



STATE LEGISLATIVE UPDATE

February 9, 2018

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2018 Indiana General Assembly Week 6

- ▲ We have now reached the halfway point of the 2018 “short” legislative session. This past Monday and Tuesday were the deadlines for House and Senate bills to pass the first chamber and advance to the other side for consideration. The General Assembly has a very brief recess before reconvening next week to begin what will be a very swift second half of session. March 14th is the statutory final day of the session.
- ▲ With 902 pieces of legislation introduced this year, 302 bills are still alive and kicking – 130 House Bills and 172 Senate Bills. When their brief break concludes and the General Assembly resumes its business next week, legislators will have just shy of three weeks to move bills through the committee process in the second chamber. As is usually the case during the second half of a session, the challenge will be to monitor all legislation that is still alive for amendments that could contain language of a bill that “died” during the first half of the session.
- ▲ Several significant pieces of legislation appear to be done for the session, including bills addressing permit-less carry of firearms, legalization of medical marijuana, township consolidation, hate crimes, cold beer sales in grocery and convenience stores, an increase in the smoking age from 18 to 21, and the creation of an independent and bipartisan redistricting commission.
- ▲ The session continues to be relatively quiet for IMPA and Indiana’s municipal electric utilities. Throughout the second half of the session, we will continue to monitor remaining legislation, work with other stakeholders, and offer input on anything that is relevant to our industry.

- ▲ The deadline to file for election in 2018 is Friday, February 9th. No additional retirement announcements by incumbent legislators are anticipated.

General Interest

- ▲ Big issues that are moving forward include House Bill 1002, which is workforce development legislation that calls for an evaluation of approximately 30 current workforce development programs to make sure the state is utilizing resources properly. The measure also establishes the Next Level Workforce Training and Development Fund to oversee any investments that are made into those programs, and the bill requires the Department of Workforce Development to notify schools and students throughout Indiana of available grants programs that will assist in workforce training.
- ▲ Efforts to legalize the sale and use of CBD oil (cannabidiol) continued this week. While the House unanimously approved House Bill 1214 last week, the Senate passed Senate Bill 52 this week by a vote of 35-13. Both bills will now be considered by the other chamber.
- ▲ In annexation news, Senate Bill 268 would have given a county executive veto power over a municipal annexation, thus making annexation policy even more onerous. The bill was defeated in the Senate by a vote of 20-28. Senate Bill 261, which deals with annexation waivers, was approved 42-6. Senate Bill 171, which provides that a municipality may not annex territory during a calendar year that has a total gross assessed value of more than 15% of the total gross assessed value of the annexing municipality, was approved 37-11. Both now go to the other chamber for consideration.



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General Interest (cont.)

- ▲ At the mid-way point of the session, the legislature continues to focus on gun rights. This week, Senate Bill 33, which would allow legal possessors of firearms to carry firearms on church property if there is a school on the property, was approved 43-5. Additionally, House Bill 1424 removes the fees associated with a lifetime carry permit and extends the current 4-year carry permit to a 5-year permit, with a one time National Instant Criminal Background Check System (NICS) federal background check required at the time of permitting, but an individual would be exempt from the background check when purchasing a gun. The bill passed last week 71-20.
- ▲ In bug news, Senate Bill 236 would make the Say's Firefly the official insect of Indiana. The bill was approved by the Senate 48-0. Thomas Say, an entomologist who lived in New Harmony, Indiana, named the Say's Firefly in 1824. A group of West Lafayette elementary students has championed this cause for several years, and actually testified in committee on the measure. The bill's fate in the Indiana House is uncertain.

Energy/Electric Utility Specific Issues

- ▲ Senate Bill 125, the underground facilities legislation, was approved 47-1 this week. It creates a new section of Indiana Code that requires excavation contractors to be registered with the Secretary of State's office, to comply with Indiana's 811 statute (call before you dig), and to provide appropriate documentation of that registration to a communications provider or utility. The bill authorizes the IURC or its pipeline safety division to refer contractors that violate the law and that

are foreign entities not registered to do business in Indiana over to the Attorney General's office, and the AG can levy fines of not more than \$10,000 for a violation. Not more than once a year, communications service providers or utilities are required to provide a list of its contractors operating in Indiana to the IURC or its pipeline safety division upon request, unless there is an investigation under Indiana's 811 statute, which may require additional submission of information. SB 125 now moves to the House for consideration.

- ▲ On the rural broadband front, Senate Bill 356 authorizes the Office of Community and Rural Affairs (OCRA) to award grants to qualified broadband providers for certain broadband projects in areas in Indiana that are unserved. The bill was approved 48-0. On the other side of the State House, House Bill 1065 changes the definition of "high speed internet service" to say that the minimum speed thresholds for broadband services must be at least 25 megabits per second downstream and at least 3 megabits upstream. (Current law sets the minimum speed threshold at 384 kilobits per second in at least one direction, the equivalent of dial-up.) It also provides that the Office of Technology will consult with and assist the IEDC with the application for state and federal grants. The bill directs the IURC to study certain topics regarding broadband services in Indiana and to report their findings to the Interim Study Committee on Energy, Utilities, and Telecommunications by October 1, 2018. HB 1065 was approved 92-0. These bills now go to the other chamber for consideration.
- ▲ Senate Bill 411 was approved by the Senate, 45-2. This bill deals with distressed water or wastewater utilities. It requires a utility company to provide notice to all of its customers when a petition is filed with the IURC regarding the acquisition of distressed water or wastewater



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Energy/Electric Utility Specific Issues (cont.)

utilities no matter what the impact is on rates. Current law requires utility companies to provide notice customers only when a rate increase greater than 1% is anticipated due to the proposed acquisition. SB 411 also provides that in determining if the sale or disposition of the non-surplus utility property is in the public's best interest, the IURC shall accept as reasonable the valuation of the property as determined through a statutory appraisal and review process, set out in current law.

- ▲ Two bills were introduced this year as follow-up bills to last year's Senate Enrolled Act 213, which deals with the issue of small cell wireless support structures in municipal ROWs. Last year's bill allowed municipalities, during a very narrow window of time, to pass ordinances or resolutions that would designate underground only utility areas. HB 1050 provides that a resolution or ordinance that was adopted by a municipality after April 14, 2017 and before May 2, 2017 and that designates an area as strictly for underground or buried utilities, applies only to those areas that are zoned residential and where existing utility infrastructure is already buried. HB 1050 passed the House, 75-17. Senate Bill 258 was the companion bill in the Senate, however, it did not move out of committee. HB 1050 is the only bill advancing that deals with the issue of small cell wireless facility permitting.

- ▲ Two water infrastructure bills are moving through the process. House Bill 1267 was approved by the House, 91-0. It establishes a Water Infrastructure Task Force to study certain water infrastructure issues and develop a long term plan for addressing drinking water, wastewater and storm water management needs in Indiana. The task force would take all

of the previous studies done in these areas and come up with the best plan going forward. The task force would be subject to the open door and public records laws. The Indiana Finance Authority (IFA) would be required to contract with an entity to study the needs of the state regarding the National Pollutant Discharge Elimination System (NPDES) storm water program. A similar bill, Senate Bill 361, was approved by the Senate, 49-0.

- ▲ As you are aware, the sessions of the Indiana General Assembly are broadcast over the Internet. In order to access the daily activities of all committees and Floor activities, and to review other legislation being considered, go to www.iga.in.gov.

Deadlines to keep in mind for the second half of session:

- ▲ **February 27th** – House committee report deadline
- ▲ **March 1st** – Senate committee report deadline
- ▲ **March 5th** – House 3rd Reading Deadline
- ▲ **March 6th** – Senate 3rd Reading Deadline
- ▲ **March 6th/7th** – Conference Committee process begins
- ▲ **March 14th** – Statutory Deadline to Adjourn Sine Die