



STATE LEGISLATIVE UPDATE

February 1, 2019

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2019 Indiana General Assembly Week 4

- ▲ The fourth full week of the 2019 legislative session has concluded. Bill introduction finally came to an end and we now know what the legislature will be considering – or not – over the remaining three months of session. In total, there are 1,364 pieces of legislation (bills and resolutions). There are 639 Senate bills and 8 Senate Joint Resolutions and in the House, there are 710 bills and 7 House Joint Resolutions.
- ▲ With all of the bills now introduced and the “work horses” of the legislature – the committees – fully engaged, the General Assembly has settled into its routine for the next few weeks. That routine will entail an intense schedule of committee hearings on some very important topics. Chief among those, the House Ways and Means Committee will be moving closer and closer to crafting a state budget that the entire House of Representatives will consider by the end of February.
- ▲ With the committee activity deadline coming up in a little more than two weeks from now, the State House is, and will continue to be, a bustling place.
- ▲ This week, several bills that Republican leadership listed as priorities for the session have moved. On the education front, House Bills 1008 and 1009, establishing teacher career ladders and a teacher residency grant program, respectively, both passed the House unanimously. The House also approved House Bill 1004, a priority bill dealing with school safety.
- ▲ Additionally, workforce development legislation, House Bill 1002, was approved. This measure would reallocate some existing state funds to support workforce training programs throughout the state. The measure also seeks to boost efforts to allow more “work-based learning”, meaning creating opportunities for partnerships between employers and schools.
- ▲ House Bill 1643, dealing with firearms, was heard in the House Public Policy Committee. This bill is similar to a failed 2018 bill, and would eliminate handgun license fees and allow gun owners to carry firearms on church property that also has a school on the property. After a lengthy hearing, the bill was held.
- ▲ On the local government front, Senate Bill 535 received the first of at least two hearings this week. This is the extraterritorial jurisdiction bill that would effectively eliminate a city or town’s ability to regulate or exercise its authority outside of its corporate boundaries, including planning and zoning, eminent domain, and regulating watercourses within 10 miles of the municipality. The bill was held and is on the calendar next week in the Senate Local Government Committee.
- ▲ On the annexation front, Senate Bill 94 is moving through the process. SB 94 includes several provisions aimed at curbing what little annexation authority remains for local units. The bill voids annexation waivers, adds some significantly onerous petition language and basically eliminates any involuntary, municipally-driven annexations.
- ▲ As mentioned previously, electric industry issues will not dominate the session, but there are bills of interest that we are watching. The IOUs



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are advocating for language that amends the Transmission, Distribution and Storage Improvement Charges (TDSIC) statute. House Bill 1470 was heard and approved by the House Utilities Committee this week. This measure pertains to electric and gas utility infrastructure improvement projects and the regulatory process that public utilities must go through at the IURC for cost recovery. House Bill 1470 provides a new process under which the IURC would approve new TDSIC plans that are filed by utilities if certain specific conditions are met. Under the bill's provisions, if the IURC determines that the public utility's new projects or improvements are reasonable, the IURC shall approve the new projects or improvements and authorize TDSIC treatment for the new projects or improvements. At this time, IMPA's municipal electrics have no concerns with this legislation.

- ▲ As mentioned in last week's update, House Bill 1347 is of particular interest for all municipal utilities (not only electric). There are two parts to this bill. The first part seeks to prohibit a municipality from holding a property owner (landlord) responsible for a renter's utility bill if the utility service is in the renter's name and the renter is delinquent or doesn't pay their bill. This is concerning for municipalities that have municipal water, wastewater, and/or electric utilities as it would eliminate an avenue – if you choose to exercise it - to help the utility recover delinquent/unpaid accounts, which contribute to the municipality's overall uncollectable debt. The second part of the bill creates a Policy Review Committee for municipally owned utilities that have properly withdrawn from IURC jurisdiction. The purpose of the committee is to receive customer complaints against the utility, be it policies, rates or even service quality, and is then tasked to work out resolution with the city or town Council

or USB. If final resolution cannot be found, then the IN Attorney General's office can be called in. This causes concern as it would potentially be an end run around a utility that has previously – and lawfully – withdrawn from IURC jurisdiction, plus it would create a redundant administrative process to hear from citizens if they have questions, concerns, or even complaints about their utility service. House Bill 1347 is going to be heard next Wednesday (February 6th) in the House Utilities, Energy and Telecommunications Committee.

- ▲ Two broadband development bills were heard in the Senate Utilities Committee this week. Senate Bill 460 seeks to ease restrictions that broadband providers encounter when utilizing public rights-of-way. Many providers of broadband services are supportive of the measure, however, how far reaching the actual impact may be is still questionable. Two amendments were added to the bill and the bill passed out of committee unanimously. Senate Bill 461 addresses the \$100 million grant program proposed last fall by Governor Holcomb. This grant funding would come from a renegotiated Indiana Toll Road lease agreement. The concept is not wholly embraced by the legislature and after much discussion in committee, no vote was taken and the bill was held.
- ▲ This week's Tracking List contains bills which have any kind of an impact on IMPA and municipal electrics in general, or are of general interest. I urge you to take a look at it. 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.), pertinent environment bills, as well as some telecommunications bills.