

State Legislative Update

February 2, 2024

2024 INDIANA GENERAL ASSEMBLY WEEK 4

General Information

- The fourth week of the 2024 “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.
- This week 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 12th, when the second half of the session will officially begin.
- State Senator Mark Messmer has filed and is running for the Republican nomination in the 8th Congressional District following Congressman Larry Bucshon’s announcement that he would not be seeking reelection in 2024. Senator Messmer is not up for reelection this year so he can run for Congress without giving up his current seat. Should he be nominated and run successfully, a caucus of precinct people would select someone to fill the remainder of his term which ends in 2026. Others already in the district’s Republican race are Richard Moss, a physician from Jasper who lost primary challenges to Bucshon in 2014, 2016 and 2018, along with Jeremy L. Heath and Jon Shrock. Democrat Erik Hurt has filed his candidacy.
- Governor Eric Holcomb announced the reappointment of Commissioner David Veleta to the Indiana Utility Regulatory Commission for a four-year term which ends January 31, 2028. Veleta was first appointed in 2022 to serve the remainder of former IURC Commissioner David Ober’s term. Prior to his appointment in September 2022, Veleta served as Senior Administrative Law Judge at the IURC. Veleta is a member of the board of directors of the Organization of PJM States, Inc. and serves on the NARUC Committees on Water and Critical Infrastructure, respectively.



Specific Legislation of Interest

- This session, three bills are moving through the process that deal with modernizing Indiana’s public notice requirements.
 - House Bill 1204 allows public notices for disposal of property to be posted on a newspaper’s website, if available, or a local government website if the newspaper cannot provide that service. It passed the House Judiciary committee and the full House unanimously.

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- House Bill 1328 is the annual omnibus Department of Local Government Finance bill that typically addresses a multitude of local government-related policy matters. Contained in HB 1328 is a provision that allows additional appropriations to be publicly noticed by uploading them to the state's Gateway website instead of being published in the paper. It passed the House Ways and Means committee and the full House unanimously.
- Senate Bill 252 proposes to update the qualifications for newspapers to be used for public notices to make compliance with public notice requirements easier for local governments. It passed the Senate Local Government committee unanimously and will be on the calendar for final consideration in the Senate on Monday next week.
- Senate Bill 155 deals with eminent domain and would expand the circumstances under which a property owner can claim compensation for losses due to an eminent domain condemnation. SB 155 introduces a new compensation category called "going concern". Going concern is defined as "benefits that accrue to a business or trade as a result of the business or trade's location, geographic features, reputation for dependability, skill or quality, customer base, good will or any other circumstances resulting in the probable retention of old or acquisition of new patronage." This would apply in any matter involving eminent domain.
 - For a municipality, eminent domain is typically a tool of last resort to acquire property for a public benefit, including acquiring a utility easement. If a property owner refuses to accept a proposed agreement for compensation in any taking of property, and eminent domain proceedings commence, SB 155 would put in place a new compensation category that could increase costs associated with essential services projects.
 - While approved by the Senate Local Government Committee, it had to be recommitted to the Senate Tax and Fiscal Committee due to its potential fiscal impact. SB 155 was not given a hearing in that committee and is presumed "dead" for the session.
- Senate Bill 159 is Senator Jim Buck's perennial effort to further erode annexation policy in Indiana. SB 159 would repeal the law that allows municipalities to initiate annexations. Only voluntary and super voluntary annexations would be allowed starting on or after April 1, 2024. It requires a municipality that initiates an annexation to file with the court an annexation petition approved by the signatures of at least 51% of the owners of non-tax exempt land in the annexation territory or the owners of at least 75% in assessed valuation of non-tax exempt land in the annexation territory. It requires the court to hold a hearing if the petition has enough signatures and adds provisions for determining the validity of those signatures. Additionally, the bill eliminates remonstrances and remonstrance waivers, the reimbursement of remonstrator's attorney's fees and costs,

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and eliminates the adoption of a fiscal plan for voluntary annexations requested by 100% of landowners in the annexation territory. Iterations of this legislation have failed to move beyond Senate passage for the last several years, and it is anticipated that SB 159 will meet the same fate this time around.

- The House of Representatives this week approved House Joint Resolution 3 which calls for the US Congress to hold a constitutional convention to incorporate congressional term limits into the federal Constitution. The House approved HJR 3 this week by a vote of 59-33. That vote reflects bipartisan support and opposition.

Energy/Utility Specific Information

- On the energy and utility fronts, both the House Energy, Utilities and Telecommunications Committee and the Senate Utilities Committee completed their work for the first half of session last week and did not meet this week. In total, the House Utilities Committee moved 6 bills that will now be considered by the Senate during the second half of session, while the Senate Utilities Committee heard and moved 2 bills.
- Mentioned in previous updates, legislation that continues to move through the process includes the following bills:
 - Senate Bill 5 – Lead water service line replacement
 - House Bill 1063 – REMC 10 MW exemption from CPCN requirements
 - House Bill 1206 – Small water & wastewater utilities voting process for withdrawing and re-entering IURC jurisdiction
 - House Bill 1277 – Broadband deployment, federal BEAD program; contains language to allow certain municipal broadband networks to be included as eligible providers
 - House Bill 1278 – Commercial solar and wind energy ready communities, OED certification
 - House Bill 1306 – livestreaming of IURC proceedings
 - House Bill 1122 – Streamlines IUPPS statute with new 811 rule
 - Senate Bill 247 – Streamlines process for acquisition of small, often distressed water utilities; amended to include municipal natural gas utilities for purposes of following the statutory public process for sale of non-surplus utility property
- Please see this week's Tracking List for additional information on the specific bills mentioned and other pieces of legislation being considered by the Indiana General Assembly.