



# State Legislative Update

*April 11, 2025*

## 2025 INDIANA GENERAL ASSEMBLY WEEK 14

### General Legislative Information

- The 14th full week of the 2025 legislative session is complete! Both chambers met the committee deadline this week and both the House of Representatives and Senate are set to wrap up 2nd and 3rd Readings next Monday and Tuesday, respectively. At that point, there will potentially be 10 session days left to conclude the business of the General Assembly in the regular session.
- Concurrence motions have been moving rapidly this week on legislation that has been approved by both chambers. These bills will now head to the Governor's desk for his signature into law. To date, Governor Braun has signed approximately 70 bills into law.
- Target date of adjournment Sine Die remains April 24th or 25th, but by statute, the General Assembly must complete its work by midnight April 29th.
- The House Ways and Means Committee approved Senate Bill 1 earlier this week by a vote of 15-8, split along party lines. SB 1 is the major property tax relief measure being considered this session. As approved by committee, SB 1 incorporated provisions for tax credits, new exemptions, new allocation formulas for business personal property, and phased-in property tax deductions for eligible property owners and a phase out of the business personal property tax. It also modified the allocation and distribution of various local income tax revenue streams, shifting certain functions from local income tax councils to county fiscal bodies. These changes would affect a variety of local units, including counties, cities, towns, and school corporations. With the adoption of a significant amendment Wednesday on the House floor, it appears that the House, Senate, and Governor are now in agreement on the approach to giving Hoosiers additional tax relief. The new version of SB 1 will increase a credit applied to all homeowner bills to 10% or a maximum of \$300, cumulatively saving homeowners \$1.4 billion over the next three years. The previous version had a \$200 cap and saved homeowners \$1.1 billion over three years. Additionally, the amended property tax bill softens its business personal property tax cuts and further drops local income tax limits. The House approved SB 1 on Thursday by a vote of 65-29. Due to the complexities of SB 1, please see the Tracking List for specific details on the current legislation.
- The Senate Appropriations Committee approved House Bill 1001, the nearly \$47 Billion 2-year state budget bill. Some of the key elements of the Senate approved measure include 2% per year increases in K-12 education funding, creation of a new three tier Teacher Appreciation Grant program, \$4.4 billion over the biennium for higher education, fully funds Medicaid, but does not eliminate the wait lists, provides dollars for community mental health, increases funding for the Department of Childrens Services, addresses economic development, has provisions requiring the state budget director to withhold 5% of each agency's appropriations, and provides that all dedicated funds for the Secretary of State



# State Legislative Update

*April 11, 2025*

are subject to the General Assembly's appropriation. Those funds come from fines and fees collected by that office and are used at the discretion of the SOS. These are just a few of the many budgetary items contained in HB 1001. Please see the Tracking List for specific details on the Senate committee approved version.

- Next week's revenue forecast will be critical in determining final funding levels for virtually all of state government.
- House Bill 1461 deals with road funding. Contained in the current version of HB 1461 is a provision to raise the supplemental fee to register an electric vehicle (EV) at the Bureau of Motor Vehicles from \$150 to \$340. The supplemental fee to register a hybrid vehicle increases from \$50 to \$170. HB 1461 addresses several other areas of importance to how Indiana's roads and highways are funded. Please see the Tracking list for details.
- Two bills that could significantly impacted municipal elections, House Bill 1633 and Senate Bill 355, are seeing mixed results this session. As introduced, both HB 1633 and SB 355 would have moved municipal elections to the presidential election cycle in even numbered years. Critics of these bills argued that this would put locally important issues down ballot during an election cycle that would now be focused on national issues instead of local matters. HB 1633 was amended to be a legislative study of the potential benefits of making this change in a future legislative session. HB 1633 is on its way to the Governor's desk. SB 355 had a contentious path in the Senate and, while it was approved narrowly by the upper chamber, it did not move forward in the House.
- The House Utilities, Energy and Telecommunications Committee met for the last time this week and finalized work on Senate Bills 423, 425 and 502. Of particular relevance is SB 502 which deals with pole attachments.
  - As it came out of the Senate, Senate Bill 423 contained provisions setting up a Small Modular (Nuclear) Reactor (SMR) pilot program that would allow up to two projects for the development of SMRs in Indiana. As amended, the two-project cap was removed so that any interested developers – not just I & M - could participate in an SMR project. It also addresses recovery of project development costs. The full House will now consider SB 423.
  - Senate Bill 425 provides that a generation project owner is not required to apply for or receive a zoning permit or any other land use or zoning approval, from a local authority for the construction of an electric generation facility, other than wind or commercial solar; if 1) the project owner has been granted a certificate of public convenience and necessity (CPCN) by the IURC or if the IURC declines jurisdiction over the construction; (2) the electric generation facility will be located on land that as of January 1, 2025 already has existing generation of at least 80 MWs, regardless of whether the facility is operational, or if the land is a former surface or underground mine; and (3) the project owner complies with certain



# State Legislative Update

*April 11, 2025*

notice and public hearing requirements. Additionally, SB 425 authorizes a political subdivision or a local authority to prohibit, for no more than one year, the siting, construction, installation, permitting, or deployment of a project other than a project undertaken by electric utilities. SB 425 now moves to the full House for consideration.

- Senate Bill 502 is important to municipal electric utilities as it concerns pole attachments and the deployment of high-speed broadband services in Indiana, especially targeting unserved, underserved, and rural areas. It is also driven by the \$868 million in federal Broadband Equity Access and Deployment (BEAD) funding that the state is receiving to accomplish that task. SB 502 has been the focus of much discussion the last few weeks and will be eligible for a final vote in the House next week.
  - As it passed out of the Senate, SB 502 was simply a reporting bill that required attaching entities (communications providers) seeking to attach to an electric utility distribution pole (IOU, REMC or municipal) to report quarterly to the Indiana Broadband Office (IBO) certain information regarding attachment requests made during the reporting period. The bill also required the IBO to post the report on the IBO's website.
  - As amended in the House committee, SB 502 now gives telecommunications providers — the attaching entities — and electric utilities that own 300-plus utility poles (IOUS, REMCs and/or municipals) a 60-day deadline to meet after a government broadband grant contract is executed by the communications provider and the IBO. The bill requires that a process management agreement be put in place between attaching entities and pole owners and if that is not finalized within four months after approval for federal BEAD funding, certain conditions come into effect. These include specific timelines for submission of pole attachment permits along with provisions for communication between the attaching entities and pole owners. Additionally, it mandates timely completion of make-ready work by pole owners, with stringent deadlines for application reviews and decisions.
  - The bill also now contains mutual accountability provisions on both attaching entities and pole owners by allowing the IBO to set a “rapid response mediation process” when disputes arise. Significant fining provisions were pulled back from an earlier proposed amendment. The IBO would also be required to publish broadband grant contracts online shortly after they are executed by attaching entities and the IBO. The provisions in this bill sunset July 1, 2030.



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- We are in the fluid part of the session as we race to the end. With approximately two weeks, plus a couple of days left, there are several important issues to resolve. By the time the final gavel falls, the General Assembly will inevitably land the plane in the right spot! Stay tuned!
- This week's Tracking List contains bills dealing with a wide range of topics, such as utility-related bills (including electric, water and sewer), local government-related bills, economic development, pertinent environment bills, and other general interest legislation.
- All committee and Floor activities for the IN General Assembly can be accessed online at [www.iga.in.gov](http://www.iga.in.gov).

