on January 1, 2018.
- Requires the DUAB to appoint an emergency manager for the school corporation. Provides that the DUAB may immediately appoint the superintendent of the school corporation as the emergency manager for the school corporation on a temporary basis, and that this temporary appointment may continue for not more than six months.
- Provides that notwithstanding the powers, authority, and responsibilities otherwise granted to an emergency manager under the distressed political subdivision law, the emergency manager appointed for the Muncie Community Schools has only certain specified powers and duties while the school corporation is designated as a fiscally impaired school corporation.
- Provides that the emergency manager may on behalf of the school corporation negotiate and enter into labor contracts and collective bargaining agreements.
- Requires the emergency manager for the Muncie Community Schools to take actions necessary to implement a deficit reduction plan.
- Requires the DUAB to hold a public hearing not later than December 1, 2017, to determine if the school corporation should be designated as a distressed political subdivision effective January 1, 2018.
- Provides that after holding the public hearing, the DUAB shall either: (1) adopt a resolution providing that the school corporation will not be designated as a distressed political subdivision (if the DUAB makes certain findings); or (2) adopt a resolution designating the school corporation as a distressed political subdivision effective January 1, 2018.
- Provides that if the DUAB adopts a resolution designating the school corporation as a distressed political subdivision, the emergency manager shall, effective January 1, 2018, assume and exercise all of the powers, authority, and responsibilities granted to emergency managers under the distressed political subdivision statutes.
- Authorizes the treasurer of state to file a petition with the DUAB to have a school corporation designated as a distressed unit if the treasurer of state has reason to believe that the school

corporation will not be able to pay the school corporation's debt service obligations as those debt service obligations become due.

- Requires notice to the Indiana education employment relations board (EERB) when a school corporation is designated as distressed.
- Replaces and adds conditions for terminating a political subdivision's distressed status. Adds, removes, modifies, and rearranges the duties and powers of an emergency manager regarding all political subdivisions and makes certain changes with regard to distressed school corporations.
- Provides a procedure for residents who want to appeal a decision of an emergency manager. Specifies that if a member of the fiscal management board is made a party to a civil suit, the attorney general is required to defend the fiscal management board member.
- Specifies for purposes of a claim against a governmental entity that a member of the fiscal management board, the emergency manager, chief financial officer, or chief academic officer is acting on behalf of the distressed political subdivision and not the state.
- Provides civil immunity for these individuals with respect to an act or omission made in the course and scope of duties prescribed by the DUAB.

Pensions

[STATE BIENNIAL BUDGET \(HEA 1001, PL 217\)](#)

Author: T. Brown, R-Crawfordsville

Sponsor: Kenley, R-Noblesville

Aim COMMENT:

The General Assembly created a new investment fund for state employees who participate in the deferred compensation plan. The plan is the Next Level Indiana Innovation and Entrepreneurial Fund. The maximum amount of funds to be allocated into any one fund or firm is \$25 million, which is seen as a forward thinking approach to provide incentives and resources to attract cutting edge entrepreneurial businesses to Indiana.

- Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes.
- Provides for bonding authority for capital projects for higher education institutions.
- Terminates the legislative evaluation and oversight program.
- Replaces the statutory appropriation from the counter cyclical and revenue stabilization fund to the state general fund based on the budget report with a limited discretionary transfer determined by the budget director and approved by the governor.
- Requires the attorney general to include certain language concerning settlement funds in proposed court order language.
- Establishes the agency settlement fund for purposes of receiving certain funds paid to the state as part of a settlement or similar agreement.
- Permits money held in a trust fund for other post-employment benefits (other than pension) to be invested in the same manner as money may be invested by the public employees' retirement fund or any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system.
- Establishes the teachers' defined contribution plan (plan) as an account within the Indiana state teachers' retirement fund (fund).
- Provides that an individual who begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund may elect to become a member of the plan.
- Provides that an individual who does not elect to become a member of the plan becomes a member of the fund.
- Requires the board of trustees of the Indiana public retirement system (board) to establish, subject to any approval from the Internal Revenue Service that the board considers necessary or desirable, alternative investment programs within the annuity savings account as the initial alternative investment programs for the plan.
- Provides that, if the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan, except that the board shall maintain the stable value fund. Provides that each member's contribution to the plan is 3% of the member's compensation and requires the employer to pay the member's contribution on behalf of the member.

- Allows a member to make additional contributions to the plan up to 10% of the member's compensation.
- Provides that the employer's contribution rate for the plan is equal to the employer's contribution rate for the fund as determined by the board, although the amount credited from the employer's contribution rate to the member's account may not be greater than the normal cost of the fund, and any amount not credited to the member's account is applied to the unfunded accrued liability of the fund.
- Provides that an employer's minimum contribution to the plan is 3% of the compensation of all members of the plan.
- Provides that member contributions and net earnings on the member contributions belong to the member at all times and do not belong to the employer.
- Provides that a member vests in the employer contribution subaccount at 20% per year with full vesting after five years of participation.
- Provides that, if a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the subaccount that is not vested is: (1) transferred to the member's new employer, if the new employer participates in the plan; or (2) held in the member's employer contribution subaccount until forfeited.
- Provides that a member who: (1) terminates service in a covered position; and (2) does not perform any service in a covered position for at least 30 days after the date on which the member terminates service; is entitled to withdraw vested amounts in the member's account. Provides that a member may elect to have withdrawals paid as: (1) a lump sum; (2) a direct rollover to another eligible retirement plan; or (3) if the member is at least 62 years of age with at least five years of participation in the plan, a monthly annuity in accordance with the rules of the board.
- Provides that, on the plan's effective date, school corporations become participants in the plan. Provides that the board shall provide education to employers and members regarding retirement benefit options of all applicable pension and retirement funds that the board administers.
- Establishes the next level Indiana trust and trust fund.
- Provides that the trust proceeds of the next generation trust shall be transferred to the next level Indiana trust and trust fund and that the next generation trust shall cease upon completion of the transfer.
- Provides that the proceeds transferred to the next level Indiana trust fund shall be used exclusively for the provision of highways, roads, and bridges.
- Requires the board of trustees (board) of the Indiana public employees' retirement system, after December 31, 2017, to establish and maintain the next level Indiana innovation and entrepreneurial fund (fund) as an annuity savings account investment option for members of the public employees' retirement fund (PERF) and the Indiana state teachers' retirement fund (TRF).
- Requires the deferred compensation committee (committee), after December 31, 2017, to establish and maintain the fund as an investment option in the state employees' deferred compensation plan.
- Requires the board and the committee to consult with the board of trustees of the next level Indiana trust fund to establish the fund's investment objectives and policies. Limits initial transfers into the fund to 20% of the balance in a fund member's or state employee's account.
- Limits annual contributions to the fund to 20% of a member's or an employee's total contributions for that year.
- Provides that, if a member or employee contributes not less than the amount the member or employee initially designated to the fund for at least 36 consecutive months and maintains in the fund the amounts transferred and contributed during that period, the state shall contribute on

the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 36 month period.

- Provides that for each additional 12 consecutive months that a member or an employee contributes not less than the member or employee initially designated to the fund and maintains in the fund the amounts transferred and contributed that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 12 month period.
- Provides that, for purposes of determining the amount of the state's match, the total amount contributed by the member or employee or on the member's or employee's behalf excludes the amount of any state match.
- Provides that, in the case of a group insurance plan established by the state police department, conservation officers of the department of natural resources, and the state excise police (state law enforcement agencies), any proposed modification to change the benefits under the plan may not be made unless the modification is approved by the budget agency.
- Provides that, on or before July 1 of each year, state law enforcement agencies must submit to the budget agency the current plan documents and any other related information for the agency's group insurance plan as well as any proposed modifications to the plan.
- Provides that the budget agency may request additional information from a state law enforcement agency to analyze the impact of a proposed modification to the state's contribution and post-employment liability under the group insurance plan.
- Provides that, if a state law enforcement agency fails to provide the information, the budget agency may recommend to the budget committee that the state personnel department manage the state law enforcement agency's group insurance plan during the next succeeding calendar year. Establishes the personal services/fringe benefits contingency fund for the purpose of allotting money to departments, institutions, and state agencies for: (1) salary increases; (2) fringe benefit increases; (3) an employee leave conversion program; (4) state retiree health programs; and (5) any related expenses.
- Provides that the budget agency shall administer the fund and may use money in the fund only with the approval of the governor.
- Permits the director of the horse racing commission to negotiate an interstate compact and represent Indiana on a commission to negotiate an interstate compact.
- Specifies that money in each horse breed development fund is continuously appropriated to make payments ordered by the horse racing commission.
- Specifies that the horse racing commission's share of the money in the gaming integrity fund is continuously appropriated to carry out the purposes of the fund.
- Extends the effective date from July 1, 2017, to July 1, 2018, for provisions in the sales tax code declaring that a person is a retail merchant making a retail transaction if the person furnishes rooms, lodgings, or accommodations in a house, condominium, or apartment for transient residential housing for consideration.
- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code declaring that a "facilitator" is a retail merchant making a retail transaction when the facilitator accepts payment for a room, lodging, or accommodation rented or furnished in Indiana.
- Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code requiring a retail merchant who rents or furnishes lodgings to provide to the consumer of the lodging an itemized statement separately stating certain information and that imposes a penalty

on a facilitator for each transaction in which the facilitator fails to separately state such information.

- Merges the law enforcement academy building fund and the law enforcement training fund into the law enforcement academy fund with no changes to the funds' uses.
- Allows the law enforcement academy to charge a fee to all users for training and corresponding marginal and fixed costs according to an annual cost and fee schedule approved by the budget director.
- Allows the academy to house and train law enforcement agencies from outside Indiana. Permits the distressed unit appeal board to employ an executive director.
- Authorizes the department of correction to enter into a contract with an outsourcing facility, a wholesale drug distributor, a pharmacy, or a pharmacist for the issuance or compounding of a lethal substance necessary to carry out an execution by lethal injection.
- Specifies that the provision of a lethal substance for lethal injection does not constitute the practice of pharmacy and is not subject to the jurisdiction of the board of pharmacy, the medical licensing board, the state department of health, or the professional licensing agency.
- Provides that information relating to the identity of a person who provides a lethal substance for lethal injection is confidential.
- Prohibits the office of the secretary of family and social services from reducing Medicaid reimbursement for home health services.
- Voids an administrative rule containing a 3% reimbursement reduction and any successor rule or renewal from reducing home health services.
- Specifies powers of the treasurer of state, acting as the chairperson of the achieving a better life experience (ABLE) board, related to the approval of expenses of the ABLE board and the ABLE authority. Establishes the Indiana tourism task force to study the tourism departments of other states for the purposes of learning: (1) the structure of state tourism departments; (2) the level of funding provided to state tourism departments; and (3) the relationship between state funding of a state's tourism department and the economic impact of tourism on the state. Increases the maximum school scholarship income tax credits that may be awarded during a state fiscal year.
- Specifies the foundation amounts, special education grant amounts, and honors diploma award amounts.
- Provides that the spring ADM count of students is only for informational purposes. Provides that if a participating innovation network charter school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school is to be treated as a charter school for purposes of determining tuition support.
- Requires virtual charter schools to report annually certain information to the department of education (DOE). Deletes the provision specifying that the DOE shall accept applications for choice scholarship students from September 2 through January 15 for the spring semester of the current school year. Provides for a teacher appreciation grant for school corporations and virtual charter schools. Provides that if a school corporation or a charter school enters into an agreement with a choice scholarship school to provide dropout recovery educational services for an at-risk student who is enrolled at a public school, the student may not be included in the calculation of the public school's performance grade.
- Amends the primary care shortage area scholarship statute to provide that it applies to qualifying applicants who will practice in Indiana (rather than only those who will practice in a primary care shortage area).

- Specifies that the scholarship may also be awarded to qualifying nonresidents who intend to remain in Indiana (but provides that the commission for higher education (CHE) shall give a preference to Indiana residents when awarding such a scholarship).
- Deletes the requirement that the scholarship may only be awarded to a student in the first year class. Specifies the maximum amounts of the scholarship (depending on the class year in which it is awarded).
- Provides that the CHE (in coordination with the Marian University College of Osteopathic Medicine) shall administer the scholarship program. Exempts Ivy Tech Community College through December 31, 2017, from having to obtain three appraisals to sell real estate.
- Provides that an acute care hospital is entitled to a credit against the hospital's adjusted gross income tax liability equal to 20% of the property taxes paid in Indiana. (The current credit is equal to 10% of the property taxes paid in Indiana.)
- Specifies that the credit applies only to taxes on real property.
- Provides that the amount of any unused credit may be claimed as a refundable tax credit. Provides for an income tax deduction for military retirement and survivor's benefits of \$6,250 (retains a \$5,000 deduction for military income that is not a military retirement benefit, which is now a combined deduction including military income and military retirement benefits).
- Authorizes the Indiana department of veterans' affairs to make grants to be used for the purpose of providing services to veterans.
- Requires the budget agency to retain and transfer to the department of state revenue in 2019 a part of the certified distribution of local income tax that is equal to the amount of the certified distribution that represents certified shares for calendar year 2018 multiplied by 0.5%.
- Specifies that the money in the standard bred horse fund is continuously appropriated to carry out the purposes of the fund. Repeals the power of the Indiana finance authority to enter into direct negotiations with a single offeror for a public-private partnership involving state communications systems infrastructure.
- Provides that a governmental entity may issue a request for information with respect to a public-private agreement: (1) to consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project involving a public facility or transportation project; (2) to prepare a request for proposals; or (3) to evaluate any aspect of an existing public-private agreement.
- Provides that responses to a request for information are confidential unless confidentiality is waived in writing. Requires the state board of finance to notify the state board of education and the DOE when the state board of finance takes certain actions.
- Provides for an increase in the reimbursement rate for certain services provided to an individual under a Medicaid waiver and whose services are delivered by direct care staff.
- Changes the expiration dates for the hospital assessment fee and the health facility quality assessment fee from June 30, 2017, to June 30, 2019.
- Provides that deer research and management fund fee revenue, migratory waterfowl stamp revenue, and game bird restoration stamp revenue may be retained in the fish and wildlife fund if the budget agency finds that it would reduce the balance in the fish and wildlife fund below \$3,000,000 at the end of the state fiscal year.
- Modifies the replacement facility exemption for purposes of the prohibition on the approval of licensure of comprehensive care health facilities and comprehensive care beds, and extends the prohibition through June 30, 2019.

- Establishes the school corporation efficiency incentive grant program. Provides that certain reorganized school corporations are eligible for a one time efficiency incentive grant if requirements are met.
- Provides that the grant may be used to: (1) pay expenses associated with the reorganization, including professional service fees, legal costs, and necessary capital expenditures; and (2) provide salary bonuses to teachers.
- Provides that the amount of the grant is \$250 multiplied by the most recent average daily membership (ADM) count of the reorganized school corporation.
- Provides that a reorganized school corporation may increase its new combined maximum permissible school transportation levy and school bus replacement levy by 3% after all other adjustments.
- Adds a definition of "postsecondary SEI affiliated educational institution."
- Allows a state educational institution to be a member of and control a postsecondary SEI affiliated educational institution under certain conditions.
- Requires a postsecondary SEI affiliated educational institution and any educational programs offered to be authorized by the CHE.
- Provides that a postsecondary SEI affiliated educational institution is not subject to open door laws.
- Provides that the CHE may request information from a postsecondary SEI affiliated educational institution.
- Provides that a postsecondary SEI affiliated educational institution may be confirmed as a public school for purposes of United States Department of Education regulations.
- Increases the automated record keeping fee from \$19 to \$20 permanently.
- Adds the increase in the presumptive cost concerning selling of cigarettes under the state cigarette fair trade act.
- Provides that certain annexation ordinances are void.
- Provides \$5,000,000 from a 2013 appropriation for the health and safety contingency fund to rehabilitate a state owned building to be used to provide services to Indiana's veterans.
- Requires the budget agency to transfer an amount from the state general fund to the state bicentennial capital account to cover obligations incurred before July 1, 2017.
- Provides that the amount transferred may not exceed \$5,500,000. Extends the legislative and judicial branch leave conversion pilot program through June 30, 2019.
- Repeals: (1) the bonding authority enacted in 2007 for the Purdue University West Lafayette-Animal Disease Diagnostic Laboratory; and (2) the bonding authority enacted in 2009 for the Indiana University Southeast education and technology building.
- Requires the CHE to: (1) review the metrics used in the performance funding formula to ensure that those metrics are aligned with the state's higher education goals; and (2) make recommendations before July 1, 2018, to the legislative council and the governor concerning the metrics used in the performance funding formula.
- Requires the CHE to study the effectiveness of the academic program at the Indiana Academy for Science, Math, and Humanities and report the CHE's findings to the legislative council and the governor. Urges the legislative council to assign to the interim study committee on courts and the judiciary the topic of studying issues related to providing indigent defense services.

PENSION THIRTEENTH CHECKS (HEA 1537, PL 92)

Author: Gutwein, R-Francesville

Sponsor: Boots, R-Crawfordsville

- Provides for thirteenth checks in 2017 and 2018 for certain members of the: (1) Indiana state teachers' retirement fund; (2) public employees' retirement fund; (3) state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan; (4) state police pre- 1987 benefit system; and (5) state police 1987 benefit system.

POLICE RESERVE OFFICERS (HEA 1555, PL 180)

Author: Mayfield, R-Martinsville

Sponsor: Walker, R-Columbus

Aim COMMENT:

This legislation adds reserve police officers to the line of duty death benefit from the special death fund. The fiscal impact of this addition is considered limited due to the small percentage of reserve officers utilized compared to full time police officers. See more information about this bill under Public Safety.

- Provides that town police reserve officers are eligible for a line of duty death benefit from the special death benefit fund. Adds town police reserve officers to the tuition and fee exemption for the children and surviving spouse of a public safety officer killed in the line of duty.
- Provides that: (1) after December 31, 2017, a county, city, or town shall furnish without charge to a police reserve officer (officer) who is injured or contracts an illness in the course of or as the result of the performance of duties as an officer all necessary physician, surgical, hospital, and nursing services and supplies, and that this obligation supersedes any obligations that another medical insurance carrier has to pay the officer's medical expenses; (2) after December 31, 2017, a county, city, or town shall provide to an officer who is unable to pursue the officer's usual vocation as the result of an injury or illness occurring in the course of or as the result of the performance of duties as an officer a weekly amount equal to the Indiana minimum wage computed on the basis of a 40 hour work week for a maximum of 260 weeks; and (3) a county, city, or town may meet its obligations by purchasing policies of group insurance, establishing a plan of self-insurance, or participating in the medical treatment and burial expense provisions of the worker's compensation and occupational diseases laws.

1977 FUND DISABILITY BENEFITS (HEA 1617, PL 161)

Author: Speedy, R-Indianapolis

Sponsor: Sandlin, R-Indianapolis

- Provides that a member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund) who has a permanent and total disability that is the direct result of a catastrophic physical personal injury that occurs in the line of duty after July 1, 2008, and that permanently prevents the 1977 fund member from performing any gainful work receives, after July 1, 2017, for the remainder of the individual's life a disability benefit equal to the monthly salary of a first class patrolman or firefighter at the commencement of the disability.
- Provides that the 1977 fund member's disability benefit increases at a rate equal to the increases in the monthly salary of a first class patrolman or firefighter.
- Provides for an exemption from the payment of tuition and regularly assessed fees at a state supported college, university, or technical school for a qualifying child or spouse of a 1977 fund

member who has a permanent and total disability that is the direct result of a catastrophic physical personal injury that occurs in the line of duty after July 1, 2008, and that permanently prevents the 1977 fund member from performing any gainful work.

VARIOUS PENSION MATTERS (SEA 46, PL 40)

Author: Boots, R-Crawfordsville

Sponsor: Carbaugh, R-Fort Wayne

- Establishes a single special death benefit fund to replace the two separate death benefit funds established under current law to pay death benefit claims to the beneficiaries of public safety officers or other state public employees who die in the line of duty.
- Provides that death benefits paid to beneficiaries of members of the following funds who die in the line of duty are to be paid from the special death benefit fund instead of the pension relief fund: (1) The 1925 police pension fund. (2) The 1937 firefighters' fund. (3) The 1953 police pension fund (Indianapolis). (4) The 1977 police officers' and firefighters' pension and disability fund. Allows an individual who is a member of both the public employees' retirement fund (PERF) and the Indiana state teachers' retirement fund (TRF) to make independent elections concerning the amounts credited to the member in the annuity savings account of each fund.
- Allows a member of PERF or TRF, or both, to do the following with the money credited to the member in a PERF or TRF annuity savings account, in any combination: (1) Retain and continue to invest all or part of the money in the annuity savings account. (2) Receive one or more distributions of all or part of the money in the annuity savings account. (3) Obtain an annuity with all or part of the money in the annuity savings account.
- Provides that if survivor benefits under PERF or TRF are forfeited for the failure of a survivor to claim the benefits within three years of the death of a member, the money to pay the benefits must be credited in the manner provided by the board of trustees of the Indiana public retirement system, rather than to PERF or TRF specifically.
- Provides that the minimum pension benefit for a regularly retired member of TRF who receives an unreduced pension benefit is \$185 per month.
- Makes an appropriation. (The introduced version of this bill was prepared by the interim study committee on pension management oversight.)

C AND E FUND DEDUCTIONS FROM RETIREMENT BENEFITS (SEA 47, PL 41)

Author: Boots, R-Crawfordsville

Sponsor: Carbaugh, R-Fort Wayne

- Allows a participant in the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan (C and E fund) to authorize a deduction from the participant's monthly retirement benefit for the purpose of paying insurance premiums, charitable contributions, or labor organization dues.

DEFERRED RETIREMENT OPTION PLAN DISABILITY BENEFIT (SEA 80, PL 47)

Author: Boots, R-Crawfordsville

Sponsor: Carbaugh, R-Fort Wayne

- Revises, for a member of the 1925 police pension fund, the 1937 firefighters' pension fund, the 1953 police pension fund, or the 1977 police officers' and firefighters' pension and disability fund

who retires after June 30, 2017, because of a disability at least 12 months after the date the member enters the deferred retirement option plan (DROP), the calculation of the retirement benefit paid to the member.

- Allows a member who retired after January 1, 2015, and before July 1, 2017, because of a disability at least 12 months after the date the member entered the DROP to elect to have the member's retirement benefit recalculated under the new provision.

PROSECUTING ATTORNEYS RETIREMENT FUND (SEA 265, PL 57)

Author: Walker, R-Columbus

Sponsor: Carbaugh, R-Fort Wayne

- Provides that the pension received by a participant in the prosecuting attorneys retirement fund (PARF) upon retirement from PARF is reduced by: (1) the actual amount of the pension the participant is receiving from the public employees' retirement fund (PERF), if the participant is receiving a pension from PERF when the participant retires from PARF; or (2) if the participant is not receiving a pension from PERF when the participant retires from PARF, the amount of the pension that the participant would be entitled to receive from PERF, if the participant were also retiring from PERF on the date the participant retires from PARF.

Public Safety

[PUBLIC SAFETY MATTERS \(HEA 1023, PL 10\)](#)

Author: Frye, R-Batesville

Sponsor: Crider, R-Greenfield

- Adds a new national firefighting training standard to current standards eligible for emergency rulemaking. Exempts government facilities from being assessed emergency and hazardous chemical inventory form fees.

[MOTOR VEHICLE INSURANCE POLICY REQUIREMENTS \(HEA 1033, PL 24\)](#)

Author: Lehman, R-Berne

Sponsor: Holdman, R-Markle

- Changes the application of SEA 40-2016 from July 1, 2017, to July 1, 2018.
- Requires that a motor vehicle insurance policy issued or renewed after June 30, 2017, to establish financial responsibility must provide property damage coverage of \$25,000 rather than \$10,000.

[RIGHT-OF-WAY IN A ROUNDABOUT \(HEA 1039, PL 11\)](#)

Author: Torr, R-Carmel

Sponsor: Crider, R-Greenfield

- Requires a driver to yield the right-of-way to a driver of a vehicle having a total length of at least 40 feet or a total width of at least 10 feet when driving through a roundabout.
- Requires that, when two truck drivers approach or drive through a roundabout at the same time, the driver on the right yields the right-of-way to the driver on the left.

[HANDGUN MATTERS \(HEA 1071, PL 221\)](#)

Author: Eberhart, R-Shelbyville

Sponsor: Messmer, R-Jasper

- Provides that certain persons protected by a civil protection order may carry a handgun without a license for: (1) 60 days after the date the civil protection order is issued; or (2) 60 days after the date the person applies for a license to carry a handgun, if the person applies for the license during the 60 day period following issuance of the civil protection order; whichever is later.
- Requires the state police to adopt rules expediting the processing of an application for a license to carry a handgun made by a person protected by an order of protection.
- Urges the legislative council to assign the appropriate study committee to study repeal of the law that requires a person to obtain a license to carry a handgun in Indiana. Makes a technical correction.

EMERGENCY CONTACT DATA BASE (HEA 1084, PL 131)

Author: Cook, R-Cicero

Sponsor: Crider, R-Greenfield

- Requires the bureau of motor vehicles (bureau) to create, maintain, and operate the Indiana emergency contact data base (data base).
- Requires a law enforcement officer to: (1) access the data base; and (2) attempt to contact emergency contact persons; within a reasonable amount of time after learning of death or serious bodily injury to an individual holding certain credentials issued by the bureau.
- Allows each credential holder to have not more than two emergency contact persons entered in the data base.
- Provides that information contained in the data base is confidential and exempt from disclosure or public inspection.
- Requires the data base to be operational and accessible to law enforcement officers not later than July 1, 2019.

RESCUE ACTIONS (HA 1085, PL 186)

Author: Cook, R-Cicero

Sponsor: Hershman, R-Buck Creek

- Amends an Indiana Code section requiring an emergency medical services provider to take custody of a newborn child under certain circumstances to eliminate an ambiguity that might otherwise exist with respect to one of the circumstances under which the requirement applies.
- Provides that a person who forcibly enters a motor vehicle to remove a domestic animal is responsible for only one-half of the cost of repairing the motor vehicle damage directly caused by the person's forcible entry and is immune from all other civil or criminal liability for other property damage resulting from the forcible entry if the person: (1) reasonably believes that the domestic animal is in imminent danger of suffering serious bodily harm; (2) determines that the motor vehicle is locked and forcible entry of the motor vehicle is necessary to remove the domestic animal; (3) calls 911 or otherwise attempts to contact a law enforcement officer or another emergency responder before forcibly entering the motor vehicle; (4) uses no more force than reasonably necessary; and (5) remains with the domestic animal until a law enforcement officer or other emergency responder arrives.
- Provides that a law enforcement officer, a firefighter, a government officer or employee whose primary duty is to ensure public safety, another emergency responder, an animal control officer, a veterinarian, or a veterinary assistant who forcibly enters a motor vehicle to remove a domestic animal is not liable for the cost of repairing damage to the motor vehicle caused by the person's forcible entry if the person was acting in the course and scope of the person's employment.
- Provides that if a person forcibly removes a domestic animal from a motor vehicle and the domestic animal physically injures the person, the owner of the domestic animal is immune from civil liability for the person's injuries.

PLASTIC-COATED AMMUNITION (HEA 1095, PL 133)

Author: Burton, R-Greenwood

Sponsor: Bray, R-Martinsville

- Defines "armor-piercing ammunition", and prohibits certain persons from possessing, manufacturing, selling, or delivering armor piercing ammunition. Repeals a superseded provision concerning armor piercing handgun ammunition.

CRITICAL INCIDENT STRESS MANAGEMENT SERVICES (HEA 1122, PL 137)

Author: Wesco, R-Osceola

Sponsor: Zakas, R-Elkhart

- Provides confidentiality protection to communications that emergency responders make to critical incident stress management personnel or records that are generated by critical incident stress management personnel after providing critical incident stress management services to emergency responders following a critical incident.
- Provides that critical incident stress management personnel are immune from liability for any acts, errors, or omissions committed in providing critical incident stress management services to emergency responders, unless the act, error, or omission constitutes wanton, willful, or intentional misconduct.

STROKE PROTOCOLS FOR EMERGENCY SERVICES PERSONNEL (HEA 1145, PL 138)

Author: Zent, R- Angola

Sponsor: Charbonneau, R-Valparaiso

- Requires the emergency medical services commission to: (1) adopt rules concerning protocols for the identification, transport, and treatment of stroke patients by personnel providing emergency medical services; and (2) adopt and distribute a nationally recognized stroke assessment tool to personnel providing emergency medical services.
- Requires the Indiana state department of health (department) to compile and maintain a list of: (1) certain certified stroke centers and hospitals; and (2) Indiana network participating hospitals. Requires certified hospitals to provide certain information to the department.
- Prohibits advertising that a facility is a stroke center or hospital unless the facility is certified.

CANNABIDIOL AND TREATMENT RESISTANT EPILEPSY (HEA 1148, PL 188)

Author: Friend, R-Macy

Sponsor: Head, R-Logansport

- Defines "cannabidiol" and "substance containing cannabidiol" and establishes a cannabidiol registry for certain persons for the use of a substance containing cannabidiol in the treatment of an individual with treatment resistant epilepsy. Requires the state department of health to maintain the registry.
- Provides that the offense of possession of paraphernalia applies to the possession of certain items used in connection with lawfully possessed cannabidiol.

- Establishes defenses to: (1) possession of marijuana; and (2) an allegation that a person has violated a condition of supervised release; if the charge or violation is based on the use of a substance containing cannabidiol.

DISCIPLINARY PROCESS FOR FIREFIGHTERS (HEA 1171, PL 140)

Author: Mahan, R-Hartford City

Sponsor: Boots, R-Crawfordsville

Aim COMMENT:

This legislation establishes minimum protections for full time, paid, non-probationary firefighters when they are or have the potential of being demoted or terminated. These individuals are now allowed to have legal representation and or a union representative appear with them at this meeting, and they must be given 72 hours' notice of the meeting to obtain representation. This legislation excludes merit fire departments and does not apply to law enforcement.

- Establishes minimum rights for a full-time, paid, nonprobationary member of a fire department to be represented in a meeting at which the chief of the fire department (chief) notifies the firefighter: (1) of the firefighter's termination or demotion with cause; or (2) that the chief is recommending the firefighter's termination or demotion with cause to the safety board.
- Provides that the firefighter's meeting with the chief concerning the firefighter's termination or demotion with cause may not proceed until the firefighter is provided at least 72 hours to obtain the requested representation.
- Excludes from these provisions: (1) a member of the fire department who holds an upper level policy making position; (2) a member of the fire department who holds a position in the fire department: (A) that is not an upper level policy making position; and (B) to which the member was appointed by the chief; and (3) a fire department with a merit system established under IC~36-8-3.5.

CRIME REPORTING REQUIREMENTS (HEA 1189, PL 15)

Author: Ober, R-Fort Wayne

Sponsor: Ruckleshaus, R-Indianapolis

- Requires local law enforcement agencies to provide criminal justice data to the Indiana state police.
- Requires local law enforcement agencies to participate in a statewide uniform crime report program with the National Incident Based Reporting System (NIBRS).
- Requires the criminal justice data division of the state police department to report crime statistics to the governor semiannually (rather than annually, as required under current law).

OFF- ROAD VEHICLE SAFETY (HEA 1200, PL 141)

Author: Arnold, R-Leavenworth

Sponsor: Messmer, R-Jasper

- Requires off-road vehicle operators and riders less than 18 years of age to wear helmets, and prohibits the owner of an off-road vehicle from permitting a person less than 18 years of age to ride the off-road vehicle without a helmet.

HANDGUN LICENSES AND LAW ENFORCEMENT OFFICERS (HEA 1250, PL 17)

Author: Goodin, D-Austin

Sponsor: Grooms, R-Jeffersonville

- Provides that police officers, sheriffs or their deputies, and law enforcement officers of the United States government who have 20 or more years of service are entitled to a lifetime license to carry a handgun in Indiana. (Current law states police officers, sheriffs or their deputies, and law enforcement officers of the United States government must have been honorably retired by a lawfully created pension board or its equivalent after 20 or more years of service to be entitled to a lifetime license to carry a handgun.)
- Provides that these individuals are exempt from the payment of fees for the lifetime license to carry a handgun. Makes conforming amendments.

COMPLETION OF TRAINING BY VOLUNTEER FIREFIGHTERS (HEA 1370, PL 90)

Author: M. Smith, R-Columbus

Sponsor: Walker, R-Columbus

- Requires a volunteer firefighter to successfully complete certain minimum basic training requirements before performing the emergency response duties of a volunteer firefighter.
- Grants police powers to a fire investigator who has successfully completed law enforcement training and meets other specified conditions.

SYRINGE EXCHANGE PROGRAMS (HEA 1438, PL 198)

Author: Kirchhofer, R-Beech Grove

Sponsor: Merritt, R-Indianapolis

- Allows a county or municipality to approve the operation of a syringe exchange program (program).
- Allows a program to be renewed for not longer than two years. Requires a program to keep a sufficient quantity of an overdose intervention drug in stock to administer when needed.
- Requires the state health commissioner to receive written notice when a program is renewed, expired, or terminated or if the qualified entity operating the program changes.
- Extends the law concerning programs until July 1, 2021. (Current law expires July 1, 2019.)

PROPERTY TAX MATTERS (HEA 1450*, PL 255)

Author: Leonard, R-Huntington

Sponsor: Mishler, R-Bremen

Aim COMMENT:

HEA 1450 was an omnibus bill that contained many other provisions related to local government. See more information about this bill also under Administration and Municipal Finance.

With regard to public safety matters, HEA 1450 allows townships to use Rainy Day funds to pay for fire protection and emergency services and allows fire protection districts to be participating units in fire protection territories. This legislation also provides that a resolution by a provider unit to withdraw from

a fire protection territory is effective January 1 of the following year, and requires a majority of the remaining units to agree on which unit is to become the successor provider unit.

- Provides that a political subdivision must upload a copy of a contract that the political subdivision enters into after June 30, 2016, to the Indiana transparency Internet web site if the total cost of the contract exceeds \$50,000.
- Specifies the definition of "low income rental property" for purposes of property tax assessment. Specifies the total true tax value of low income rental property that is used to provide Medicaid assisted living services.
- Allows the department of local government finance (DLGF) to use estimated data to compute six year rolling averages for the purpose of determining the annual adjustments of assessed values between reassessments.
- Provides that the DLGF shall release DLGF's annual determination of the statewide agricultural land base rate value (base rate) on or before March 1 of each year.
- Makes the statute specifying the assessed value of outdoor advertising signs permanent. Provides that certain outdoor signs shall be disregarded for the purpose of determining an assessment of the land on which the outdoor sign is located.
- Provides that a public utility that fails to timely file a statement concerning the property owned or used by the public utility on an assessment date shall remit the penalty to the department of state revenue. Defines the terms "installment loan" and "mortgage" for purposes of the mortgage deduction.
- Restates the conditions for when a taxpayer must reapply for various property tax deductions.
- Restates the requirement that a taxpayer file a certified statement with the county auditor when the taxpayer ceases to be eligible for the standard deduction for a property.
- Provides that Jennings Township in Fayette County may increase its maximum township unit levy and its maximum levy for fire protection and emergency services for 2018.
- Provides that both the executive of a political subdivision and a majority of the members of the fiscal body of a political subdivision may independently request technical assistance from the distressed unit appeal board in helping prevent the political subdivision from becoming a distressed political subdivision.
- Provides that a multiple county property tax assessment board of appeals shall submit to the DLGF, the Indiana board of tax review, and the legislative services agency separate reports for each county participating in the multiple county property tax assessment board of appeals.
- Authorizes, but does not require, the DLGF to adopt rules to limit the basis of payment for services provided by professionals who work on capital projects to a fee for service agreement.
- Provides that the DLGF may adopt a rule after June 30, 2016, and before September 1, 2017, that concerns or includes market segmentation and affects assessments for the January 1, 2018, assessment date.
- Provides that the DLGF may not adopt a rule concerning the practice of a representative before a property tax assessment board or DLGF that restricts the ability of a certified public accountant to represent a client in a matter relating to the taxation of personal property or distributable property.

- Allows a county treasurer and the county auditor to implement a policy to waive, negotiate, or settle penalties that have accrued on delinquent property taxes, if the fiscal body of the county approves the policy.
- Repeals the requirements that the budget agency publish by May 1 each year an estimate of the total amount of statewide distributions of local income tax revenue for: (1) the following two years, in an odd-numbered year; and (2) the following year, in an even-numbered year.
- Eliminates the requirement in current law that the DLGF review a loan contract entered into by an airport authority.
- Specifies that the election of the directors of a conservancy district's board shall be by a plurality of the votes (instead of a majority of the votes, in current law).
- Provides that a conservancy district is not required to go through the budget review process unless the conservancy district imposes a levy.
- Adds conditions that a school corporation must satisfy to increase its maximum transportation fund levy.
- Specifies an October 20 filing deadline for an appeal. Increases the service of process fee from \$25 to \$28, provides that the clerk shall collect the fee rather than the sheriff, and distributes \$1 of the fee to the clerk's record perpetuation fund.
- Provides that the executive of a township may use money in the township's rainy day fund to pay the costs attributable to providing fire protection and emergency services. Removes the requirement that the township firefighting fund be the exclusive fund used for providing fire protection or emergency services.
- Provides that a redevelopment commission's annual report to the unit that created the redevelopment commission must include both a list of parcels of real property and the depreciable personal property of designated taxpayers in the redevelopment area.
- Provides that a fire protection district may be a participating unit in a fire protection territory.
- Provides that a resolution by a provider unit to withdraw from a fire protection territory is effective on January 1 of the year following the year in which the resolution is adopted.
- Provides that if the provider unit of a fire protection territory withdraws, a majority of the remaining units must agree on which unit is to become the successor provider unit.
- Specifies the definition of "public funds" for purposes of public purchasing and public works projects.
- Provides that the drainage board of a county may not impose interest on a drainage assessment for construction or reconstruction if the construction or reconstruction is financed through the issuance of bonds or a construction loan.
- Specifies accounting procedures for drainage assessment construction or reconstruction loans having a term of fewer than six years.
- Allows a school corporation located in Vanderburgh County to impose a property tax at a rate of up to \$0.005 to provide money to a historical society for restoration and maintenance of Bosse Field. Allows certain nonprofit entities that failed to comply with the exemption filing deadlines to claim the property tax exemptions that the nonprofit entities were otherwise entitled to claim.
- Requires the DLGF to: (1) increase Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2018; and (2) decrease Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2019.

- Urges the legislative council to assign to a study committee the topic of issues related to establishing a neighborhood enhancement property tax relief program.
- Urges the legislative council to assign to the interim study committee on agriculture and natural resources or another appropriate interim study committee the topic of creating a dedicated funding source for zoological parks in the state to: (1) promote tourism; (2) further job creation; (3) enhance educational opportunities; and (4) develop animal and botanical exhibitions. Makes technical corrections.

DOMESTIC VIOLENCE FATALITY REVIEW COMMITTEE (HEA 1516, PL 258)

Author: Olthoff, R- Crown Point

Sponsor: Crider, R-Greenfield

- Removes the limit on the authority of a local domestic violence review team (local review team) to the review of fatalities when the person who commits domestic violence resulting in death is charged with a criminal offense that results in a final judgment or is deceased.
- Specifies that local review teams may review near fatalities. Establishes the statewide domestic violence fatality review committee (committee). Imposes various duties upon the committee, including to: (1) assist local review teams; (2) assist in or conduct a review of a death or near fatality in possible domestic violence cases; (3) gather information; (4) submit reports; and (5) make recommendations concerning the prevention of domestic violence deaths.
- Provides that various records must be made available to the committee, subject to confidentiality requirements.
- Provides certain immunities concerning information provided to and discussions involving the committee.
- Provides that the Indiana criminal justice institute will administer the committees.
- Makes conforming changes to the local review team law.

STUDY OF LAW ENFORCEMENT TRAINING MATTERS (HEA 1535, PL 31)

Author: McNamara, R-Evansville

Sponsor: Bray, R-Martinsville

- Urges the legislative council to assign to the appropriate committee a study of:
 - (1) possible sources of funding for new and existing law enforcement academies;
 - (2) possible sources of funding for law enforcement officer training;
 - (3) alternative sources of funding for law enforcement academies and officer training;
 - (4) the sustainability of existing revenue streams responsible for funding law enforcement academies and officer training;
 - (5) possible locations for new or relocated law enforcement academies;
 - (6) the repurposing of existing facilities for use as law enforcement academies;
 - (7) the leasing of existing facilities for use as law enforcement academies;
 - (8) the feasibility and utility of using state educational institutions or postsecondary institutions to conduct or provide law enforcement officer training programs; and
 - (9) the modernization or revision of law enforcement officer training curriculums.

ADDICTION TREATMENT TEAMS (HEA 1541, PL 203)

Author: Davisson, R- Salem

Sponsor: Merritt, R-Indianapolis

- Adds a definition of "medication assisted treatment."
- Specifies: (1) providers that must be included as part of; and (2) services that must be provided by; an addiction treatment team. Establishes reimbursement for addiction treatment teams from health and addiction forensic treatment services grants.
- Allows addiction treatment teams to provide services in temporary locations and mobile units in specified conditions.

POLICE RESERVE OFFICERS (HEA 1555, PL 180)

Author: Mayfield, R-Martinsville

Sponsor: Walker, R-Martinsville

Aim COMMENT:

Under HEA 1555, there are two new requirements for local units of government that utilize reserve police officers. First, if a reserve officer is injured in the line of duty, the municipal unit is responsible for the cost associated with medical expenses, even if the officer has health insurance coverage through other means. The second requirement is that beginning on January 1, 2018, if a reserve officer is injured in the line of duty and is unable to pursue his or her usual vocation, the local unit of government is responsible for paying that officer a salary for five years based on the Indiana minimum wage. This requirement can be covered by purchasing a disability insurance program if not currently covered by the local unit's workers compensation plan. Aim strongly encourages all units that utilize reserve officers to verify proper coverage with their insurance provider.

- Provides that town police reserve officers are eligible for a line of duty death benefit from the special death benefit fund.
- Adds town police reserve officers to the tuition and fee exemption for the children and surviving spouse of a public safety officer killed in the line of duty.
- Provides that: (1) after December 31, 2017, a county, city, or town shall furnish without charge to a police reserve officer (officer) who is injured or contracts an illness in the course of or as the result of the performance of duties as an officer all necessary physician, surgical, hospital, and nursing services and supplies, and that this obligation supersedes any obligations that another medical insurance carrier has to pay the officer's medical expenses; (2) after December 31, 2017, a county, city, or town shall provide to an officer who is unable to pursue the officer's usual vocation as the result of an injury or illness occurring in the course of or as the result of the performance of duties as an officer a weekly amount equal to the Indiana minimum wage computed on the basis of a 40 hour work week for a maximum of 260 weeks; and (3) a county, city, or town may meet its obligations by purchasing policies of group insurance, establishing a plan of self-insurance, or participating in the medical treatment and burial expense provisions of the worker's compensation and occupational diseases laws.

[AUTOPSY REPORTS \(HEA 1571, PL 160\)](#)

Author: Hatfield, R-Evansville

Sponsor: Becker, R-Evansville

- Allows a coroner, in certain circumstances, to make available an autopsy report to the peer review committee of a hospital at which the decedent was treated immediately before death.

[COMMISSION TO COMBAT DRUG ABUSE \(HEA 1654, PL 205\)](#)

Author: Ziemke, R-Bateville

Sponsor: Merritt, R-Indianapolis

- Adds two members to the commission to combat drug abuse (commission).
- Specifies that one of the members is the vice chairperson of the commission whose duties are determined by the chairperson.

[CERTIFICATIONS CONCERNING BREATH TESTS \(SEA 37, PL 38\)](#)

Author: Zakas, R-Elkhart

Sponsor: Steuerwald, R-Danville

- Authorizes the department of toxicology (department) to publish certifications of breath test operators, breath test equipment and chemicals, and proper breath test administration techniques on its Internet web site.
- Provides that a certification published on the department's Internet web site and obtained from the department as an electronic record bearing an electronic signature: (1) is admissible in a proceeding involving the offense of operating a vehicle while intoxicated; and (2) constitutes prima facie evidence concerning the equipment used in administering a breath test, the technique used in administering the breath test, or the certification of the operator who administered the breath test.

[FIREARMS MATTERS \(SEA 43, PL 181\)](#)

Author: Tomes, R-Wadesville

Sponsor: Lucas, R-Seymour

- Removes penal facilities from the list of locations where employer ordinances, resolutions, policies, or rules prohibiting the keeping of firearms on employer property may be enforced.
- Provides that a penal facility shall require an employee to: (1) secure the employee's firearm or ammunition, or both, in a locked case; and (2) store the firearm or ammunition in the trunk or glove compartment or out of plain sight in the employee's locked vehicle.
- Permits certain employees of the general assembly and members of the Indiana lobby registration commission to carry a handgun within the state capitol building and on the property of the state capitol complex if the employee or member: (1) possesses a valid Indiana license to carry a handgun; and (2) is otherwise permitted to possess a handgun.

[DRUG OR ALCOHOL SCREENING TESTS \(SEA 55, PL 43\)](#)

Author: Bray, R-Martinsville

Sponsor: McNamara, R-Evansville

- Expands the definition of "drug or alcohol screening test" for purposes of the criminal law governing forgery, fraud, and other deceptions to include testing that is ordered by a court as part of a civil action.

[COMMISSION ON SECLUSION AND RESTRAINT \(SEA 61, PL 227\)](#)

Author: Head, R-Logansport

Sponsor: Clere, R-New Albany

- Requires the commission on seclusion and restraint in schools (commission) to adopt rules concerning reporting requirements for the use of seclusion and restraint by school resource officers. Requires that the commission include a member of the Indiana School Resource Officers Association.
- Provides that a school corporation, accredited nonpublic school, or charter school must report incidents of seclusion and restraint involving a school resource officer.
- Provides that the commission may adopt emergency rules.
- Voids a rule adopted by the commission that excludes school resource officers from the reporting requirements.
- Makes changes to the duties of the commission.
- Provides that if the department of education (department) has been advised of a discrepancy in a report, the department shall require the school to provide a written explanation of the discrepancy to the department.
- Provides that the department has the authority to require schools to submit seclusion and restraint plans.
- Provides that the department shall review incident rules and submit summary findings to the commission in compliance with the federal Family Educational Rights and Privacy Act.
- Provides that the commission shall review summary findings submitted by the department and may make nonbinding recommendations to the department or other entities.
- Provides that if the department receives a recommendation from the commission, the department shall send a response with regard to recommendations made by the commission.

[HOSPITAL POLICE DEPARTMENTS \(SEA 112, PL 99\)](#)

Author: Kruse, R-Auburn

Sponsor: Morris, R-Fort Wayne

- Defines "health system". Allows for health systems to establish police departments. Expands the area in which hospital police officers may exercise police powers. Establishes the Indiana health care facilities task force (task force).
- Requires the task force to: (1) study and review hospital and health facility licensure; (2) study, review, and update the American Institute of Architects guidelines for hospitals and health care facilities; (3) study, review, and update National Fire Protection Association standards for hospitals and health care facilities; and (4) submit an electronic report to the governor and the legislative council setting forth the task force's findings not later than August 31, 2018.

[AIR AMBULANCE SERVICES \(SEA 119, PL 100\)](#)

Author: Becker, R-Evansville

Sponsor: Bacon, R-Chandler

- Adds a representative of an entity that provides air ambulance services to the composition of the Indiana emergency medical services commission (commission).
- Requires the commission with the assistance of the state department of health to develop and recommend statewide standards for activation and use of air medical services for transport of patients from the emergency scene to a trauma center.
- Requires that the standards must be updated at least every three years.
- Provides a public safety officer special death benefit to an emergency medical services provider who, after June 30, 2017, dies as a direct result of personal injury or illness resulting from the provider's performance of duties as an employee of an air ambulance services provider maintained by a health care system affiliated with a state educational institution, if the provider's employer purchases coverage.

[INFORMATION IN INSPECT PRESCRIPTION DRUG DATA BASE \(SEA 151, PL 164\)](#)

Author: Merritt, R-Indianapolis

Sponsor: Clere, R-New Albany

- Requires the ephedrine, pseudoephedrine, and controlled substance prescription monitoring program to include an entry for a dispenser to indicate, when applicable, if a patient has entered into a pain management contract with a designated practitioner.
- Allows the management performance hub and the state epidemiologist to obtain information from the INSPECT program.
- Requires that the information provided to the management performance hub not include personally identifying information.
- Requires the professional licensing agency (agency) to establish a workgroup consisting of emergency medical technicians, registered nurses, paramedics, pharmacists, physicians, law enforcement officers and physician assistants for the purpose of evaluating the cost and feasibility of cataloging: (1) each administration of an overdose intervention drug by an emergency medical services provider; and (2) data related to certain controlled substance investigations by law enforcement; in the INSPECT data base.
- Requires the agency to provide: (1) statutory recommendations; and (2) a written report; to the legislative council not later than December 1, 2017.

[DRUG AND ALCOHOL TREATMENT REPORTING \(SEA 156, PL 165\)](#)

Author: Merritt, R-Indianapolis

Sponsor: Clere, R-New Albany

- Adds additional reporting requirements for opioid treatment programs.
- Requires the office of the secretary of family and social services, with the assistance of the state department of health and the department of administration, to report to the legislative council a comprehensive plan to increase the number of inpatient and residential beds used for detoxification, treatment, and rehabilitation, including the: (1) number of hospital beds currently available in Indiana; (2) location and physical description of state owned buildings that are

currently available, or expected to be available before July 1, 2018, for conversion and use; and (3) feasibility of using currently unused hospital and health care facility beds; for drug and alcohol detoxification, treatment, and rehabilitation.

LAW ENFORCEMENT TRAINING (SEA 185, PL 4)

Author: Crider, R-Greenfield

Sponsor: Frye, R-Batesville

- Requires the following to complete a refresher course if inactive for a specified time: (1) Reserve police officers. (2) Law enforcement officers who paid their own tuition for law enforcement training. (3) Board certified law enforcement training instructors. Eliminates a provision regarding refresher courses for law enforcement officers in policy making positions.
- Allows the law enforcement training board to make certain modifications to in-service training without adopting administrative rules.

FIREARMS MATTERS (SEA 191, PL 101)

Author: Crider, R-Greenfield

Sponsor: Cherry, R-Greenfield

- Establishes a procedure for the return or disposal of certain firearms in the custody of a law enforcement agency.

PRESCRIBING AND DISPENSING OF OPIOIDS (SEA 226, PL 182)

Author: Merritt, R-Indianapolis

Sponsor: Kirchhofer, R-Beech Grove

- Limits the amount of an opioid prescription a prescriber may issue for: (1) an adult who is being prescribed an opioid for the first time; and (2) a child; unless the prescription is for the treatment of specified conditions or circumstances.
- Requires documentation in the use of certain exemptions.
- Requires a prescriber to issue a prescription for an opioid in a lesser amount if requested by specified individuals and to document the request.
- Requires a pharmacist, upon the request of a specified individual, to partially fill the opioid prescription in compliance with federal law.
- Requires the pharmacist to document that the opioid prescription was partially filled. Requires the medical licensing board, in consultation with specified persons, to adopt emergency rules and rules concerning conditions that will be exempt from the prescription limitations.

CRISIS INTERVENTION TEAMS (SEA 231, PL 102)

Author: Crider, R-Greenfield

Sponsor: Slager, R-Schererville

- Provides that in conjunction with the Indiana commission (commission) to combat drug abuse and the division of mental health and addiction, the law enforcement training board may establish the technical assistance center.
- Provides that the commission may make grants to the law enforcement training board to carry out the purposes of the technical assistance center.

- Transfers the administration of the technical assistance center for crisis intervention teams from the Indiana criminal justice institute to the Indiana law enforcement training board.
- Makes a technical correction.

VICTIM NOTIFICATION (SEA 239, PL 55)

Author: Head, R-Logansport

Sponsor: Friend, R-Macy

- Provides that if the discharge or release date of an offender is changed during the 40 day notification period before an offender's planned discharge or release, the department of correction shall notify the victim as soon as possible but not more than 48 hours after the change in the discharge or release date.

CHILD NEGLECT DEFENSE (SEA 246, PL 263)

Author: Holdman, R-Markle

Sponsor: Carbaugh, R-Fort Wayne

- Specifies under the safe haven law that it is a defense to a claim of neglect of a dependent if the individual left the child: (1) with a person who is an emergency medical services provider; or (2) in a newborn safety device that meets the specified requirements. Allows a newborn safety device that was installed on January 1, 2017, to continue to operate.
- Provides civil immunity for a hospital that operates a newborn safety device if the device meets specified requirements, unless the act or omission constitutes gross negligence or willful or wanton misconduct.
- Provides that neglect of a dependent with a mental or physical disability is a Level 1 felony in certain instances.

POST-EXPOSURE PROPHYLAXIS REIMBURSEMENT (SEA 279, PL 104)

Author: Lanane, D-Anderson

Sponsor: Kirchhofer, R-Beech Grove

- Changes the definition of "additional forensic services" to include HIV prophylactic medication, and removes discretionary reimbursement for the service.

OFFENSES INVOLVING UNMANNED AERIAL VEHICLES (SEA 299, PL)

Author: Koch, R-Bedford

Sponsor: Washburne, R-Evansville

- Amends the definition of "unmanned aerial vehicle" to specify that the term includes: (1) an unmanned aircraft and an unmanned aircraft system; and (2) a small unmanned aircraft and a small unmanned aircraft system; all as defined in federal law. Creates the following new criminal offenses involving the use of an unmanned aerial vehicle as Class A misdemeanors: (1) Sex offender unmanned aerial vehicle offense. (2) Public safety remote aerial interference. (3) Remote aerial voyeurism. (4) Remote aerial harassment.
- Provides that the offenses are Level 6 felonies if the accused person has a prior unrelated conviction for the same offense.

- Provides that it is not a defense to a prosecution for invasion of privacy that the accused person used or operated an unmanned aerial vehicle in committing the violation.

DNA FOR FELONY ARRESTEES (SEA 322, PL 111)

Author: Houchin, R- Salem

Sponsor: Steuerwald, R-Danville

- Requires every person arrested for a felony after December 31, 2017, to submit a DNA sample, and specifies that the sample may be obtained only by buccal swab.
- Provides that the DNA sample may not be shipped for DNA identification unless the arrestee was arrested pursuant to a felony arrest warrant or a court has found probable cause for the felony arrest.
- Provides for removal of a DNA sample from the data base if: (1) the person is acquitted of all felony charges or the charges are converted to misdemeanors; (2) all felony charges against the person are dismissed; or (3) no felony charges are filed against the person within 365 days. Requires the officer who obtains a DNA sample from a person to inform the person of the right to DNA removal and to provide the person with instructions and a form that may be used for DNA removal.
- Provides that a person who knowingly or intentionally disseminates, receives, or otherwise uses information in the DNA data base for a purpose other than authorized by law commits a Level 6 felony. Increases the DNA sample processing fee from \$2 to \$3.
- Amends distribution percentages to hold harmless all funds and to provide an additional amount to the DNA processing fund.
- Specifies that the discovery of DNA evidence tending to show previously unknown crimes committed by a person on bail may lead to revocation of bail or an increase in the amount of bail.

ANIMAL PROTECTIVE ORDERS AND WIRELESS SERVICE PROVIDERS (SEA 323, PL 112)

Author: Houchin, R- Salem

Sponsor: McNamara, R-Evansville

- Allows a court to grant an order of protection to: (1) grant possession and care of an animal to a petitioner; (2) prohibit a respondent from taking action against the animal; and (3) direct a law enforcement officer to accompany the petitioner to retrieve the animal.
- Allows a court to include the transfer of wireless telephone numbers and accounts as part of an order for protection.

POSSESSION OF A FIREARM BY AN ILLEGAL ALIEN (SEA 344, PL 63)

Author: M. Young, R-Indianapolis

Sponsor: Lucas, R-Seymour

- Provides that an alien who is illegally or unlawfully present in the United States and knowingly or intentionally possesses a firearm commits unlawful possession of a firearm by an alien, a Level 6 felony.

CHILD ABUSE EDUCATION AND POLICIES (SEA 355, PL 115)

Author: Messmer, R-Jasper

Sponsor: Olthoff, R- Crown Point

- Requires, not later than July 1, 2018, the department of education (department) to make available model educational materials and model response policies and reporting procedures concerning child abuse and child sexual abuse to assist schools with the implementation of: (1) child abuse and child sexual abuse education programs in kindergarten through grade 12; and (2) child abuse and child sexual abuse response and reporting policies. (Current law requires the department to make available the model educational materials and model response policies and reporting procedures concerning child abuse and child sexual abuse to assist schools with the implementation of: (1) child abuse and child sexual abuse education programs in grades 2 through 5; and (2) child abuse and child sexual abuse response and reporting policies.)
- Requires that the: (1) materials and guidelines provided to assist a safe school committee in developing a plan and policy for a school include the model educational materials and the model response policies and reporting procedures; and (2) plan and policy developed by the safe school committee; must address the issues of child abuse and child sexual abuse.
- Requires the child abuse and child sexual abuse response and reporting policies to include information on the duty to report suspected child abuse or neglect.
- Beginning in 2018, requires, not later than December 15 of each year, a public school, including a charter school and an accredited nonpublic school, to provide age appropriate and research and evidence based instruction on child abuse and child sexual abuse to students in kindergarten through grade 12.
- Provides that a school corporation, charter school, or nonpublic school that employs one or more employees may not establish a policy that restricts or delays the duty of an employee or individual to report suspected child abuse or neglect.
- Provides that the legislative council is urged to assign to the education interim study committee during the 2017 legislative interim the topic of teacher training requirements regarding student behavior and health issues.

DRIVER'S LICENSES FOR FOSTER CHILDREN (SEA 366, PL 116)

Author: Zay, R-Huntington

Sponsor: Sullivan, R-Evansville

- Allows an individual who is at least 16 years of age but less than 18 years of age and is under the care and supervision of the department of child services (department) to: (1) obtain an identification card, learner's permit, or operator's license without paying a fee; (2) contract for a policy of motor vehicle insurance; and (3) complete driving practice with individuals approved by the department.

ELIMINATION OF STATE AGENCY PUBLIC SAFETY COMMITTEE (SEA 384, PL 66)

Author: Crider, R-Greenfield

Sponsor: Frye, R-Batesville

- Abolishes the state agency public safety committee.

EMERGENCY MEDICATION (SEA 392, PL 117)

Author: Stoops, D-Bloomington

Sponsor: Davisson, R- Salem

- Defines "emergency medication" as epinephrine, albuterol, or naloxone. Allows a school or school corporation to: (1) fill a prescription for an emergency medication; and (2) store the emergency medication. (Current law allows a school to fill a prescription for auto-injectable epinephrine and store the auto-injectable epinephrine.)
- Defines "emergency stock medication" as emergency medication to which both the following apply: (1) The prescription of the emergency medication is filled by a school or school corporation. (2) The emergency medication is stored at a school.
- Provides that injectable epinephrine filled by certain entities must have an expiration date of not less than 12 months from the date that the pharmacy dispenses the injectable epinephrine.
- Makes conforming changes regarding: (1) administering emergency stock medication; (2) prescribing and dispensing emergency medication; and (3) certain immunity from liability concerning the administration of emergency stock medication.
- Defines "school" and "school nurse."
- Requires the department of education (department) to develop guidance materials concerning emergency medication and post a copy of the materials on the department's Internet web site.
- Requires a school nurse or school employee to make a report if an emergency stock medication is administered and submit the report in an electronic format to the department.

RECOVERY RESIDENCES AND COUNTY HOMES (SEA 402, PL 172)

Author: Merritt, R-Indianapolis

Sponsor: Kirchhofer, R-Beech Grove

- Requires the secretary of family and social services to provide that the standards provided by recovery residences for residential care and supported housing for chronic addiction, when used as a recovery residence, to be certified and to meet standards established by the division of mental health and addiction (division) through administrative rules.
- Requires the division to ensure that providers of services of residential care and supported housing for chronic addiction, when used as a recovery residence, acquire and maintain required certification. Allows the board of commissioners of a county to: (1) delegate the performance of the board's duties concerning a county home; and (2) contract for the services reasonably required to operate and maintain the county home, including the management of the county home; on terms and conditions the board finds reasonable and in the best interests of the county.

ABORTION, CHILD ABUSE, AND HUMAN TRAFFICKING (SEA 404, PL 173)

Author: Houchin, R- Salem

Sponsor: Mayfield, R-Martinsville

- Defines "parent or legal guardian or custodian."
- Prohibits the state or an agency of the state from consenting to the abortion of a pregnant minor unless the life or health of the pregnant minor is endangered.

- Specifies that before performing an abortion on an unemancipated pregnant minor, a physician must first obtain from a parent, legal guardian, or custodian accompanying the unemancipated pregnant minor seeking an abortion: (1) written consent; (2) proof of identification; and (3) evidence of the relationship between the parent, legal guardian, or custodian and the unemancipated minor.
- Adds a parental notification requirement subject to judicial waiver for an abortion performed on an unemancipated pregnant minor.
- Specifies who may bring an action against a person who aids or assists a pregnant minor in obtaining an unlawful abortion, and who may be named as a defendant.
- Prohibits a person from aiding or assisting an unemancipated pregnant minor in obtaining an abortion under certain circumstances, and authorizes the award of civil damages for a violation. Requires a physician who receives written consent for an unemancipated pregnant minor to have an abortion to execute an affidavit for inclusion in the unemancipated pregnant minor's medical record.
- Makes it a Level 6 felony for a person to falsely claim to be the parent or legal guardian or custodian of a pregnant minor with intent to circumvent parental notification requirements. Authorizes certain persons to seek an injunction for certain acts that would aid or assist an unemancipated pregnant woman in obtaining an abortion without parental consent.
- Specifies reporting requirements and the consequences of failing to comply with reporting requirements.
- Permits suspension of a physician's license under certain circumstances.
- Provides that a health care practitioner is subject to disciplinary sanctions for failure to report suspected: (1) child abuse in accordance with the mandatory reporting requirements; or (2) human trafficking, if there is evidence that a patient is the victim of human trafficking and a practitioner with a similar background would believe that the patient is a victim of human trafficking.
- Permits the medical licensing board to revoke a physician's license if the physician: (1) fails to transmit a form regarding an abortion performed on a female who is less than 16 years of age; and (2) performs an abortion with the intent to avoid the requirements of state law. Instructs the state department of health (state department) to adopt additional rules relating to abortion clinics. Requires a pregnancy termination report with respect to an abortion performed on a patient who is at least 16 years of age to be transmitted to the state department within 30 days after the date of the abortion rather than on the semiannual basis required under current law.

INSPECT PROGRAM (SEA 408, PL 213)

Author: Houchin, R- Salem

Sponsor: Zent, R- Angola

- Adds a definition of the Indiana board of pharmacy (board) for purposes of the INSPECT program.
- Requires the board to report, before December 1, 2017, to the legislative council concerning grants or funding received and applied for by the state for integration of the INSPECT program data base with electronic health records. Urges the legislative council to assign to the appropriate study committee the topic of potential improvements to the INSPECT program.

RESIDENTIAL SUBSTANCE ABUSE TREATMENT (SEA 446, PL 174)

Author: Merritt, R-Indianapolis

Sponsor: Kirchhofer, R-Beech Grove

- Establishes, subject to the approval of the Indiana commission to combat drug abuse (commission), an opioid addiction recovery pilot program (program) to assist pregnant women and women with newborns, with an opioid addiction by providing treatment in a residential care facility and home visitation services following discharge from the residential care facility. Provides that the program is administered by the department of health.
- Provides that the program shall include three facilities and that medication assisted treatment may be used when appropriate.

CHILD SERVICES (SEA 447, PL 183)

Author: Merritt, R-Indianapolis

Sponsor: Frizzell, R-Indianapolis

- Requires child abuse and neglect training for school employees.
- Allows the department of child services (department) to share costs incurred in maintaining the new hire directory in accordance with federal law with the department of workforce development. Adds a definition of "concurrent planning."
- Adds a definition of "nonwaivable offense" and makes conforming changes.
- Allows the department to pay the criminal background check fee in certain adoption cases. Prohibits the department from charging a fee for state tax offsets.
- Amends provisions concerning restricted driving licenses.
- Provides that the department may not grant a variance or waiver of a rule to an applicant for a: (1) child care institution; (2) foster family home; (3) group home; or (4) child placing agency; license if the applicant has been convicted of certain felonies.
- Requires that a criminal history check be conducted on all members of the household of an applicant for a foster family home license. (Current law requires a criminal history check of household members 14 years of age or older.)
- Amends provisions governing sharing of jurisdiction between: (1) a court that has jurisdiction over a child in a marriage dissolution or paternity action; and (2) another court hearing a delinquency or child in need of services proceeding regarding the child.
- Permits a juvenile court to authorize drug and alcohol testing of a child under certain circumstances.
- Requires an individual who is required to make a report of abuse or neglect in the individual's capacity as a member of the staff of a hospital licensed under IC 16-21-2 to first notify the individual in charge of the hospital or the designated agent of the individual in charge of the hospital.
- Prohibits a public or nonpublic school, school corporation, facility, or agency from establishing a policy restricting an employee's duty to report suspected child abuse or neglect.
- Adds a written report as a means to report suspected child abuse or neglect.
- Amends a requirement that the department must notify the United States Department of Defense Family Advocacy Program (Program) regarding a substantiated investigation of abuse or neglect

of a child of an active duty military member, to provide that the department must notify the Program upon request.

- Provides that a child: (1) who lives in the same household as another child who is a child in need of services because the other child is a victim of specified offenses; and (2) regarding whom a caseworker makes specified determinations; is a child in need of services.
- Provides that a child who: (1) is born with: (A) neonatal abstinence syndrome; or (B) a controlled substance, legend drug, or metabolite of a controlled substance or legend drug in the child's body, including in the child's blood, urine, umbilical cord tissue, or meconium; and (2) needs care, treatment, or rehabilitation the child is not receiving or unlikely to receive without court intervention; is a child in need of services, and establishes a rebuttable presumption that the conditions regarding the child's care, treatment, or rehabilitation are met if evidence exists that the child's mother used a controlled substance or a legend drug during pregnancy.
- Provides that a child in need of services may be placed in a residence at which a person who has been convicted of battery (rather than battery only as a felony, as provided in current law) resides, if the person's commission of the offense is not relevant to the person's ability to care for the child and the placement is in the best interests of the child.
- Makes optional (rather than required, as under current law) certain recommendations in a petition seeking participation of a parent, guardian, or custodian in a program of care, treatment, or rehabilitation of a child.
- Permits out-of-home placement of a child in a facility located outside Indiana only if there is not an equivalent facility (rather than a comparable facility, under current law) located in Indiana. Provides that a court may order a parent, guardian, or custodian of a child to participate in a mental health or addiction treatment program if the parent, guardian, or custodian will be participating in a program of care, treatment, or rehabilitation of the child.
- Prohibits filing by a child placing agency of a petition for voluntary termination of parental rights unless the petition is in furtherance of an adoption or other permanency plan.
- Requires a law enforcement agency to forward a missing child report to the department. Requires the department to complete a written report within 24 hours of receiving a report of a missing child. Requires the department to provide information concerning certain missing children to the National Center for Missing and Exploited Children.
- Provides that the consent of an agency or local office: (1) with lawful custody of a child whose adoption is being sought; and (2) who is served with a notice of adoption concerning the child; is not subject to being irrevocably implied. Provides immunity for a person who leaves an infant with a person who is an emergency medical services provider.

DRIVER SAFETY PROGRAM (SEA 457, PL 120)

Author: Head, R-Logansport

Sponsor: Friend, R-Macy

- Requires that an individual less than 21 years of age must complete a driver safety program approved by the bureau of motor vehicles if the individual has at least twice been the operator of a motor vehicle involved in an incident for which points may be assessed by the bureau.
- Provides that the duration of certain court ordered specialized driving privileges may not exceed 2.5 years in length.

- Provides that the compliance response period for proof of financial responsibility is 40 days before July 1, 2017 and 90 days after June 30, 2017.

MOTOR VEHICLE RELATED OFFENSES (SEA 479, PL 123)

Author: Koch, R-Bedford

Sponsor: J. Young, R-Franklin

- Provides that a person who commits a Class A misdemeanor or a felony by failing to comply with the duties of the operator of a motor vehicle involved in an accident commits a separate offense for each person whose serious bodily injury or death is caused by the person's failure to comply with those duties.
- Provides that it is a Level 4 felony (instead of a Level 5 felony) for a vehicle operator to cause the death of another person when: (1) the vehicle operator's blood or breath has a certain alcohol concentration; (2) the vehicle operator's blood contains a controlled substance or its metabolite; or (3) the vehicle operator is intoxicated; if, in addition, the vehicle operator causes the death of the other person when the driving privileges of the vehicle operator are suspended under the habitual traffic violator law.
- Permits a court to impose consecutive terms of imprisonment on a person who commits multiple offenses of failing to comply with the duties of the operator of a motor vehicle involved in an accident resulting in serious bodily injury or death, and that the consecutive terms are not subject to certain sentencing limitations that otherwise apply.

OPIOID ADDICTION (SEA 499, PL 125)

Author: Raatz, R-Centerville

Sponsor: Kirchhofer, R-Beech Grove

- Provides that, after approval of the Indiana commission to combat drug abuse (commission), the division of mental health and addiction (division) shall establish a three year opioid treatment pilot program (pilot program) for opioid abuse disorder in Tippecanoe, Marion, and Wayne counties. Establishes the criteria for the program.
- Requires the division to collect data and issue a report to the legislative council on the pilot program.
- Specifies that certain persons: (1) charged with or convicted of a drug offense; and (2) who received an overdose intervention drug for an acute opioid overdose; are entitled to priority admission in a forensic diversion program, a pretrial diversion program, or another program, including a drug court program, offering treatment for persons with addictive disorders.

SUBSTANCE ABUSE PILOT PROGRAM (SEA 510, PL 175)

Author: Merritt, R-Indianapolis

Sponsor: Kirchhofer, R-Beech Grove

- Provides that Allen County may enter into an agreement with an entity to administer a substance abuse pilot program after approval of the Indiana commission to combat drug abuse (commission). Specifies that the entity that agrees to administer the pilot program: (1) may not expend state grants unless the administrator has raised at least \$1 of local funds for every \$1 of state funds before July 1, 2018; and (2) may not expend money granted to the administrator for

the pilot program for a state fiscal year unless the administrator expends at least \$1 of local funds for every \$1 of state funds expended.

LEASES AND SALES OF REAL PROPERTY (SEA 558, PL 266)

Author: Holdman, R-Markle

Sponsor: Eberhart, R-Shelbyville

- Amends the statute concerning landlord and tenant relations to provide that a unit may not regulate rental rates for privately owned real property, through a zoning ordinance or otherwise, unless the regulation is authorized by an act of the general assembly. (Current law provides that regulation of rental rates for such property must be authorized by an act of the general assembly.)
- Prohibits a political subdivision from imposing certain penalties against a tenant, an owner, or a landlord for a contact made to request law enforcement or other emergency assistance for one or more rental units if: (1) the contact is made by or on behalf of: (A) a victim or potential victim of abuse; (B) a victim or potential victim of a crime; or (C) an individual in an emergency; and (2) certain conditions apply.
- Specifies that a political subdivision is not prohibited from adopting an ordinance, a rule, or a regulation to impose a penalty for a request for law enforcement or other emergency assistance if the request is not made by or on behalf of: (1) a victim or potential victim of abuse; (2) a victim or potential victim of a crime; or (3) an individual in an emergency.
- Provides that if a political subdivision: (1) imposes a penalty under any such authorized ordinance, rule, or regulation; and (2) the prohibited request for law enforcement is made by a tenant in a rental unit; the penalty imposed must be assessed against the tenant and not against the landlord or owner of the rental unit.
- Provides that any such penalty may not exceed \$250.
- Provides that a housing authority retains the ability to enforce rights and remedies established by contract or federal law. Provides that a city, county, or town attorney retains the ability to bring a nuisance action against a landlord or the owner of a rental unit in certain instances.
- Provides that a county or municipality may not adopt or enforce any land use or planning ordinance or regulation that has the effect of: (1) controlling rental or purchase price; or (2) requiring real property to be reserved for lease or sale to certain owners.
- Provides that a county or municipality may not require the owner of privately owned real property to agree to: (1) any requirement that would have the effect of controlling rental or purchase price; or (2) the payment of a fee, in lieu of a requirement that would have the effect of controlling rental or purchase price, as a prerequisite to consideration or approval of: (A) certain permits; or (B) any primary, secondary, or revised plats.
- Provides that a county or municipality retains the right to: (1) manage and control the development of a commercial or residential property in which the county or municipality has an ownership interest; and (2) enact, enforce, or maintain any general land use or zoning regulation that does not have the effect of: (A) controlling rental or purchase price; or (B) requiring real property to be reserved for sale or lease to certain owners.
- Allows an owner of privately owned real property to voluntarily enter into an agreement with a county or municipality that: (1) controls rental or purchase price; or (2) requires real property to be reserved for sale or lease to certain owners; in exchange for incentives or grants.

Transportation

[TRANSPORTATION INFRASTRUCTURE FUNDING \(HEA 1002*, PL 218\)](#)

Author: Soliday, R-Valparaiso

Sponsor: Crider, R-Greenfield

Aim COMMENT:

The final version of HEA 1002 includes the largest increase in infrastructure funding in our state's history. Multiple fuel tax increases, indexed to inflation, along with several other new and increased fees will result in immediate increases in revenue to the state and local distribution formula. A \$0.10 increase in the three major gas taxes will result in a 40% increase in local MVH distributions as well as a 50% increase in local LRS distributions. Those increases should be realized beginning with the August distributions as the increases will take effect on July 1, 2017.

Along with modifying the distribution formula, HEA 1002 also places new restrictions on MVH allowable uses. Effective July 1, 2017, 50% of MVH distributions must be utilized for construction, reconstruction and maintenance. In addition to these new restrictions, local MVH funds may no longer be utilized for law enforcement purposes. There also may be new restrictions on the painting of structures. (At the time this Statehouse Report was released, the State Board of Accounts was drafting a memo with additional guidance on these restrictions.)

The creation of a new \$15 infrastructure transportation fee will provide additional dedicated funding to the Community Crossings matching grant program. The program will now provide an estimated \$190 million in grant funding beginning in 2018. The local match for the Community Crossing program was lowered to 25% for municipalities with a population of 10,000 or less, while it remains at 50% for municipalities with a population greater than 10,000. The municipal wheel tax population threshold was reduced from 10,000 to 5,000, providing nearly 120 municipalities the ability to generate additional local revenue.

Another key component and a 2017 Aim initiative was the creation of a Federal Funds Exchange swap. This swap will allow local units that utilize some of the \$250 million in annual federal funds to swap federal dollars for state dollars, thereby cutting out the requirement to follow costly and time consuming federally mandated procedures.

While it doesn't have a direct impact on local government at this time, tolling was a critical part of the road funding conversation this year and as the state examines the potential of tolling interstates, Aim will remain engaged to ensure the long term need of local infrastructure is addressed.

- Eliminates the sales tax on the sale of special fuel. Establishes the special transportation flexibility fund. Provides the following for gasoline use tax collections for state fiscal year 2020 and each state fiscal year thereafter: (1) 14.286% of the collections shall be deposited in the motor vehicle highway account. (2) 21.429% of the collections shall be deposited in the local road and bridge matching grant fund. (3) A percentage of the gasoline use tax collections shall be deposited in the state general fund in each state fiscal year before state fiscal year 2025. (4) In state fiscal year 2020 through state fiscal year 2023, a percentage of the gasoline use tax collections shall be

deposited in the special transportation flexibility fund. (5) In state fiscal year 2020 and thereafter, a percentage of the gasoline use tax collections shall be deposited in the state highway fund.

- Changes the deadline for the adoption and notification of county and municipal vehicle excise and wheel tax ordinances.
- Provides for a one-time fuel tax rate increase using a multiyear index factor based on the last time the particular fuel tax rate was increased and the current fuel tax rate per gallon. (Gasoline tax is currently \$0.18, special fuel tax is currently \$0.16, and motor carrier surcharge tax is currently \$0.11.)
- Limits the one-time increase to \$0.10 per gallon.
- Provides for an annual rate increase in fuel tax rates based on an annual index factor.
- Limits the annual rate increase based on the annual index factor to \$0.01 per gallon. Provides that the last index factor adjustment to the fuel tax rates is July 1, 2024.
- Increases the aviation fuel excise tax by \$0.10 per gallon and transfers the increased revenue to the airport development grant fund for airport capital improvement matching grants. Increases alternative fuel decal fees by 50%.
- Specifies that the motor carrier fuel surcharge tax must be paid on special fuel that is not an alternative fuel at the time of purchase (the same time the special fuel tax is paid), instead of being entirely paid using a quarterly return.
- Provides that the surcharge tax also applies to purchases of special fuel by persons other than carriers. Imposes a motor carrier fuel surcharge inventory tax on motor fuel held in storage and offered for sale to motor carriers on the date the surcharge tax rate changes.
- Eliminates from the distribution of the gasoline and special fuel taxes: (1) the \$0.01 going to the state highway fund; (2) the \$0.01 going to counties, cities, and towns; and (3) the \$25,000,000 special distribution allocation distributions.
- Establishes a \$15 transportation infrastructure improvement fee that applies to the registration of all motor vehicles except trailers, semitrailers, non-motive recreational vehicles, special machinery, vehicles registered as military vehicles, vehicles registered as collector vehicles, motor driven cycles, trucks, tractors used with a semitrailer, and for-hire buses with a declared gross weight greater than 26,000 pounds.
- Increases annual registration fees for certain motor vehicles with a declared gross weight that equals or exceeds 26,000 pounds. Requires a person who registers an electric vehicle to pay a supplemental registration fee of \$150 with an increase every five years based on an index factor.
- Requires a person who registers a hybrid vehicle to pay a supplemental registration fee of \$50 with an increase every five years based on an index factor.
- Provides that the percentage of the amounts distributed to the state and to the local units from the motor vehicle highway account changes incrementally from 53% for the state and 47% for the local units under current law to 60% for the state and 40% for the local units after June 30, 2022.
- Eliminates the authority for cities and towns to use distributions from the motor vehicle highway account for: (1) the painting of structures and objects; and (2) law enforcement. Requires counties, cities, and towns to use at least 50% of the distributions from the motor vehicle highway account for the construction, reconstruction, and maintenance of highways. Repeals restrictions on when a tolling project can be undertaken.
- Provides that before the governor, the Indiana department of transportation (INDOT), the Indiana Finance Authority (IFA), or an operator may enter into an agreement for the financing, construction, maintenance, or operation of a toll road project, the budget committee must first review the proposed agreement.

- Provides that neither the IFA nor INDOT may issue a request for proposals for a public-private agreement that would authorize an operator to impose tolls unless the budget committee has reviewed the request for proposals.
- Requires INDOT to seek a Federal Highway Administration waiver to toll interstate highways.
- Limits the first toll lanes under the waiver to certain interstate highways.
- Provides for a public comment period and requires replies to the public comments for a toll road project by INDOT or a tollway project carried out using a public private partnership. Imposes other duties on INDOT.
- Amends the assessment procedures for motor carrier civil penalties. Establishes the weigh-in-motion pilot program.
- Makes various changes to the local road and bridge matching grant program.
- Allows INDOT to approve certain railroad crossing projects, and authorizes the IFA to finance an approved project subject to a maximum annual debt service limit of \$10,000,000.
- Authorizes the IFA to take certain actions in the event a public-private agreement is terminated.
- Annually appropriates \$250,000 to INDOT for the local technical assistance program to develop and maintain a centralized electronic statewide asset management data base.
- Provides that the owner of a semitrailer permanently registered in Indiana does not pay an annual registration renewal fee.
- Makes various changes to the transportation funding exchange program between the state and counties and municipalities. Adds various study requirements.

RIGHT-OF-WAY IN A ROUNDABOUT (HEA 1039, PL 11)

Author: Torr, R-Carmel

Sponsor: Crider, R-Greenfield

- Requires a driver to yield the right-of-way to a driver of a vehicle having a total length of at least 40 feet or a total width of at least 10 feet when driving through a roundabout.
- Requires that, when two truck drivers approach or drive through a roundabout at the same time, the driver on the right yields the right-of-way to the driver on the left.

ADJUSTMENT OR MOVEMENT OF ADVERTISING SIGNS (HEA 1101, PL 222)

Author: Cherry, R-Greenfield

Sponsor: Crider, R-Greenfield

- Provides that the owner or operator of a conforming outdoor advertising sign may adjust the height of the sign or relocate the sign due to changes that would obstruct the sign's visibility. Provides that a county or municipality may (if necessary) provide for the elevation or relocation by ordinance for a special exception to its zoning ordinance.
- Makes the county or municipality responsible for payment of just and full compensation to an owner, if the county or municipality does not provide a special exception to its zoning ordinance.
- Establishes guidelines for the size and viewing angle of a elevated or relocated sign.
- Requires the rules of the department of transportation to provide for certain fees that may be charged regarding outdoor signs.

PERFORMANCE BOND REQUIREMENTS (HEA 1117, PL 135)

Author: D. Miller, R-Elkhart

Sponsor: Doriot, R- New Paris

- Provides that a local governmental unit and a land developer may agree to the partial release of a performance bond or other surety required of the land developer to ensure the completion of certain unfinished improvements and installations in a subdivision on a more frequent basis than an annual basis. (Under current law, a performance bond or other surety may be partially released on an annual basis, which would continue to be permitted.)
- Provides that a contractor is not required to submit a payment bond for a public works contract of a state educational institution if the amount to be paid under the contract is less than \$500,000 and the state educational institution agrees to waive the requirement.
- Provides that a contractor is not required to submit a performance bond for a public works contract of a state educational institution if the amount to be paid under the contract is less than \$500,000 and the state educational institution agrees to waive the requirement.
- Makes a technical change to make language in the statute uniform.

SOUTH SHORE RAIL TRANSIT (HEA 1144, PL 248)

Author: Slager, R- Schererville

Sponsor: Niemeyer, R-Lowell

- Establishes a rail transit corridor in northwest Indiana.
- Specifies that the main line double tracking project and the West Lake corridor improvement project are considered rail projects.
- Permits the northwest Indiana regional development authority (NWIRDA) to establish transit development districts containing a train station or regular train stop within the corridor, including new stations or stops along the West Lake corridor.
- Provides that a county that is not a member of the NWIRDA may participate in the rail projects and the benefits of a transportation development district under certain conditions.
- Allows such a county to participate by becoming an associate member or through a cash payment option.
- Requires the NWIRDA to do a pre-financing verification of a nonmember county desiring to participate.
- Permits a county that is a member of a commuter transportation district to use money in its major bridge fund to: (1) make grants to a commuter transportation system for the benefit of the commuter transportation system; (2) make debt service payments for revenue bonds issued for a rail project of the commuter transportation system; and (3) make grants to the NWIRDA for the benefit of a commuter transportation system, if the NWIRDA has issued bonds for a rail project of the commuter transportation system.
- Provides that the intercept provisions also apply to a nonmember county participating in the NWIRDA rail project and that notice be given to the treasurer of state and the NWIRDA of a default in order to initiate an intercept.
- Requires the department of state revenue to annually certify the amount of incremental tax revenues from a district (state income tax, state sales tax, and local income tax), including the extent to which the incremental state income and sales taxes from all districts exceed the sum of the amounts previously appropriated by the general assembly to the development authority for

rail projects (including any amounts appropriated for debt service payments made by the Indiana finance authority for a rail project).

- Provides that the incremental local income tax revenues and incremental local property tax revenues from a district are to be distributed to the NWIRDA in the case of a member county and to the redevelopment commission where the district is located in the case of a cash participant county.
- Requires incremental revenue to be deposited into a new fund named the south shore improvement and development fund.
- Requires a separate account in the fund for each district.
- Specifies that the incremental local income tax revenues and incremental local property tax revenues from a district must be used to provide funding, including financing, for development projects only within that district.
- Provides for a district steering committee regarding districts located in a NWIRDA member county.
- Permits Lake County to use local income tax revenue to make its annual transfers to the NWIRDA and to make its local match for grants from the NWIRDA.
- Permits LaPorte County and Michigan City to become members of the NWIRDA without making contributions covering any time before January 1, 2017.

BICYCLE TRAILS (HEA 1174, PL 83)

Author: Culver, R-Goshen

Sponsor: Kruse, R-Auburn

- Establishes the Indiana bicycle trails task force (task force) to: (1) develop actionable concepts to connect existing bicycle trails throughout Indiana; (2) estimate the cost of each concept; (3) present at least six innovative ways to fund the connections to existing bicycle trails; (4) prepare a timeline that shows the phases of completion to connect existing bicycle trails throughout Indiana for each funding method; and (5) recommend changes to Indiana law to increase bicycle safety on trails and roadways.
- Requires the task force to submit a report to the legislative council and governor not later than July 1, 2019.

RAILROADS AND EMINENT DOMAIN (HEA 1260, PL 146)

Author: Soliday, R-Valparaiso

Sponsor: Charbonneau, R-Valparaiso

- Defines "corporation", "rail carrier", and "railroad". Specifies that eminent domain may be exercised by a rail carrier incorporated in Indiana or authorized to do business in Indiana, and prescribes the manner in which a railroad (including a rail carrier) may incorporate.
- Requires a rail carrier to demonstrate that property will be used for a public use before the carrier may use eminent domain to take the property.
- Eliminates the provisions in the law under which a defendant in an eminent domain proceeding who appeals an interlocutory order overruling the defendant's objections to the proceeding is required to file an appeal bond.

DEPARTMENT OF TRANSPORTATION PROPERTY MATTERS (HEA 1422, PL 196)

Author: Pressel, R-Rolling Prairie

Sponsor: Bohacek, R-Michiana Shores

- Provides that the commissioner of the department may transfer certain real property owned by the department to a nonprofit land management organization without a prior appraisal if: (1) the real property is owned by the department in fee simple; and (2) the real property is nonmarketable due to environmental mitigation requirements imposed by federal or state regulations.
- Requires the department to establish rules for approving installation of traffic control signals. Defines certain terms.
- Raises the dollar amounts for when certain financial statements must be prepared and attested as audited, reviewed, or certified as correct in a bid for a department of transportation contract.
- Prohibits the adoption or enforcement of an ordinance requiring a commercial motor vehicle to obtain a permit to operate within the jurisdiction of the local authority.
- Adds noncode to provide a refund of amounts paid by a commercial motor vehicle operator to obtain a permit to operate the commercial motor vehicle within the jurisdiction of the local authority.

TRANSPORTATION OF AGRICULTURAL COMMODITIES (HEA 1447, PL 154)

Author: Friend, R-Macy

Sponsor: Houchin, R- Salem

- Provides that definition of "farm product" does not include: (1) lumber; (2) logs; (3) wood chips; (4) bark; or (5) sawdust. Modifies the definition of "overweight divisible load."
- Provides that an owner of a "carrier, shipper, or other party" may not cause or knowingly permit a vehicle to: (1) exceed certain size or weight restrictions; and (2) be operated upon a highway. Specifies that certain infractions concerning vehicle size and weight are Class C infractions.
- Prohibits the bureau of motor vehicles from assessing points under the point system for violations of commercial size and weight limitations after December 31, 2015.
- Provides that points assessed for such violations after December 31, 2015 are null and void.

VARIOUS MOTOR VEHICLE LAW AMENDMENTS (HEA 1491, PL 256)

Author: Soliday, R-Valparaiso

Sponsor: Merritt, R-Indianapolis

- Renames the county motor vehicle excise surtax to be the county vehicle excise tax.
- Renames the municipal motor vehicle license excise surtax to be the municipal vehicle excise tax.
- Renames the motor vehicle license excise tax to be the vehicle excise tax. Makes other revisions in the following statutes: (1) The vehicle excise tax. (2) The excise tax on recreational vehicles and truck campers. (3) The commercial vehicle excise tax. (4) The boat excise tax.
- Makes clarifying amendments in Title 9.
- Provides that an autocycle manufactured before July 1, 2015, is not required to be equipped with antilock brakes.
- Provides that an ordinance adopted by a county, city, or town authorizing the operation of a golf cart or an off-road vehicle on the highways of the county, city, or town must require an individual who operates the golf cart or off-road vehicle: (1) to hold a driver's license (current law); or (2) be

at least 16 years and 180 days of age and hold an identification card issued by the bureau of motor vehicles, including a photo exempt identification card.

- Provides that the definition of "farm wagon" exempts off-road vehicles from title and registration procedures when the farm wagon is used on private farm property. Provides that upon approaching a stationary survey or construction vehicle, a person who drives an approaching vehicle shall yield the right-of-way and proceed with caution.
- Removes the sunset clause for distributions of fee revenue to the integrated public safety communications fund. Amends the Abraham Lincoln license plate statute.
- Exempts the Lewis and Clark expedition license plate from the specialty group license plate requirements. Provides that a court may not award attorney's fees in a class action suit against a governmental entity until a hearing is held.
- Emphasizes that a permanent registration must be renewed on an annual basis to pay all applicable excise tax.
- Urges the legislative council to assign to the interim study committee on roads and transportation for study during the 2017 interim the topic of the motor vehicle inspection and maintenance program in Lake and Porter counties and whether there are alternatives to the program that would satisfy regulatory requirements and have a comparable effect on air quality. Makes conforming amendments.

REGIONAL INFRASTRUCTURE IMPROVEMENT PROJECTS (SEA 128, PL 229)

Author: Messmer, R-Jasper

Sponsor: Braun, R-Jasper

- Provides that the Indiana finance authority (IFA), rather than the budget agency, administers the local infrastructure revolving loan funds (loan funds).
- Expands the types of entities that may participate in the loan funds.
- Authorizes the IFA to issue its bonds to carry out the loan funds.
- Expands the types of infrastructure that are eligible for the loan funds to include bridges or other public ways.
- Provides that a regional development authority (RDA) may apply for a "FASTLANE" grant from the Federal Highway Administration (or a grant from any other federal program) for highway funding.
- Authorizes an RDA to enter into a supplemental funding agreement with the Indiana department of transportation or a political subdivision to contribute local matching funds to be used to pay a part or all of the nonfederal share of the costs necessary to carry out regional transportation infrastructure projects.
- Allows a county or municipality participating in an RDA to transfer money to a fund from its general fund or rainy day fund (or other available fund) to the RDA for purposes of providing funds for regional transportation infrastructure projects.
- Provides that a city, county, or political subdivision that fails to make a payment or transfer to a development authority as required is subject to a deduction by the state treasurer and a deduction of available funds from the development authority.
- Creates the regional development authority infrastructure fund (infrastructure fund). Provides that a regional development authority may expend money in the fund for certain infrastructure development projects.
- Provides that the IFA will administer the infrastructure fund.
- Provides an adjusted gross income tax deduction to a taxpayer that makes a contribution or gift to the infrastructure fund. Allows a county, city, or town to provide local income tax revenue to

the infrastructure fund. Upon recommendation by an RDA, authorizes a county or municipality to establish a cumulative fund for the purpose of funding regional transportation infrastructure projects.

Utilities

[IN211 PROGRAM \(HEA 1471, PL 156\)](#)

Author: Siegrist, R-West Lafayette

Sponsor: Head, R-Logansport

- Transfers from the utility regulatory commission (IURC) to the housing and community development authority (authority) the responsibility for administering the statute concerning the administration of the 211 dialing code used to provide access to human services information and referrals. For purposes of the statute, expands the definition of "human services" to include assistance concerning: (1) emotional and physical abuse (including sexual assault); (2) specified public health issues; (3) food programs and nutrition education; (4) safe and affordable housing; (5) occupational and vocational training; and (6) reentry programs for persons leaving certain facilities.
- Caps the amount that the authority may budget, allocate, and disburse from the 211 services account (account) each state fiscal year to carry out the authority's purposes under the statute at \$50,000.
- Removes the requirement that the expenses of administering the account be paid from money in the account. Provides that money in the account at the end of a state fiscal year does not revert to the state general fund. (Current law provides that money appropriated to the account by the general assembly and remaining in the account at the end of a state fiscal year reverts to the state general fund.) Makes conforming amendments.

[INFRASTRUCTURE DEVELOPMENT ZONE UTILITY SERVICE \(HEA 1519, PL 91\)](#)

Author: VanNatter, R-Kokomo

Sponsor: Charbonneau, R-Valparaiso

- Provides that facilities used by a wastewater utility in the collection or treatment of wastewater constitute "eligible infrastructure" for purposes of the law providing a property tax exemption to a person who invests in eligible infrastructure located in an infrastructure development zone.
- Authorizes a public utility that provides water utility service to petition the utility regulatory commission (IURC) for approval of a plan (plan) to develop a future source of water supply.
- Requires the IURC to approve the plan if the IURC finds that the plan is reasonable and prudent for the provision of safe and reliable service.
- Provides that the timetable to place the future source of water supply into service may not exceed 15 years from the date on which the plan is submitted.
- Provides that after the utility's plan is approved, the IURC shall for ratemaking purposes add the utility's actual cost in developing the future source of water supply to the value of the utility's property.
- Provides that if the utility's actual cost exceeds the cost presented to the IURC, the additional costs shall be included once the source of water supply is in service if the IURC finds that the additional costs were prudently incurred.
- Provides that if the utility's petition is approved and the utility does not place the future source of water supply into service before the date set forth in the utility's timetable: (1) the ratemaking treatment of the utility's actual costs does not apply, unless the utility obtains the IURC's approval for amendment of the utility's plan to extend the timetable; and (2) the IURC shall establish a

refund procedure to restore to ratepayers all payments that the public utility collected for costs for developing the future source of water supply, with interest, and shall remove the value added for ratemaking purposes to the utility's property for those costs.

- Provides that upon request by a water or wastewater utility, the IURC may allow, but may not require, the utility to establish a customer assistance program that: (1) uses state or federal infrastructure funds; or (2) provides financial relief to residential customers who qualify for income related assistance.
- Specifies that a customer assistance program that affects rates and charges for service is not discriminatory for purposes of any law regulating rates and charges for service.
- Provides that a water or wastewater utility that is requested to extend utility service to an infrastructure development zone may petition the IURC for approval of the requested extension of service.
- Provides that if the utility's petition is approved, the IURC shall in future general rate cases approve rate schedules that include a surcharge payable by customers located in the geographic area within the jurisdiction of the governmental entity that requested the extension of service.
- Amends the statute concerning infrastructure improvement charges for eligible water and wastewater utilities to: (1) change the definition of "eligible infrastructure improvements" with respect to municipally owned utilities and not-for-profit utilities; and (2) specify that the adjustment of an eligible utility's basic rates and charges to provide for the recovery of infrastructure improvement costs shall be calculated as a monthly fixed charge based upon meter size.
- Allows a public water utility to seek to include customer lead service line improvements as eligible infrastructure improvements for purposes of the statute concerning infrastructure improvement charges for water and wastewater utilities.
- Provides that the statute governing public works projects by political subdivisions does not apply to a project involving the extension or installation of utility infrastructure by a private developer of land if certain conditions are met.

STUDY OF UNIVERSAL SERVICE FOR TELECOMMUNICATIONS (HEA 1626, PL 33)

Author: Negele, R-Attica

Sponsor: Messmer, R-Jasper

- Provides that a local governmental unit (unit) that wishes to be certified as a broadband ready community must establish a procedure (procedure) under which the unit promotes increasing the number of subscribers to broadband services in the unit after the unit is certified as a broadband ready community. Specifies criteria for the procedure.
- Prohibits: (1) discrimination among communication service providers with respect to broadband adoption in the unit; and (2) imposition of a fee on communications service providers to fund promotion of broadband adoption in the unit; under the procedure established to promote broadband subscriptions.
- Urges the legislative council (council) to assign to the interim study committee on energy, utilities, and telecommunications (committee) the topic of universal service funding for telecommunications services in Indiana.
- Provides that if the topic is assigned to the committee, the committee may: (1) consider issues related to universal service, rural broadband, broadband adoption and deployment, and federal funding sources; and (2) request information concerning these issues from: (A) the Indiana utility

regulatory commission; (B) service providers and customers; and (C) experts, stakeholders, or other interested parties.

- Provides that if the topic is assigned to the committee, the committee shall issue a final report, including any recommendations for legislation, to the council not later than November 1, 2017.

CONSTRUCTION AND CONSTRUCTION PERMITS (SEA 129, PL 163)

Author: Messmer, R-Jasper

Sponsor: DeVon, R-Granger

- Amends the law requiring the state department of health to approve or disapprove a construction permit application in not more than 30 days to specify that the law applies to applications for permits for the construction of nonresidential onsite sewage systems.
- Provides that the construction, acquisition, or leasing of any sewage works by a municipality is initiated by the adoption, by the municipal works board or other appropriate body of the municipality, of a resolution (rather than by the adoption by the municipal legislative body of an ordinance).

WIRELESS SUPPORT STRUCTURES (SEA 213, PL 261)

Author: Hershman, R-Buck Creek

Sponsor: Ober, R-Fort Wayne

Aim COMMENT:

The future of wireless internet service is to move telecom equipment into dense areas where demand for service is rapidly increasing. These areas primarily include residential neighborhoods and downtown business districts. In order for members of the telecom industry to locate equipment in these places, they sought passage of SB 213 to make it easier to collocate wireless equipment on municipally owned utility poles and traffic signals. However, SB 213 was later amended to preempt local planning, zoning and ordinances that regulated the location of structures in public right of ways. Aim's primary concern with this legislation was with the placement of new poles in public right of ways adjoining private residential property where investments had already been made for utilities to be located underground. Intense negotiations took place in the final days and hours of session to secure enough support from legislators for the passage of this bill. The final bill provided local units of government the ability to regulate the placement of poles and structures in right-of-ways that are designated for underground utilities before May 1, 2017 as well as requiring a public notification process for home owners' associations and neighborhood associations.

- Makes the following changes to the statute concerning the local permitting of wireless support structures:
 - (1) Amends the definition of "small cell facility" to: (A) increase the maximum specified antenna volume from three cubic feet to six cubic feet per antenna; (B) eliminate the maximum specified total volume for all antennas; and (C) increase the maximum specified primary equipment enclosure volume from 17 cubic feet to 28 cubic feet.
 - (2) Amends the definition of "utility pole" to: (A) mean a structure that is designed or used for certain specified purposes (versus existing statutory language defining the term to mean a structure that is designed and used for those specified purposes); and (B) include structures designed or used to provide traffic control or signage.

- (3) Amends the definition of "wireless support structure" to include structures that are capable of supporting (in addition to those designed to support) wireless facilities.
- (4) Defines the following terms: (A) "Communications service provider". (B) "Micro wireless facility". (C) "Wireless communications service."
- (5) Prohibits a permit authority from requiring an application or a permit for, or charging fees for: (A) the routine maintenance of wireless facilities; (B) the replacement of wireless facilities with others that are: (i) substantially similar to; or (ii) the same size or smaller than; those being replaced; or (C) the installation, placement, maintenance, or replacement of micro wireless facilities that are suspended on cables strung between existing utility poles in compliance with applicable codes.
- (6) Provides that with respect to the construction, placement, or use of small cell facilities and associated supporting structures, a permit authority may prohibit the placement of a new utility pole or wireless support structure in a right-of-way within an area that is designated before May 1, 2017, strictly for underground or buried utilities, if certain conditions are met.
- (7) Requires a permit authority to allow a neighborhood association or homeowners association to register with the permit authority to receive notice by United States mail of any application filed with the permit authority for the construction, placement, or use of a small cell facility on one or more new utility poles or one or more new wireless support structures in an area within the jurisdiction of the neighborhood association or homeowners association.
- (8) Provides that with respect to the permitting of small cell facilities and associated supporting structures within: (A) a historic preservation district; (B) a historic preservation area; or (C) an area within the jurisdiction of the Meridian Street preservation commission; a permit authority may apply any generally applicable procedures that require applicants to obtain a certificate of appropriateness.
- (9) Specifies that an applicant for the placement of a small cell facility and an associated supporting structure shall comply with applicable Federal Communications Commission (FCC) requirements and industry standards for identifying the owner's name and contact information.
- (10) Provides that the placement of a small cell facility and an associated supporting structure in the public right-of-way is considered a permitted use and is exempt from local zoning review if the height of the supporting structure does not exceed the greater of: (A) 50 feet measured from grade; or (B) the height of any utility pole in place on July 1, 2017, and within 500 feet of the proposed small cell facility, plus 10 feet.
- (11) Sets forth limits for application fees for a permit for the construction, placement, or use of small cell facilities.
- (12) Allows a permit authority to propose, as an alternative location for a proposed small cell facility at a location where a supporting structure does not exist, that the small cell facility be collocated on an existing utility pole or wireless support structure if the existing utility pole or wireless support structure is located within 50 feet of the location proposed in the application.
- (13) Provides that for an application for the construction, placement, or use of a small cell facility and the associated supporting structure, a permit authority has 60 days to approve or deny the application but shall otherwise follow the application procedures that apply to collocation permit applications under the statute.

- (14) Prohibits a permit authority from taking certain specified actions with respect to the construction, placement, or use of small cell facilities and the associated supporting structures.
- (15) Specifies that a permit authority is not prohibited from applying a reasonable and generally applicable safety regulation to the construction, placement, or use of small cell facilities and associated supporting structures in the public right-of-way.
- (16) With respect to the construction, placement, or use of small cell facilities on a utility pole owned or controlled by a governmental unit, sets forth certain requirements with which the unit must comply and certain actions that the unit is prohibited from taking, including a prohibition against the unit or a utility owned by the unit imposing a rental or other recurring fee for small cell facilities that are strung or located between utility poles if one or more of the utility poles has an associated attachment for which a rental rate is charged.
- (17) Provides that a unit may impose additional terms and conditions for the construction, placement, or use of small cell facilities on utility poles owned or controlled by the unit if the terms and conditions are: (A) consistent with the bill's requirements; (B) reasonable; (C) nondiscriminatory; and (D) generally applicable.
- (18) Specifies that the bill's provisions do not: (A) authorize the collocation of small cell facilities on privately owned utility poles, wireless support structures, or property without the consent of the property owner; (B) affect the duty of an entity seeking to place a small cell facility on a utility pole or wireless support structure owned, controlled, or operated by a public utility to obtain from the utility any necessary authority for the placement; or (C) affect the authority of a public utility that owns, controls, or operates a utility pole or wireless support structure with respect to the use of or attachment to the utility pole or wireless support structure, consistent with federal law and FCC decisions and rules.

SOLID WASTE MANAGEMENT DISTRICT BOARD MEMBERSHIP (SEA 300, PL 60)

Author: Koch, R-Bedford

Sponsor: May, R-Bedford

- Provides that if a county contains only one municipality, the board of the county's single county solid waste management district must include one member: (1) who is a freeholder; (2) whose freehold is located in a conservancy district that is located entirely within the county and contains the greatest number of freeholds of any conservancy district located in the county; and (3) who is appointed to the board of the county district by the board of the conservancy district.

DISTRIBUTED GENERATION (SEA 309, PL 264)

Author: Hershman, R-Buck Creek

Sponsor: Ober, R-Fort Wayne

Aim COMMENT:

Aim membership was divided on this bill as there were some who supported and some who opposed this legislation. Aim closely monitored the bill but we remained neutral from the start of session. The intent of the bill was to modify the fiscal impact of privately owned electric utilities and the rates they are responsible for paying to a property owner who utilizes solar energy and receives a financial benefit when electricity is sold back to the grid. The bill sets a threshold of the total aggregate capacity for net metering.

Opponents saw this as a disincentive to utilize alternative energy while the utilities saw this as a necessary change to ensure fairness to rate payers.

- Requires: (1) the utility regulatory commission (IURC) to post a summary of the results of the IURC's most recent periodic review of the basic rates and charges of an electricity supplier on the IURC's Internet web site; and (2) the electricity supplier subject to the review to provide a link on the electricity supplier's Internet web site to the IURC's posted summary.
- Amends the statute concerning alternate energy production, cogeneration, and small hydro facilities to: (1) include in the definition of a "private generation project" certain cogeneration facilities that: (A) are located on the same site as the host operation; or (B) are located on or contiguous to the site of the host operation and are directly integrated with the host operation; and (2) include organic waste biomass facilities within the definition of an "alternative energy production facility". Specifies that an electric utility or a steam utility is not required to distribute, transmit, deliver, or wheel electricity from a private generation project.
- Requires the IURC to: (1) review the rates charged by electric utilities for backup power to eligible facilities and for purchases of power from eligible facilities; (2) identify the extent to which the rates meet specified criteria; and (3) report the IURC's findings to the interim study committee on energy, utilities, and telecommunications; not later than November 1, 2018.
- Provides that before granting to an electricity supplier that is a public utility a certificate of public convenience and necessity for the construction of an electric facility with a generating capacity of more than 80 megawatts, the utility regulatory commission (IURC) must find that the electricity supplier allowed or will allow third parties to submit firm and binding bids for the construction of the proposed facility.
- Provides that a public utility that: (1) installs a wind, a solar, or an organic waste biomass project with a nameplate capacity of not more than 50,000 kilowatts; and (2) uses for the project a contractor that is: (A) subject to Indiana unemployment taxes; and (B) selected by the public utility through a competitive procurement process; is not required to obtain a certificate of public convenience and necessity for the project from the IURC.
- Provides that a net metering tariff of an electricity supplier (other than a municipally owned utility or a rural electric membership corporation) must remain available to the electricity supplier's customers until: (1) the aggregate amount of net metering facility nameplate capacity under the tariff equals at least 1.5% of the electricity supplier's most recent summer peak load; or (2) July 1, 2022; whichever occurs earlier.
- Requires the IURC to amend its net metering rule, and an electricity supplier to amend its net metering tariff, to: (1) increase the limit on the aggregate amount of net metering capacity under the tariff to 1.5% of the electricity supplier's most recent summer peak load; and (2) reserve 40% of the capacity under the tariff for residential customers and 15% of the capacity for customers that install an organic waste biomass facility.
- Provides that a customer that installs a net metering facility on the customer's premises after December 31, 2017, and before the date on which the net metering tariff of the customer's electricity supplier terminates under the bill, shall continue to be served under the net metering tariff until: (1) the customer removes from the customer's premises or replaces the net metering facility; or (2) July 1, 2032; whichever occurs earlier.
- Provides that a successor in interest to the premises on which a net metering facility was installed during the applicable period may, if the successor in interest chooses, be served under the terms and conditions of the net metering tariff of the electricity supplier serving the premises until: (1) the net metering facility is removed from the premises or is replaced; or (2) July 1, 2032; whichever occurs earlier.

- Provides that a customer that installs a net metering facility on the customer's premises before January 1, 2018, and that is participating in an electricity supplier's net metering tariff on December 31, 2017, shall continue to be served under the terms and conditions of the net metering tariff until: (1) the customer removes from the customer's premises or replaces the net metering facility; or (2) July 1, 2047; whichever occurs earlier.
- Provides that a successor in interest to the premises on which a net metering facility was installed before January 1, 2018, may, if the successor in interest chooses, be served under the terms and conditions of the net metering tariff of the electricity supplier serving the premises until: (1) the net metering facility is removed from the premises or is replaced; or (2) July 1, 2047; whichever occurs earlier.
- Provides that an electricity supplier shall procure only the excess distributed generation produced by a customer.
- Provides that the rate for excess distributed generation procured by an electricity supplier must equal the product of: (1) the average marginal price of electricity paid by the electricity supplier during the most recent calendar year; multiplied by (2) 1.25.
- Provides that an electricity supplier shall compensate a customer for excess distributed generation through a credit on the customer's monthly bill. Provides that the IURC may approve an electricity supplier's request to recover energy delivery costs from customers producing distributed generation if the IURC finds that the request: (1) is reasonable; and (2) does not result in a double recovery of energy delivery costs from customers producing distributed generation.
- Urges the legislative council to assign to the interim study committee on energy, utilities, and telecommunications the topic of self-generation of electricity by school corporations.

DONATION OF CERTAIN LOCAL FUNDS TO A FOUNDATION (SEA 346, PL 114)

Author: Grooms, R- Jeffersonville

Sponsor: Clere, R-New Albany

- Provides that when a county, municipality, or township (unit) donates the proceeds of the sale of a utility or a facility, or the amount of a gift, to a foundation, the unit and the foundation may agree that distribution of the proceeds is governed by the Uniform Prudent Management of Institutional Funds Act (IC 30-2-12).
- Provides that this authority applies only to the donation of proceeds that occurs after December 31, 2015.
- Provides that department of local government finance may not reduce a unit's property tax levy because of: (1) the donation of the proceeds of money from the sale of a utility or a facility; (2) a distribution from the endowment to the unit; or (3) a return of the donation to the general fund of the unit. Expands the investment powers of a trust established before 1990 from the proceeds of the sale of a county hospital to be the same as a foundation investing a donation. Specifies requirements of investing.

RURAL ELECTRIC MEMBERSHIP CORPORATION GOVERNANCE (SEA 376, PL 171)

Author: Houchin, R-Salem

Sponsor: Morrison, R-Fort Wayne

- Amends the statute governing rural electric membership corporations (corporations) as follows:
 - (1) Specifies that for purposes of the statute: (A) a "law" includes the statute itself; and (B) a "member" of a corporation means a person admitted to membership under law and the

corporation's bylaws. (Current law provides that a member means a person admitted to membership under law or the corporation's bylaws.)

- (2) Allows for electronic notice of a meeting of the corporation's members.
- (3) Authorizes a corporation to include a provision in its articles of incorporation or its bylaws to allow any votes cast: (A) after notice of a meeting is provided; and (B) before a meeting of its members; to count toward specified quorum requirements.
- (4) Specifies that a corporation may file a petition with the utility regulatory commission seeking authority to begin water or wastewater service. (Current law does not specify that a corporation may seek to provide wastewater service.)
- (5) Makes technical changes.

INFRASTRUCTURE ASSISTANCE FUND (SEA 416, PL 233)

Author: Charbonneau, R-Valparaiso

Sponsor: Ober, R-Fort Wayne

- Requires the Indiana finance authority to study the ability of utilities to provide clean and safe drinking water in Indiana for the foreseeable future.
- Requires the utility regulatory commission (IURC), in its deliberations in a general rate case of a water or wastewater utility, to consider governmental requirements arising from environmental law and their effect upon the utility's operational expenses.
- Authorizes the IURC, upon request by a water or wastewater utility in a general rate case, to permit the utility to voluntarily establish a customer assistance program.
- Provides that an IURC-approved customer assistance program may not be deemed a discriminatory utility regulation.
- Provides that certain water utilities that have withdrawn from the jurisdiction of the IURC may form a policy review committee to receive complaints from customers if certain conditions are met. Requires the environmental rules board to adopt rules to carry out the intent of the law concerning the safety of the public water supply.
- Authorizes the commissioner of the department of environmental management, when the point of water collection of a public water system is being relocated, to require that the water be tested at the new point of collection the public water system may begin to collect water at the new location. Establishes the infrastructure assistance fund (fund) to provide grants, loans, and other financial assistance for the planning, designing, acquisition, construction, renovation, improvement, and expansion of public water systems.
- Requires the Indiana finance authority (IFA) to administer the fund and to establish criteria for the making of grants, loans, and other financial assistance from the fund.
- Authorizes the IFA to sell loans and other obligations from the fund and to deposit the proceeds of the sales in the fund or in certain other funds.
- Authorizes the IFA to pledge loans and other obligations from the fund to secure other loans or financial assistance from the fund or from certain other funds.
- Requires the public finance director to submit a report on the fund to the budget committee and the legislative council not later than August 1 of each odd-numbered year through 2021.
- Changes the name of the Indiana geological survey to the Indiana geological and water survey (survey).
- Requires the survey to provide geological information about the water resources of Indiana. Changes the name of the geological survey advisory council to the geological and water survey advisory council.

REQUESTS TO LOCATE UNDERGROUND UTILITY FACILITIES (SEA 472, PL 122)

Author: Crider, R-Greenfield

Sponsor: DeVon, R-Granger

- Amends the statute concerning the locating and marking of underground utility facilities (Indiana's 811 law) to allow a person responsible for: (1) a construction project; or (2) any other project or operation; that will involve an excavation or demolition operation to provide a voluntary design information notice to the association known as the Indiana Underground Plant Protection Service (association) before commencing preliminary engineering studies or construction planning activities in the project area that will be affected by the excavation or demolition.
- Provides that a design information notice must be received by the association at least 10 full working days but not more than 20 calendar days before the commencement of the preliminary engineering studies or construction planning activities.
- Specifies the information that must be included in a design information notice.
- Provides that not more than two design information notices for the same project and from the same person or source may be submitted in any given 180 day period.
- Requires the association, upon receiving a design information notice, to: (1) notify each utility operator that has underground facilities located in the affected project area; and (2) provide the person serving the design information notice a list of the identified operators.
- Requires an operator, upon receiving notice of a submitted design information notice, to contact the person serving the design information notice within 10 days and do one or more of the following: (1) Provide a description of, and location information for, the operator's underground facilities in the affected project area. (2) Allow the person serving the design information notice to inspect, at a location acceptable to the operator, drawings or other records for the operator's underground facilities in the affected project area. (3) Designate with temporary facility markers the location of the operator's underground facilities within the affected project area.
- Allows an operator to reject a design information notice: (1) based on security considerations; or (2) if producing the required description of, or location information for, the operator's affected underground facilities would place the operator at a competitive disadvantage; pending the operator's verification of the legitimacy of the design information notice.
- Provides that the submission of a design information notice does not relieve a person responsible for the excavation or demolition operation involved in the project from providing the notice required under the law before commencing the excavation or demolition operation.
- Removes a provision in the statute that requires a county recorder who receives an inquiry from a person seeking to provide the required notice of an excavation or demolition to refer the person to the association.

UTILITY EASEMENTS (SEA 478, PL 236)

Author: Koch, R-Bedford

Sponsor: Lehman, R-Berne

Aim COMMENT:

HEA 478 establishes a process for resolving disputes between REMC electricity suppliers and a property owner regarding the installation of telecommunications equipment. The premise of the legislation is due to a lawsuit in Missouri where property owners were not properly notified or compensated for telecommunication equipment installed on an electric utility service line in a privately owned easement.

- Establishes a framework for resolving disputes between electricity suppliers and property owners regarding the attachment or installation of communications infrastructure within an electric easement.
- Provides that the procedures apply only to an electricity supplier that is a rural electric membership corporation. Provides specified exemptions from the procedures.
- Specifies that the bill's provisions provide the exclusive remedy to a property owner with respect to the attachment or installation of communications infrastructure on above ground electric facilities within an electric easement.
- Specifies that the bill's provisions do not provide the exclusive remedy to a property owner if the terms of: (1) the electric easement; or (2) any contractual or other agreement between the property owner and the electricity supplier; provide otherwise.
- Requires an electricity supplier that: (1) installs new communications infrastructure; or (2) makes capacity available for communications service through existing communications infrastructure; within an electric easement to provide written notice by first class mail to the owner of the affected property.
- Sets forth the required contents of the notice, including a written plan for making broadband Internet service available within the electricity supplier's electric service territory.
- Specifies that the failure of an electricity supplier to take any action described in, or related to, the plan does not create any liability with respect to the electricity supplier.
- Requires an electricity supplier to include provisions in a communications service member agreement, customer agreement, or other similar agreement to notify property owners who subscribe to communications service from the electricity supplier that by signing the agreement, the property owner consents to the expansion of the electric easement to include the attachment or installation of communications infrastructure.
- Provides that a property owner may bring a cause of action against an electricity supplier for damages for a decrease in value of the property owner's real property caused by the attachment or installation of communications infrastructure, not later than two years from the later of: (1) July 1, 2017; or (2) the date upon which the required notice is delivered to the property owner.
- Provides that to prove damages for the decrease in value of the property owner's real property, the property owner shall provide the electricity supplier with an appraisal comparing the value of the property before and after the attachment or installation of communications infrastructure within the easement.
- Provides that an appraisal obtained by a property owner to prove damages relating to the decrease in the value of the property owner's real property caused by the attachment or installation of communications infrastructure must take into account any increase in value to the property resulting from the availability of broadband Internet service provided through the communications infrastructure.
- Provides that the acceptance by a property owner of an electricity supplier's payment for damages operates to modify the electric easement to allow for the installation, servicing, maintenance, and use of communications infrastructure within the easement. Provides that when installing, inspecting, or maintaining communications infrastructure within an electric easement involving land on which a manufacturing facility is located, an electricity supplier shall make a reasonable, good faith effort to notify the property owner.
- Requires an electricity supplier to comply with all applicable rules and standards included in the National Electric Safety Code most recently adopted by the state. Requires an electricity supplier that uses the procedures set forth in the bill to: (1) form a separate legal entity; or (2) maintain a separate accounting system; with respect to the provision of broadband Internet service made

available by the electricity supplier, alone or with one or more other legal entities, within all or part of the electricity supplier's electric service territory.

- Provides that the entity providing broadband Internet service shall cause to be performed an annual audit of the entity's financial records concerning only the provision of broadband Internet service by the entity.
- Urges the legislative council to assign to the interim study committee on energy, utilities, and telecommunications the topic of rental rates and other fees for the attachment of communications service facilities on utility poles owned or controlled by electricity suppliers.