

## 2021 INDIANA GENERAL ASSEMBLY WEEK 4

- Week 4 of the 2021 legislative session is now complete. The pace kicked up a few notches this week after last week's closure due to the inauguration and potential national unrest.
- Both Chambers resumed their legislative sessions and the “workhorses” of the legislature - the committees -- returned to work in earnest this week.
- This week, several priority bills are moving through the process, including Senate Bill 1 and House Bill 1002, both of which provide protections to individuals and businesses from COVID-19 related lawsuits. SB 1 is eligible for a Third and final vote in the Senate before moving over to the House of Representatives. House Bill 1002 was approved by the House Judiciary Committee and is now ready for consideration by the full House.
- Full funding for schools regardless of whether instruction is in-person or virtual remains a high priority for legislators. House Bill 1003 was approved by the House overwhelmingly and now goes to the Senate. HB 1003 ensures that schools that weren't operating virtually in February 2020 — prior to the first Indiana COVID-19 case — will receive full tuition support based on their student count, even if they temporarily halted in-person instruction.
- On the state budget front, the House Ways and Means Committee spent time this week hearing from state agencies on their respective budget proposals.
- On the local government front, several interesting bills were heard that are of interest.
  - House Bill 1519 was discussed at length and significantly amended in the House Commerce, Small Business and Economic Development Committee. As introduced, HB 1519 would have prevented the Governor, state agencies, and local governments, including local health departments, from restricting the hours of operation of a business or other non-governmental entity. However, Committee Chair and bill author Representative Bob Morris (R-Ft. Wayne) proposed five amendments that widen the scope of the bill. As amended, it now prohibits state agencies or political subdivisions from regulating hospital services, the number of people allowed at an event or at a private business and how patrons are greeted or served at restaurants and other businesses. The bill also now would keep government officials from limiting the size of church gatherings, from requiring church attendees to wear face coverings and from ordering private schools and churches to close during a pandemic. No final committee vote was taken this week.
  - Senate Bill 95 is the only pure annexation bill introduced this session. SB 95 is basically the same bill that has been introduced each of the last 3 or 4 legislative sessions. It includes several provisions aimed at curbing what little annexation authority remains for local units. It would eliminate annexation remonstrance waivers, add significantly onerous petition language, and basically eliminate any involuntary, municipally initiated annexations. The Senate Local Government Committee approved the bill just as it did last year, but it's path through the entire process remains challenging.
  - Senate Bill 369 was heard in the Senate Local Government Committee. This legislation addresses the ability of local units of government to conduct electronic meetings. Throughout the pandemic, the Governor's Executive Orders declaring a public health emergency have allowed local units and other political subdivisions to hold meetings and conduct official business electronically. This legislation will allow that practice to continue with certain parameters both in an emergency and under other more normal circumstances. Governor Holcomb has included this as one of his agenda items for the session and there is very broad support among stakeholders. Specific to IMPA, the IMPA Board of Commissioners has been meeting virtually since last April due to the pandemic and with the authority of the Governor's Executive Orders. We have successfully worked with the bill author to have language included that is specific to IMPA's statute that will officially allow the Board of Commissioners to meet virtually in the future should there ever be another declared emergency by a Governor. SB 369 will be finalized next week and it will move to the full Senate for consideration.

- On a lighter note, Senate Bill 97 popped up on the radar screen. SB 97 designates Indiana-grown popcorn as the official state snack of the Hoosier state. The measure has passed the Senate by a vote of 45-4 and is now eligible for consideration in the House.
- On the energy/utility front, both the House and Senate Utilities Committees met this week to consider several bills. The House Utilities, Energy and Telecommunications Committee considered House Bills 1191, 1220, 1287, and 1385.
  - House Bill 1191 - The bill provides that the legislative body of a city or town or a county executive cannot prohibit a utility or department of public utilities from furnishing utility service to a utility customer, nor can it prohibit a customer from purchasing, using, or connecting or reconnecting to a utility service based on the energy source of the utility service. In essence, the bill would ban local units from prohibiting natural gas use through local ordinances. The bill has been described as a pre-emptive tool to preserve a customer's choice to hook up to or otherwise use natural gas. The bill passed out of committee and is eligible for consideration by the full House.
  - House Bill 1220 - This measure is one of the policy recommendations from the 21st Century Energy Policy Development Task Force. It provides for a 1-year extension of the Task Force. While maintaining the current 15-person membership, the bill moves some of the appointments from the Governor to the General Assembly, and those appointments must be people from the State of Indiana. HB 1220 sets out the topics to be considered for study, including but not limited to stranded utility assets, rate fairness to all customer classes, impacts of plant closures on local communities, electric vehicle charging infrastructure, distributed energy resources (DERs), energy storage, the use of securitization to recover stranded utility costs associated with legacy generation units, and a potential requirement for cooperatively owned power suppliers (Hoosier/WVPA) to provide to the IURC their calculations of stranded costs. HB 1220 was approved by the committee and is now eligible for consideration by the full House.
  - House Bill 1287 - This measure allows a water or wastewater utility to extend service to a developed but underserved area without a deposit from customers if the extension of service will result in a positive contribution to the utility's overall cost of service over 20 years. It defines "developed but underserved area" as an area in which prospective service would be provided predominantly to existing and occupied structures that receive water from private wells or from which wastewater is disposed of through onsite private systems such as septic tanks. The bill passed out of committee unanimously.
  - House Bill 1385 - This measure provides that an investor-owned electric utility may request IURC approval to implement a pilot program related to developing or incentivizing electric vehicle infrastructure. The IOU may include a request for cost recovery and deferral of pilot program costs. Under HB 1385, the IURC shall approve the request if it finds the pilot program and associated costs to be reasonable and consistent with state policy. After discussion of the proposal, the Chairman of the Committee indicated that this would be a topic for consideration during the next phase of the 21st Century Energy Policy Development Task Force this summer and fall. No vote was taken.
- The Senate Utilities Committee met and considered two bills, Senate Bills 264 and 348.
  - Senate Bill 264 - The bill urges the Legislative Council to assign to the Interim Study Committee on Energy, Utilities, and Telecommunications the topic of the installation and leasing of broadband capacity infrastructure by investor owned electric utilities to broadband service providers for the provision of broadband Internet service to unserved and underserved areas in Indiana. The committee approved the bill unanimously and it now moves to the full Senate for consideration.
  - Senate Bill 348 - The bill establishes a one year, 14-member statutory Task Force on Wastewater Infrastructure Investment and Service to Underserved Areas in an effort to develop a long-term plan for addressing wastewater needs in Indiana. The bill passed out of the committee and is moving to the full Senate for consideration.
- This week's Tracking List contains bills which have any kind of an impact on IMPA and municipal electrics or are of general interest. 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 telecommunications.