



STATE LEGISLATIVE UPDATE

January 31, 2020

This report and its contents are the proprietary work-product of IMPA. Please do not reproduce or distribute this report, in whole or in part, without the express permission of IMPA. © 2019

2020 Indiana General Assembly Week 4

- ▲ The very busy fourth week of the 2020 “short” legislative session is complete. With committee deadlines hitting in both the House and Senate this week, there has been little time to catch a breath.
- ▲ Thursday this week also saw the House of Representatives mark their 2nd Reading deadline (amendment phase in the first chamber), with Monday being the 3rd Reading deadline. Monday and Tuesday next week are the Senate’s 2nd and 3rd Reading deadlines, respectively. The General Assembly will then recess until Monday February 10th, when the second half of the session will begin. At that point, bills that have survived the first half of the session will cross chambers and the process will begin anew.
- ▲ The resignation/retirement count for legislators not seeking re-election this year has increased to 8. This week, State Representative Karlee Macer announced that she would not be running. Rep. Macer has represented House District 92 on the west side of Indianapolis since 2012. Additionally, the longest serving member of the Indiana House of Representatives, B. Patrick Bauer, announced that he will not run for another term. Rep. Bauer has been in the General Assembly for 50 years, serving as Speaker of the House, Minority Leader and Chair of the House Ways and Means Committee.
- ▲ The deadline to file for the May primary ballot is February 7th. At that point, we will have a better idea as to whether other incumbent legislators will be hanging up their legislative cleats.
- ▲ Reminder of key dates for the remainder of the first half of the 2020 legislative session:
 - February 3rd – 3rd Reading deadline for House bills
 - February 3rd – 2nd Reading deadline for Senate bills
 - February 4th – 3rd Reading deadline for Senate bills

Key Issues This Week

- ▲ The Indiana House of Representatives and the Senate have addressed the cigarette/vaping age issue this session. House Bill 1006 and Senate Bill 1 were approved by their respective chambers and will now be considered by the other chamber during the second half of the session. Both bills address the age at which tobacco products and e-cigarettes can be purchased and make conforming changes in Indiana law that reflect the new federal regulation that officially changed the federal minimum age to purchase tobacco products to 21 years of age. The state legislation also addresses penalties for retailers who violate the law.
- ▲ House Bill 1070, which would ban hand-held cell phone use while driving, passed unanimously out of the House Roads and Transportation Committee this week and was approved by the full House by a vote of 86-10. Under the provisions of HB 1070, it would be prohibited to hold or use a telecommunications device in the driver’s seat of a motor vehicle while the motor vehicle is in motion unless the device is used in conjunction with hands free or voice operated technology or used to call 911 to report a bona fide emergency.
- ▲ On the health care front, several bills have advanced this week addressing overall health care costs and transparency in health care pricing for patients. House Bill 1004 would end what is called surprise billing in Indiana and requires out-of-network medical providers to charge only what his or her in-network rate would be if the facility where a procedure takes place is an in-network facility for a patient. HB 1004 was approved by the full House unanimously and now moves to the Senate for consideration. A similar bill, Senate Bill 3, is moving through the Senate. Additional health care bills dealing with transparency in pricing are also moving through the process.
- ▲ As mentioned in previous updates, Senate Bill 23 is the only pure annexation bill to watch this session. Just as a bill last year proposed, SB 23 would effectively remove the ability of municipalities to initiate annexations. Only voluntary and super-voluntary annexations would



STATE LEGISLATIVE UPDATE

January 31, 2020

This report and its contents are the proprietary work-product of IMPA. Please do not reproduce or distribute this report, in whole or in part, without the express permission of IMPA. © 2019

be allowed if this legislation is enacted into law. It was approved by the full Senate this week by a vote of 37-12. How – or if - the House of Representatives will address this issue remains to be seen. Last year, the effort was unsuccessful.

- ▲ With the committee deadline this week, many of the over 900 introduced bills were left languishing without receiving a hearing and are likely “dead” for the session. However, during the second half of the session, we will remain watchful for amendments that contain language with negative impacts on local units of government and utilities.

Energy and Utilities

- ▲ On the energy/ utility front, both the House and Senate jurisdictional utilities committees have completed their work for the first half of the session. Bills concerning electricity generation, underground facilities, broadband and caller identification, and municipal utility billing have all been considered.
- ▲ As reported last week, most of the attention on the House side of things during the first half of the session has been on House Bill 1414, which has become THE energy/utility bill of the session. As amended and approved by the committee, it contained a July 1, 2021 sunset (expiration) date, and would require utilities to go through a CPCN process if they plan to close a power plant. The bill would require public utilities to provide at least three years advance notice to the IURC before terminating a power agreement with a legacy generation resource, with the IURC making determinations for reasonable cost recovery through a fuel adjustment charge proceeding. Additionally, the bill would require a public utility to give at least six months advance notice to the IURC and then get a Certificate of Public Convenience and Necessity (CPCN) for the retirement, sale, transfer, or lease termination of an electric generation facility with a capacity of at least 80 megawatts before a utility can actually do any of those things. It is aimed at plant closures primarily. At the time this update was prepared, HB 1414 was on

the House 2nd Reading calendar, with several proposed amendments. Next week’s update will reflect any changes to the bill

- Committee Chairman Ed Soliday is the author of the legislation and is also Co-Chairman of the 21st Century Energy Policy Development Task Force. Chairman Soliday believes this bill is necessary due to power plant closures happening “at an alarming rate”, thus jeopardizing reliability and resilience of the electric grid. These are topics being contemplated by the Task Force, which is set to complete its work in December 2020. At that point, substantive policy recommendations will likely be made to next year’s General Assembly regarding what Indiana’s energy generation resource mix and overall energy policy should be. Many stakeholders continue to be concerned that HB 1414 is being considered this session before the Task Force completes its work. This continues to be a highly controversial and political issue. As the bill moves forward, we will be keeping a very close eye on it and continue being engaged in the discussions.

- ▲ HB 1165 seeks to clarify last year’s legislation (HEA 1347) that prohibits municipal utilities (water, electric, wastewater, gas, etc.) from ever holding property owners liable for the unpaid utility bills of their tenants, unless the property owner specifically requests to hold the utility bill in his/her name. The bill was approved by the full House by a vote of 64-31 and now heads to the Senate for consideration. This bill has broad municipal impact. AIM is working diligently to make the bill better, and IMPA is working with them toward that end.

- Specifically, HB 1165 provides that a tenant is responsible for the rates, charges, and fees for utility services if the municipally-owned utility has the name and contact information of the owner or manager of the property on file, as required under the statute. A municipally-owned utility or a municipal legislative body cannot require a property owner to ensure creditworthiness of the tenant



STATE LEGISLATIVE UPDATE

January 31, 2020

This report and its contents are the proprietary work-product of IMPA. Please do not reproduce or distribute this report, in whole or in part, without the express permission of IMPA. © 2019

or require the property owner to assume responsibility for payment of any rates, charges, or other fees for utility services as a condition of rendering the service to the property. The property owner cannot be held jointly or severally liable for any unpaid utility bills invoiced to the occupant, unless they have voluntarily signed the service agreement. HB 1165 provides that if a municipality provides both sewer service and one or more other utility services to the property, all rates, charges, and other fees for the other utility services are payable by the person occupying the property, regardless of whether the municipality combines billing for sewer service and the other utility services. The municipality shall not attempt to circumvent, through the use of combined billing or by any other means, the liability of the occupant for the payment of all rates, charges, or other fees owed. Finally, if a property owner feels that a municipally-owned utility or municipality has violated any of these provisions and goes to court, the property owner can seek reasonable attorneys' fees and other costs associated with that litigation.

- ▲ House Bill 1131, which pertains to water and sewer main extensions, was approved by the full House, 97-0. HB 1131 provides that, with respect to a water main or a sewer main extension performed in connection with an extension agreement that is entered into after June 30, 2020, a municipally-owned water or sewer utility is subject to the rules of the IURC which govern water main or sewer main extensions, regardless of whether the municipally-owned utility is under IURC jurisdiction.
- ▲ House Bill 1218 has been approved by the full House, 98-0, and now moves over to the Senate for consideration. HB 1218 amends the current 811 statute and provides that for any new or replacement underground facility that an operator or a private property owner installs or causes to be installed after June 30, 2020, the operator or property owner must ensure that the materials from which the facility is constructed are capable of being detected from above ground using standard locating equipment and technologies. If those materials are unable to be detected from above, the facility must be encased

by conductive material or be equipped with an electrically conducting wire or other means of locating the facility while it is underground.

- ▲ Broadband has also been the focus of attention thus far in the session. Several bills have been considered including Senate Bill 177, which moves the Broadband Ready Communities program over to the Office of Rural and Community Affairs (OCRA) from the IN Economic Development Corporation (IEDC). OCRA has many more resources by which to market the program throughout Indiana. Senate Bill 411 urges the Legislative Council to assign to the Interim Study Committee on Energy, Utilities, and Telecommunications the topic of 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. Both bills were approved unanimously by the full Senate and now move to the House for consideration.
- ▲ Please see this week's Tracking List for additional information on these and other pieces of legislation being considered by the Indiana General Assembly.

The sessions of the Indiana General Assembly are broadcast over the Internet. In order to access the daily activities of committees and all Floor activities, go to www.in.gov/iga.