



STATE LEGISLATIVE UPDATE

April 12, 2019

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2019 Indiana General Assembly Week 14

- ▲ The 14th full week of the 2019 legislative session is complete! Both chambers met their respective committee deadlines. Thursday April 11th was the House 2nd Reading deadline, with the Senate's being Monday April 15th. Both the House and Senate are set to wrap up 3rd Reading next Monday and Tuesday, respectively.
- ▲ Both the House and Senate have been busy this week approving numerous concurrence motions on legislation that has already been approved by both chambers. These bills will now go to the Governor for his signature into law. Additionally, many bills have already been assigned to conference committees even though that part of the process does not typically begin until the 3rd Reading deadlines have occurred. With conferees being named and conference committee meetings already taking place, it appears that legislative leadership is serious about wrapping up business before the statutory deadline of April 29th. The target Sine Die date is somewhere between April 24th and 26th.
- ▲ The Senate Appropriations Committee approved the Senate version of House Bill 1001, the state budget, on Thursday. The budget spends approximately \$34 billion over the biennium, with about 50% going toward K-12 education. The Senate budget currently gives the Department of Child Services its full budget request. In addition, the proposed budget would fund Governor Holcomb's Next Level infrastructure and workforce development projects, appropriate \$90 million for the Teacher Appreciation Grant program, and fully fund Medicaid over the biennium. According to the fiscal analysis, there would be \$2.2 billion in reserves at the end of the two-year period, compared to the House version which has \$1.9 billion in reserves. An updated state revenue forecast is expected next Wednesday. This forecast is a critical tool as budget negotiations take place and HB 1001 is finalized during the conference committee process. There is some speculation that the forecast could come in lower than anticipated, which will make for interesting drama in the final days of the session. Negotiations between

the House and Senate will be tense, as both bodies have approached the budget in different manners, with similar yet different priorities.

- ▲ One bill that has not received a lot of buzz in the media is Senate Bill 529. This legislation provides that a local unit of government cannot adopt an ordinance that prohibits a person from beekeeping on his or her property, but it does allow the limitation on the number of hives that can be operated on the property. The bill also provides that a local unit of government may establish regulations concerning certain aspects of keeping chickens.
 - ▲ To date, Governor Holcomb has signed approximately 30 House and Senate bills into law, with many more on their way to his office.
- Here's a look at some of this week's legislative activities:*
- ▲ As expected, this has been a very busy week on several high profile issues of the session. The primary gaming bill of the session, Senate Bill 552, was heard in the House Ways and Means Committee, where it was changed significantly. This legislation impacts two Gary casino licenses and the potential for a casino to move to the Terre Haute area. The bill would also allow sports wagering in Indiana beginning in September 2019. On 2nd reading, SB 552 had 30 proposed amendments, eleven of which were discussed. Please see the tracking list for updated information. SB 552 is set for a final vote in the House on Monday. This legislation will go to a conference committee and be finalized during the last days of the session.
 - ▲ Senate Bill 535, the extraterritorial jurisdiction legislation of interest to municipalities, was approved by the House of Representatives, 69-26. Because it was amended by the House, the bill now goes back to the Senate for consideration of those changes.



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- ▲ Senate Bill 94, dealing with annexation, was amended and includes only a summer study committee to examine the state's annexation laws. The Senate author, Senator Phil Boots (R-Crawfordsville), has dissented on the bill and it has been assigned to a conference committee.
- ▲ Senate Bill 472 is legislation pertaining to municipal water utilities and proposes some changes to the distressed utility statute. The House Energy, Utilities and Telecommunications Committee Chairman Ed Soliday (R-Valparaiso) added language in committee creating the 21st Century Energy Policy Development Task Force. The Energy Task Force would examine all aspects of Indiana's overall electric generation portfolio, and whether or not Indiana is positioned with the right mix of resources to meet our future needs. Another amendment was also added to the bill, establishing an IURC study of the statewide impact of changes in fuel sources used for electricity generation, as well as new technologies utilized in generation of energy. That amendment also contained a more controversial provision calling for an abeyance (suspension) of any final IURC approvals of filings for a Certificate of Public Convenience and Necessity (CPCN) or purchase power agreements that are over a 250 MW threshold until January 1, 2021. This could impact fossil fuel (natural gas primarily) or renewable projects. An amendment was offered by State Representative Matt Pierce (D-Bloomington) on 2nd Reading that would remove the moratorium (abeyance) language from the bill. Following a robust floor discussion on Thursday evening, the House approved the amendment to SB 472 effectively striking the moratorium language. SB 472 will likely land in conference committee, where further changes may occur. IMPA is keeping a close eye on the bill.
- ▲ House Bill 1347, legislation pertaining to all municipalities in Indiana that provide municipal utility services (water, wastewater, electric, etc.), was approved by the full Senate last week, 42-5. The legislation stipulates that a municipality cannot hold a property owner (landlord) accountable for

a renter's utility bill if the utility service agreement is ONLY in the renter's name. During the discussion on the Senate floor, when asked if this bill allows a municipal utility to include the property owner and renter on a utility contract, the Senate sponsor of the bill, Senator Jack Sandlin (R-Indianapolis) said "yes" it does allow that. The House author (Woody Burton (R-Whiteland) agreed with changes made in the other chamber and a concurrence motion was approved, 75-17, this week. We continue to believe that there are local processes in place that will allow municipal utilities to continue to work with property owners and tenants. We were successful in getting onerous regulatory language out of the bill during the first half of the session, and kept some troubling amendments at bay during the second half, as well.

- ▲ On the broadband deployment front, Senate Bill 460, which seeks to ease restrictions that broadband providers encounter when utilizing public rights-of-way, is now eligible for final consideration in the House. The bill also establishes a rural broadband grant program for the purpose of awarding grant dollars for qualified rural broadband projects both before August 1, 2019, under existing statutes governing grants and then after that under new procedures for qualified rural broadband projects. Also in the amendment are definitions of the term "rural area", which would be defined as an unincorporated area or a small municipality that meets guidelines created by the Office of Community and Rural Affairs. The final vote on SB 460 in the House of Representatives will take place on Monday next week.
- ▲ Please see the tracking list for additional information on these bills, and many others.

There two weeks to go and the General Assembly will be finished, but drama lurks behind every State House corner. Stay tuned!