

State Legislative Update

January 27, 2023

GENERAL LEGISLATIVE INFORMATION

- Week 3 of the 2023 legislative session is now complete. The pace kicked up a few notches this week as the “workhorses” of the legislature – the committees -- got to work in earnest.
- All legislation filed for the 2023 legislative session is now available to the public. There are 1,182 bills and joint resolutions to be considered this session.
- Several of the priority bills in both the House and Senate dealing with education, housing, energy policy and protecting consumer data have begun their journey through the legislative process. Other priority bills await committee hearings. On the House side, House Bills 1002 (education), 1005 (housing), and 1007 (energy policy) have been heard in committee, as has Senate Bill 5 (consumer data protection) on the Senate side.
 - House Bill 1002 expands work-based learning and apprenticeship and internship opportunities in Indiana high schools. In addition, the bill would allow quality, work-based learning to count toward high school graduation requirements and creates a framework for students to earn a post-secondary credential.
 - House Bill 1005 establishes the Residential Housing Infrastructure Assistance Program and the Residential Housing Infrastructure Assistance Revolving Loan Fund, both of which would be administered by the Indiana Finance Authority (IFA). Political subdivisions would be able to apply to the fund for loans for certain infrastructure projects related to the development of residential housing. The goal is for this legislation to help local units of government provide infrastructure for housing needs in their communities.
 - House Bill 1007 seeks to establish a diverse and robust energy plan that ensures reliability and affordability.
 - Senate Bill 5 addresses data privacy for Hoosier consumers by creating a “bill of rights” that would allow consumers to monitor how their data is being used and have it deleted if they request it.
- On the local government front, several bills of interest have been introduced, including those listed below. As more bills are heard in committee, we will report on them!
 - House Bill 1035 addresses the potential elimination of the last 13 elected township assessors that remain in 9 Indiana counties — including Lake, Porter and LaPorte Counties — once their current terms expire. This would be done via referendum in those 9 counties on the 2024 general election ballot. The full House of Representatives approved the measure by a vote of 61-37.
 - Senate Bill 219 is the perennial annexation bill. As it passed out of committee last week, SB 219 is largely the same as past sessions. It requires a municipality that initiates an annexation to file with the court an annexation petition approved by the signatures of at least 51% of the owners of non-tax exempt land in the annexation territory or the owners of at least 75% in assessed valuation of non-tax exempt land in the annexation territory. It requires the court to hold a hearing if the petition has enough signatures and adds

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provisions for determining the validity of those signatures. Additionally, the bill eliminates remonstrances and remonstrance waivers, the reimbursement of remonstrator's attorney's fees and costs, and the eliminates the adoption of a fiscal plan for voluntary annexations requested by 100% of landowners in the annexation territory. The bill passed the committee last week and is being considered by the full Senate. While similar language passed out of the Senate last year, the overall fate of SB 219 is uncertain going forward.

— On the energy/utility front, both the House and Senate Utilities Committees met again this week to consider several bills.

- House Bill 1007 is a House Republican priority bill that seeks to establish an energy policy statement for the State of Indiana. The measure establishes that the continuing policy of Indiana regarding the state's electric generation resource mix, energy infrastructure and ratemaking constructs should reflect the "5 Pillars" of electric utility service that were discussed during meetings of the 21st Century Energy Policy Development Task Force – Reliability, Adequacy, Resiliency, Stability, and Environmental Sustainability. HB 1007 also addresses ratemaking for investor-owned utilities, and reliability adequacy for the state's generation companies and organizations (including IMPA). IMPA has worked with Chairman Ed Soliday for many months, as well as collaborated with the IOUs and rural cooperatives, as this legislation has been developed. The bill was approved by the committee 13-0.
- Senate Bill 176 was heard in the Senate Utilities Committee this week. SB 176 amends a law that was passed last year (SEA 271, 2022) concerning small modular nuclear reactors, or SMRs. This bill adjusts the rated electric generating capacity from 350 MWs to 470 MWs for purposes of the definition of "small modular nuclear reactor." The committee approved the measure 10-1.
- Senate Bill 33 directs the Indiana Department of Environmental Management (IDEM) and the Indiana Utility Regulatory Commission (IURC) to conduct a joint study concerning decommissioning and disposal of solar panels and wind power devices. IDEM and the IURC must report findings and recommendations to the Legislative Council no later than November 1, 2023. SB 33 was approved by the full Senate this week, 50-0.
- Finally this week, Senate Bill 241 requires the Bureau of Motor Vehicles (BMV) to submit a report annually to the Indiana Utility Regulatory Commission (IURC) that includes information regarding the number of electric vehicles registered by county in Indiana. The measure was approved by the full Senate, 48-0, and now moves to the House for further consideration.
- This week's Tracking List contains bills that are of general interest and which have any kind of an impact on IMPA and municipal electrics. These bills deal with a wide range of topics, such as utility-related bills (including electric, water and sewer), local government-related bills (including reform measures, annexation, etc.), economic development, pertinent environment bills, as well as some telecommunications bills.