

CITIES AND TOWNS BULLETIN

ISSUED BY STATE BOARD OF ACCOUNTS

June 2025

STATE BOARD OF ACCOUNT CONTACT INFORMATION

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(for information specific to Cities & Towns, select Political Subdivisions and then select City or Town as applicable)

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UPCOMING TRAINING

August 10th through August 14th the Indiana League of Municipal Clerks and Treasurers' (ILMCT) and State Board of Accounts will hold their Annual Conference and Annual Training School for City and Town Clerk-Treasurers, City Clerks, and City Controllers. This training will be held in French Lick. Be on the lookout for additional information in the upcoming months.

CHILD RESTRAINT SYSTEM PENALTIES

All Class D infraction collections for violations of the child restraint laws under IC 9-19-11 are to be accounted for separately by each city or town court as child restraint system fees. Such fees are to be remitted by the clerk of a city or town court to the county auditor on a monthly basis.

VOLUNTEER FIRE COMPANIES SERVING MORE THAN ONE UNIT – PRORATION OF INSURANCE

If any volunteer fire company serves more than one (1) unit under a contract or agreement, each unit that the company serves shall pay the amount for the insurance coverage determined under the following formula:

STEP ONE: For each census block or other area in a unit that is served by more than one (1) volunteer fire company, divide the population of the area by the number of volunteer fire companies serving the area, and round the quotient to the nearest one thousandth (.001).

STEP TWO: Add the quotients determined under STEP ONE for the unit.

STEP THREE: Determine the sum of the STEP TWO amounts for all of the units served by the same volunteer fire company.

STEP FOUR: Divide the STEP TWO amount for a unit by the STEP THREE amount and round the quotient to the nearest one thousandth (.001).

STEP FIVE: Multiply the costs of the insurance coverage for the volunteer fire company by the quotient determined under STEP FOUR, rounded to the nearest dollar. (IC 36-8-12-6)

DISASTER RELIEF FUNDS – ACCOUNTING AND BUDGETING

Based upon language contained in IC 10-14-3-17(j)(5) which states that a political subdivision may waive procedures and formalities otherwise required by law pertaining to the appropriation and expenditure of public funds where a national disaster or security emergency has been declared, the following procedures should be followed when disaster relief funds are received.

Money received or expected to be received from the Federal Emergency Management Agency (FEMA), the Indiana Department of Homeland Security, or the State Lottery Commission for tornado, flood, ice storm, or other types of declared disasters should be accounted for in the following manner:

1. If the money is to be used to reimburse funds for expenditures already incurred and paid and the conditions of IC 10-14-3-12 have been met, the amount received may be added back to the appropriation balances from which the expenditures have been previously made.
2. If the money is to be used for future expenditures, a separate fund should be set up entitled "Disaster Relief Fund." Such fund would not require appropriation or additional appropriation prior to spending the money in the fund.

It is recommended that all related expenditure records (claims, minutes, correspondence, contracts, damage survey report, etc.) be maintained in a separate file for future audits required by State and Federal agencies.

HANDLING LAW ENFORCEMENT CONTINUING EDUCATION PROGRAM FEES

1. Each court is to assess a \$4 law enforcement continuing education program fee on each action in which a defendant is found to have:
 - A. committed a crime;
 - B. violated a statute defining an infraction; or
 - C. violated an ordinance of a municipal corporation. (IC 33-37-5-8(c))
2. Monthly, a county, city, or town court clerk is to transmit the law enforcement continuing education fees collected to the county, city, or town fiscal officer. (IC 33-37-4-1, IC 33-37-4-2, IC 33-37-4-3)
3. The fiscal officer shall deposit the fees into either the County User Fee Fund or the City or Town User Fee Fund. (IC 33-37-4-1, IC 33-37-4-2, IC 33-37-4-3)
4. A law enforcement agency may receive funds from a County User Fee Fund or a City or Town User Fee Fund or a City or Town User Fee Fund by filing a claim with the county, city, or town fiscal officer. The claim shall include a “verified statement” of cause numbers for fees collected that are attributable to the law enforcement efforts of that agency. Payment of the claimed amount from a County User Fee Fund or a City or Town User Fee Fund may be made without appropriation.
5. Claims should be filed monthly, quarterly, or semiannually.
6. On receipt of the amount claimed by the law enforcement agency, the city or town fiscal officer shall place the amount received into the Local Law Enforcement Continuing Education Fund. (IC 5-2-8-2)
7. Funds received by a law enforcement agency shall be used for the continuing education and training of law enforcement officers employed by the agency and for equipment and supplies for law enforcement purpose. (IC 5-2-8-6)
8. Amounts claimed for expenditures for the Local Law Enforcement Continuing Education Fund must have been appropriated prior to expenditure either through the normal budget process or by additional appropriation. (IC 33-37-8-4)
9. Any funds remaining in the Local Law Enforcement Continuing Education Fund at year end do not revert.

LAW ENFORCEMENT CONTINUING EDUCATION PROGRAM FEES – FILING VERIFIED STATEMENTS OF CAUSE NUMBERS

Since the statutes (IC 5-2-8, IC 33-37-8) are silent regarding by whom or in what manner the “verified statement of cause numbers” will be prepared, the State Board of Accounts has adopted the following suggested procedures to handle such filings:

1. The applicable law enforcement agency should prepare the claim. At a minimum, the claim should indicate each fee collected by the date of payment, cause number, defendant name, and receipt number if available.

2. The claim should be filed by the law enforcement agency with the fiscal officer of the governmental unit.
3. The fiscal officer shall transmit the claim to the court clerk in order for the claim to be verified.
4. Once the court clerk verifies the fees claimed on the claim, the claim shall be transferred back to the fiscal officer for processing in the same manner as all other claims, i.e. submitted for board's approval and subsequent payment.
5. An alternative to steps number 3 and number 4 has been approved for some units. In this instance when the court clerk transmits the amount collected for law enforcement continuing education fees to the fiscal officer, the court clerk includes a listing of the fees transmitted by the date of payment, cause number, defendant name and the law enforcement agency to which the fees are attributable. By doing this, the fiscal officer is able to verify the fees claimed by the various law enforcement agencies and is not required to go back to the court clerk.

It would also be permissible for the law enforcement agency to attach a copy of such listing that is provided by the court to a claim once the law enforcement agency verified accuracy of the data contained in the listing.

APPROPRIATIONS OF FEDERAL AND STATE FUNDS

When funds are provided by the federal government either directly to a city or town or through a state agency for any program or project, the following procedures should be followed:

Advance Grants. Advance grants should be handled as follows:

1. Where funds are "advanced" directly to a city or town by the federal government for a specific purpose prior to making any disbursements by the city or town, the money should be placed in a separate project fund and disbursements subsequently made from that fund. No appropriation of the federal funds is required.
2. Where federal funds are "advanced" to a city or town through a state agency or department with no state funds added thereto prior to making any distributions, the money should be placed in a separate project fund and subsequent disbursements made from that fund. No appropriation of the federal funds is required.
3. Where federal funds are "advanced" to a city or town by a state agency or department and state funds are included along with the federal funds in one check or voucher and the funds are for a specific purpose, the money should be placed in a separate project fund and disbursements made from that fund. Appropriation(s) must be obtained for the combined total (i.e., federal and state) prior to any disbursement being made from that project fund.

Reimbursement Grants. Reimbursement grants should be handled as follows:

Where a federal or state grant provides for payments to be made directly to a city or town on a "reimbursement" basis after payment of expenses by the city or town, the entire amount of the federal or state reimbursement may be appropriated by the city or town council without using the additional appropriation procedures under IC 6-1.1-18-5, if the funds are provided or designated by the state or the federal government as a reimbursement of expenditures. (IC 6-1.1-18-7.5)

No separate fund for the project or program is required unless the terms of the grant require one.

DONATIONS TO FOUNDATIONS

Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or gaming revenue to a foundation under the following conditions:

- (1) The foundation is a charitable nonprofit community foundation.
- (2) The foundation retains all rights to the donation, including investment powers.
- (3) The foundation agrees to do the following:
 - (A) hold the donation as a permanent endowment.
 - (B) distribute the income from the donation only to the unit as directed by resolution of the
fiscal body of the unit.
 - (C) return the donation to the general fund of the unit if the foundation:
 - (i) loses the foundation's status as a public charitable organization;
 - (ii) is liquidated; or
 - (iii) violates any condition of the endowment set by the fiscal body of the unit.

A unit may use income received from a community foundation only for purposes of the unit. (IC 36-1-14)

IC 36-1-2-23 defines a unit to mean a county, city or town, or township.

Gaming revenue means revenue received under IC 4-33-12-6, IC 4-33-13, IC 4-35-8.5, or an agreement to share a city's or county's part of the revenue.

NEW LEGISLATION

DIGEST OF HB 1001 (Updated April 25, 2025 1:24 am - DI 125) State budget. Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes. Provides that the annual salary of the members of the general assembly shall not be increased during the biennium beginning July 1, 2025. Extends the review, analysis, and evaluation of tax incentives by the legislative services agency through 2030. Requires the legislative services agency to perform a fiscal impact analysis for each executive order issued by the governor under the

emergency management and disaster law. Requires state officials to report to the budget committee expenses and funding used for trips taken in their official capacity. Provides that if the budget director determines at any time that a state agency can perform the agency's statutory obligations with less than the amount appropriated, the budget director shall, with the approval of the governor, and after notice to the state agency, reduce the amount or amounts allotted or to be allotted. Requires the budget director to withhold not less than 5% of any appropriation to a state agency to be used for salaries or other wages for state agency employees or general operating expenses of the state agency. Repeals the governor's workforce cabinet. Makes conforming changes. Requires the department of natural resources (not the Indiana department of veterans' affairs under current law) to provide staff support to the Indiana semiquincentennial commission and repeals provisions requiring certain meetings and events of the commission to be held at the World War Memorial in Indianapolis. Removes a requirement to include certain services in a lease between the Indiana department of administration and the Indiana historical society for use of a building. Makes an appropriation from the Pokagon Band Tribal-state compact fund to the Midwest continental divide commission fund. Establishes the Indiana local government investment pool board for the purpose of establishing policies governing the investment of funds contributed to the local government investment pool. Removes political affiliation requirements that apply to members appointed by the governor to the board for depositories. Allows the Indiana finance authority to begin a project related to the Learning and Training Center in Boone County beginning July 1, 2027 if certain conditions are met. Provides that a price preference for certain businesses applies to any proposal, contract, project, or agreement of the Indiana department of transportation, including state highway contracts, to the extent that the bid does not exceed the estimated cost of the project. Provides that the Indiana department of administration has sole control and jurisdiction over the policies governing and the usage of the Beth Bowen Meditation Room in the state capitol building. Exempts the Indiana board of tax review from requirements concerning live transmissions of meetings. Removes the statewide innovation development district fund as a funding source for an agreement between the Indiana economic development corporation (IEDC) and a taxpayer to receive payment in lieu of claiming an economic development for a growing economy tax credit. Amends the cap on the aggregate amount of tax credits the IEDC may certify each year. Requires the department of state revenue to establish an amnesty program for taxpayers who have an unpaid tax liability for a listed tax that was due and payable before January 1, 2023. Increases the cigarette tax by \$2 per pack on cigarettes weighing not more than three pounds per 1,000 and by a proportionate amount on cigarettes weighing more than three pounds per 1,000. Increases the tax rate imposed on the sale of closed system cartridges, open system electronic cigarettes, moist snuff, alternative tobacco products, other tobacco products, and cigars. Specifies penalties for the underpayment of certain estimated taxes for pass through entities. Increases the amount of the public utility fee from 0.15% to 0.175% of the public utility's annual gross intrastate operating revenue and transfers the public utility fee revenue and certain payments to the state general fund (not the public utility fund under current law). Requires termination of the compact related to the establishment of the Chicago-Gary Regional Airport Authority. Requires that the salary matrix for state police, capitol police officers, and department of natural resources law enforcement officers be adjusted each time an adjustment is made to a pay plan for state employees in the executive branch. Adds purposes related to the Stop the Bleed program and the purchase of bleeding control kits to the allowable purposes for which a secured school fund matching grant may be used. Provides that a managed care organization that participates in the risk based managed care program that fails to pay a claim submitted by a nursing facility provider within a specified period shall pay a penalty of \$500 per calendar day per claim. Requires the office of the secretary of family and social services (office of the secretary) to determine rebate eligibility for outpatient prescription drugs prescribed to Medicaid recipients from certain entities. Adds a member from the mental

health Medicaid quality advisory committee to the therapeutics committee. Removes the prohibition on prior authorization for mental health drugs. Allows the office of the secretary to establish a prior authorization program. Specifies provider payment requirements that apply to any managed care organization that participates in the risk based managed care program. Establishes the health care engineering fund for the purpose of funding plan reviews for certain health facilities. Imposes a fee for each plan review, which is deposited in the fund. Repeals the provisions requiring the office of the secretary of family and social services to transfer \$38,000,000 each year to the Health and Hospital Corporation of Marion County. Makes certain eligibility changes for the On My Way Pre-k program and the CCDF program. Adds therapeutic ibogaine research to the research that is currently funded under the therapeutic psilocybin research fund. Provides that a community mental health center that provides compensation to any individual employee in an amount that is \$400,000 or more per year is not eligible to receive funding from local property taxes or state programs or grants, but excluding the Medicaid program. Requires the department of natural resources to provide free admission to state parks to a Gold Star family member. Requires the bureau of motor vehicles to update the Gold Star family member license plate form. Provides that funding to a local board of health from the local public health fund may only be used for Indiana residents who are legal citizens of the United States. Extends the sunset of the collection of health facility quality assessment fees from June 30, 2025, to June 30, 2027. Specifies that a company that seeks to construct, operate, and maintain a carbon dioxide transmission pipeline in Indiana must apply to the department of natural resources (DNR) for a carbon dioxide transmission pipeline certificate of authority (certificate). Amends provisions in existing law that provide an exemption from the requirement to obtain a certificate under certain circumstances to specify that the exemption does not apply in circumstances in which the proposed pipeline crosses a parcel for which the pipeline company would be required to obtain a right-of-way or easement for the pipeline. Establishes the carbon sequestration project program administrative fund (fund) for the purpose of defraying the administrative costs of the DNR in managing and operating the carbon sequestration project program (program). Requires the DNR to deposit the following in the fund (instead of in the state general fund, under current law): (1) Filing fees for applications for carbon dioxide transmission pipeline certificates of authority. (2) Filing fees for applications for permits for carbon sequestration projects. (3) The fee paid by a storage operator based on the amount of carbon dioxide injected into a storage facility. (4) The cash bond and permit fee required to be paid by a person that applies for a permit for drilling, converting, or operating a nonproduction well for use in carbon dioxide investigations. Requires the DNR to deposit certain fees and penalties in the carbon dioxide storage facility trust fund (instead of in the state general fund, under current law): Amends the Indiana Code section requiring the payment of a fee that is based on the amount of carbon dioxide injected into a storage facility by a storage operator, to provide that the fee is to be: (1) paid annually (instead of one time after the storage operator begins injecting carbon dioxide into the storage facility); and (2) based on the number of metric tons of carbon dioxide injected into the storage facility during the immediately preceding calendar year (instead of based on the metric tons of carbon dioxide proposed to be injected during the first 10 years of the carbon sequestration project). Requires the secretary of education to provide a report and recommendation to the general assembly concerning aligning state funding for dual credit and the advanced placement program with the new high school diploma and expanding access to dual credit course work to all Indiana students. Prohibits a school employer from bargaining collectively with the exclusive school employee representative regarding contract costs for curricular materials. Establishes a teacher appreciation grant program to provide grants to school corporations and charter schools to attract, reward, and retain teachers who significantly impact student outcomes. Repeals the chapter establishing the curricular materials fund and certain provisions related to procedures for reimbursement of costs of providing curricular materials. Removes the annual income maximum for choice scholarship

eligibility beginning June 29, 2026. Specifies the maximum tuition or fee amount that may be charged to enroll a career scholarship student enrolled in the career scholarship account (CSA) program, or an approved intermediary acting on behalf of a career scholarship student, in a career and technical education program, course, or class. Changes the administration of the education scholarship program and the CSA program from the treasurer of state to the department of education, and in certain instances, the responsibilities related to the CSA program from the commission for higher education to the department. Requires the state board of education to meet at least one time per year (instead of one time per month). Requires the commission for higher education to annually prepare and submit to the legislative council and to the budget committee a report that examines the utilization of physical facilities for instruction at each state educational institution. Amends the membership appointments and requirements for the board of trustees of Indiana University. Requires a state educational institution (institution) to plan and conduct degree program reviews. Provides that if: (1) the average number of students graduating in a degree program is below a certain threshold; and (2) the institution would like to continue the degree program; the institution must request approval from the commission. Requires the board of trustees of each institution to establish a post tenure review process for tenured faculty that measures productivity and a review process regarding department level promotions and tenure expectations. Requires a faculty member to post syllabi on an institution's website. Provides that: (1) certain faculty governance organization meetings must be open to the public; (2) faculty governance organization actions are advisory only; and (3) members of faculty governance organizations must be employees of the institution to vote. Repeals provisions regarding the election of members to the board of trustees of Indiana University by the alumni of Indiana University. Repeals the nonreverting provisions for the higher education award fund and the freedom of choice grant fund. Authorizes the department of child services to enter into a written agreement with the department of state revenue to transfer the administration of the child support bureau to the department of state revenue. Requires a clerk to collect a small claims service fee of \$26 in each action filed in a Marion County small claims court. Establishes the small claims fund. Requires the court to distribute certain fees to the county auditor for distribution to the small claims fund. Provides that the fees in the small claims fund are to be distributed equally among the townships and the fees must fund the operation of the small claims court located within the township. Amends provisions concerning the designation of an innovation development district (district) to add certain qualification requirements. Provides for the determination of the: (1) base assessed value; (2) gross retail base period amount; and (3) income tax base period amount; in a district. Requires the executive of a city, county, or town, or, if applicable, executives, and the IEDC to enter into an agreement establishing the terms and conditions governing any district (instead of only certain districts). Repeals the statewide innovation development district fund. Establishes the economic development reserve account. Increases the maximum amount of covered taxes that may be captured in the Evansville professional sports and convention development area (PSCD) from \$10 per resident to \$2,000,000 and expands the PSCD area. Provides that unexpended and unencumbered amounts appropriated from the federal economic stimulus fund in P.L.165-2021 do not revert to the state general fund. Requires the state comptroller to transfer: (1) \$15,000,000 from the addiction services fund; and (2) \$25,000,000 from the department of insurance fund; to the tobacco master settlement agreement fund on July 1, 2025. Requires the budget agency to transfer to the state general fund the balance in the freedom of choice grant fund (IC 21-12-4-5) and the higher education award fund (IC 21-12-3-19) that is not needed for the payment of scholarship awards in the state fiscal year ending June 30, 2025. Requires the office of management and budget to submit a report to the budget committee with options for reforming: (1) a certain funding model in the Indiana office of technology; and (2) the management performance hub. Requires the northwest Indiana regional development authority to transfer certain money received from wagering revenues to the

northern Indiana commuter transportation district for operation and maintenance costs of the South Shore line that are attributable to the operations of the part of the South Shore line located in Lake County. Provides that: (1) an appropriation to the legislative council and the legislative services agency for a state fiscal year ending before July 1, 2027, reverts to the state general fund as directed by the personnel subcommittee of the legislative council; and (2) an employee in an entity in the legislative or judicial branch of state government is eligible to participate in a pilot program for converting unused excess accrued leave to a monetary contribution for the employee in the employee's 401(a) matching account with Hoosier START. Changes the effective dates of the provisions of HEA 1601-2025 to January 1, 2026. Urges the legislative council to assign to the appropriate interim study committee during the 2025 legislative interim the task of studying the impact of removing caseload limitations for the department of child services. Makes conforming changes.

DIGEST OF HB 1005 (Updated April 1, 2025 2:48 pm - DI 140) Housing and building matters. Requires (rather than allows) a city, town, or county (unit) that requires a building permit for construction of a Class 2 structure to allow the inspection to be provided by private providers in addition to the unit's inspectors. Provides that a "home inspector" or a unit employee may not act as a private provider. Provides that if an applicant uses a private provider because the unit is unable to timely perform a plan review, the unit: (1) must refund the applicant for any plan review fees; and (2) may charge a convenience fee of not more than \$100. Provides that a unit: (1) may not require a registered architect or engineer to prepare construction documents for a Class 2 structure when constructed in accordance with the building code; and (2) may require a registered architect or engineer to prepare construction documents as proof of equivalence of alternative materials, appliances, equipment, or method of design or construction. If required by the unit, creates deadlines for the following: (1) Issuance of building permits. (2) Performance of plan reviews. (3) Performance of inspections. (4) Submission of construction documents or plans. (5) Issuance of certificates of occupancy or certificates of completion and compliance. Requires the state to give political subdivisions that enact certain land use policies priority in receiving loans from the residential housing infrastructure assistance revolving fund.

DIGEST OF HB 1033 (Updated March 18, 2025 2:11 pm - DI 140) Retainage requirements. Changes the maximum amount of retainage for certain state and local public works projects from: (1) 10% to 6% of the dollar value of all work satisfactorily completed until the public work is 50% complete; and (2) 5% to 3% of the dollar value of all work satisfactorily completed until the public work is substantially complete. Removes the requirement of a minimum amount of retainage for certain state and local public works projects.

DIGEST OF HB 1131 (Updated March 24, 2025 2:35 pm - DI 140) Town of Cumberland. Provides that on January 1, 2027, the town of Cumberland is an excluded city and no longer part of the consolidated city. Requires the town legislative body and the legislative body of the consolidated city and county to take any steps necessary to transition the town to an excluded city. Requires the department of local government finance to adjust property tax levies, rates, budgets, and distributive shares of local units of local government as necessary to account for the town becoming an excluded city. Provides that, after December 31, 2026, any part of the town that is included in a fire protection district on December 31, 2026, that is located in the county containing the consolidated city, shall continue to be included in the fire protection district. Provides that, after December 31, 2026, the town is liable for debt service owed by the consolidated city on December 31, 2026, in the same ratio as the assessed valuation of the property in the town bears to the assessed valuation of all property included in the consolidated city until the particular debt service is satisfied.

DIGEST OF HB 1134 (Updated April 1, 2025 3:33 pm - DI 140) Executive sessions. Allows meetings of a state or local agency governing body concerning the following topics to be held in executive session: (1) Employee health care options with respect to special exceptions to coverage. (2) Employee specific compensation or employment matters of individual employees (excluding general discussion of employee compensation during a budget process). (3) Employee handbook changes. (3) Review of negotiations on the performance of publicly bid contracts, when public knowledge may result in increased cost. (4) Solicitation of contract proposals containing a bidder's proprietary information.

DIGEST OF HB 1197 (Updated April 15, 2025 3:56 pm - DI 140) Election matters. Requires particular candidates for selection for an appointment pro tempore to an office to: (1) comply with qualification requirements imposed on candidates for election to the office; and (2) if the individual is a candidate for selection by a caucus, be affiliated with the political party holding the caucus. Allows an individual or entity with authority to select a candidate for an appointment pro tempore to remove a candidate from consideration if the candidate does not meet these requirements. Specifies additional grounds on which certain county officers or a township executive may be charged and deprived of office following a hearing. Provides that if an accused party does not appear before the court, the court may proceed to hear and determine the accusation in the accused party's absence. Includes a member of the county executive, if the county does not contain a consolidated city, in a provision concerning the initiation of an action for removal of a county officer. Exempts a member of the county executive from a requirement concerning physical presence in the county officer's office. Provides that a city-county legislative body may declare the seat of a member vacant by a two-thirds vote if the member fails to perform the duties of the member's office.

DIGEST OF HB 1198 (Updated March 11, 2025 2:29 pm - DI 140) Local public work projects. Changes the amount of a public work project that a board may perform using its own workforce, without awarding a contract, from an estimated cost of less than \$250,000 to an estimated cost of less than \$375,000, adjusted annually to account for inflation. Provides that the department of local government finance shall annually publish the adjusted cost estimate threshold on the department's website. Removes the distinction between a political subdivision that is a school corporation and a political subdivision that is not a school corporation for the cost of a public work project that is not subject to certain procedures. Provides that if a federal grant is to be issued to fund a portion of the construction on a public work project, the successful bidder has 90 days to proceed with the contract. Provides that plans and specifications approved by an architect or engineer are not required for certain public work on a public building.

DIGEST OF HB 1392 (Updated March 24, 2025 2:49 pm - DI 140) State comptroller matters. Specifies the timing of annual salary increases for state elected officials. Provides that the state comptroller calculates distributions of financial institutions tax revenue to taxing units. Provides that a taxing unit may deposit a distribution of financial institutions tax revenue in any fund, and the revenue may be used for any purpose allowed by law. Requires the state comptroller to calculate and provide the distribution amounts of commercial vehicle excise tax revenue for each taxing unit in a county to the county auditor. Provides that the county auditor may deposit a distribution of commercial vehicle excise tax revenue in any fund, and the revenue be may used for any purpose allowed by law. Removes a requirement that a prosecuting attorney notify the state comptroller of the prosecuting attorney's election to devote full professional time to the duties of the office. Provides that an individual is not required to file any notification with the state comptroller that the individual has been elected or appointed to a judgeship. Requires the state comptroller and Indiana public retirement system to develop and present to the interim study committee on pension management oversight a proposed plan for a transition from the

use of, and contribution of state revenue to, retirement medical benefits accounts to an increased focus on the use of, and additional contributions of state revenue to, the state employees' deferred compensation plan.

DIGEST OF HB 1427 (Updated April 24, 2025 11:38 pm - DI 129) Department of local government finance. Increases the threshold that applies to public works projects for which the department of natural resources may use its employees to perform the labor and supervision for the project. Removes the sunset of provisions that authorize the sale of bonds at a negotiated sale. Amends provisions pertaining to the investment of public funds in certain depositories. Requires the fiscal officer (rather than the executive) of a political subdivision to upload certain contracts to the Indiana transparency website (website). Permits the political subdivision to identify an individual other than the fiscal officer to upload contracts to the website. Provides that the change to the agricultural base rate in Senate Bill 1 does not apply for the January 1, 2025, assessment date to land in inventory. Repeals the increase in the personal property tax exemption for the 2025 assessment in Senate Bill 1, but retains the increase of the personal property tax exemption to \$2,000,000 for the 2026 assessment date and thereafter. Removes an exception to provisions added in Senate Bill 1 exempting depreciable personal property placed in service after January 1, 2025, from the 30% minimum valuation floor if property tax revenue that is attributable to the depreciable personal property is pledged as payment for bonds, leases, or other obligations. Repeals the local property tax credits for veterans enacted in Senate Bill 1 and reinstates the property tax deductions in current law for veterans that were expired under Senate Bill 1. Provides that the personal property online submission portal (portal) may be used to file a personal property return until 2026. Repeals (effective January 1, 2026) the provision requiring the establishment of the portal and makes corresponding changes. Adds requirements for the filing of a petition for review of land values. Amends a provision pertaining to the assessment of solar land. Provides for the assessment of community land trust property and a property tax credit for community land trust property. For purposes of public utility companies, specifies that the period of time that a taxpayer may file an objection with the department of local government finance (DLGF) is not later than 15 days after the notice is postmarked. Provides, for particular calendar years, that all or part of a building is deemed to serve a charitable purpose and is exempt from property taxation if it is owned by certain nonprofit entities. Establishes a maximum entry fee per unit that may be charged by a continuing care retirement community to qualify for the property tax exemption. Adds, for particular calendar years, continuing care retirement communities, small house health facilities, and qualified residential treatment providers to the list of exempt entities for purposes of another property tax exemption. Provides that the DLGF may (as opposed to shall) adopt certain rules with respect to property of an exempt organization used in a nonexempt trade or business. Amends the requirements that must be satisfied to receive a property tax exemption for property used by a for-profit provider of early childhood education. Establishes a partial property tax exemption for an employer that provides child care on the employer's property for the employer's employees and certain other employees. Amends certain notice and procedural provisions applicable to proceedings before the Indiana board of tax review. Clarifies the deadline for submitting amended certified net assessed value amounts. Specifies the calculation of the maximum permissible property tax levy for certain units that fail to comply with certain budget and tax levy review and adoption procedures. Adds provisions that: (1) require the DLGF to increase the maximum permissible property tax levy for certain qualifying municipalities for property taxes first due and payable in 2025 to include all debt service levies of the qualifying municipality for property taxes first due and payable in 2025; (2) specify that the adjustment is a one time and permanent increase; (3) modify the: (A) local income tax trust account threshold percentage of a county that contains a qualifying municipality (for purposes of determining whether the county shall receive a supplemental distribution); and (B) certified share allocation determination for a qualifying municipality; and (4) prohibit the use funds from the state general

fund to make up certain local income tax related shortfalls. Provides temporary one time increases for the maximum permissible ad valorem property tax levies for Shelby County and the Shelby County solid waste management district. Provides that the county treasurer is not required to mail or transmit a statement for property that is exempt from taxation and does not have a reported assessed value. Requires the DLGF, in a manner determined by the DLGF, to include on the coupon page of each property tax statement educational information regarding the eligibility and procedures for various property tax benefits available to certain taxpayers. Provides that a tract or item of real property owned by a political subdivision may not be sold at a tax sale. Removes a provision requiring the county executive to provide an annual report to the legislative council concerning certain tax sales. Provides that property tax assessment board of appeals members' terms must be staggered for a two year period and begin on January 1. Provides that a property tax payment made by a check processing company received after the due date for the property taxes is considered to be made on or before the due date if the taxpayer provides reasonable evidence that the payments were made on or before the due date. Reestablishes the deduction for aircraft entitling a taxpayer to a deduction from the assessed value of abatement property in each year in which the abatement property is subject to taxation for ad valorem property taxes. Provides a sales tax exemption for sales by agricultural commodity trade associations made at the state fair. Provides certain sourcing rules for the adjusted gross income of an investment partnership. Defines "investment partnership" and other related terms. Specifies that an electing entity or pass through entity shall be permitted to claim a credit for taxes withheld or paid on the entity's behalf. Allows an electing entity to make elections to claim certain state tax liability credits and sets forth requirements that apply to those elections. Expands the physician practice ownership tax credit against state tax liability to practicing physicians (instead of only primary care physicians) who have an ownership interest in a physician practice and meet other eligibility criteria. Limits the total amount of physician practice ownership tax credits that may be awarded in a state fiscal year. Specifies that a volunteer fire department that applies to the county adopting body for a distribution of local income tax revenue that is allocated to public safety purposes must do so through the fiscal officer of the unit served by the department. Allows the Fountain County council to adopt a resolution to make a one time transfer from the county jail revenue fund to the county general fund to be used for specified purposes. Allows revenue generated from a special purpose local income tax rate in Starke County to be used to operate and maintain the county jail and related facilities. Increases the amount of the local collection assistance fee. Provides a presumption of reasonable cause exception to the penalty for failure to file a return in the case of certain small partnerships. Amends the provisions to conform to the reasonable cause exception applicable to the failure to file penalty available under federal tax procedures (IRS Rev. Proc. 84-35, 1984-1 C.B. 509). Authorizes numerous local units to impose food and beverage taxes. Allows the town of Shipshewana to increase its food and beverage tax. Removes language excluding transactions that occur at a historic hotel from the Orange County food and beverage tax and amends provisions that apply to the uses of the tax revenue. Repeals provisions authorizing the imposition of food and beverage taxes in Wayne County. Reallocates the amounts of revenue received from the Vanderburgh County innkeeper's tax that is deposited in certain funds. Authorizes certain counties to impose an innkeeper's tax under separate enabling statutes. Allows Brown County to increase its innkeeper's tax rate. Prohibits the deposit or transfer of money in an innkeeper's or food and beverage tax fund into any other fund, or deposit or transfer of money from any other fund into an innkeeper's or food and beverage tax fund. Requires a local unit that imposes a food and beverage tax (as part of its required annual reporting) to provide to the state board of accounts a consolidated financial statement for the preceding year. Requires the state board of accounts to: (1) determine whether or not local units imposing a food and beverage tax, and other entities that receive a distribution of food and beverage tax revenue, are in compliance with current reporting

requirements and applicable statutory requirements; and (2) submit a report of its findings to the legislative council. Provides for a reduction of the percentage of gross revenue to be paid to a unit of local government by a holder of a cable franchise. Requires the office of the secretary of family and social services to apply to the United States Department of Health and Human Services for an amendment to each home and community based services Medicaid waiver for certain eligibility criteria related to asset limit thresholds. Specifies that certain school corporation property tax referenda are eligible to be on the ballot in an election held in the fall of 2025. Applies certain access to financial data requirements to charter schools. Restores language in a provision amended by Senate Bill 1 regarding optional revenue sharing with charter schools. Specifies that a minimum population for application of certain provisions concerning: (1) the assessment of industrial facilities; (2) the general government of counties; and (3) the division of powers of certain counties; is 450,000 (instead of 400,000). Allows a county fiscal body to make loans of money for not more than 10 years (rather than five years under current law) and issue notes for the purpose of refunding those loans. Allows a person who is: (1) engaged in the business of renting or furnishing, for periods of less than 30 days, certain lodging facilities located within an economic development district; and (2) liable for a special benefits assessment for the property; to charge a fee of not more than \$1 per night. Provides that the northwest Indiana regional development authority must be reimbursed for amounts deposited in the blighted property demolition fund not later than July 1, 2027 (instead of July 1, 2026). Requires local units to make semiannual fire service reports to the state fire marshal which, in turn, is required to submit the data reported to the legislative council. Provides for funding for cultural institutions. Urges the legislative council to assign to the appropriate interim study committee the task of studying certain issues relating to property exempt for charitable purposes. Amends a 2025 law requiring certain disclosures concerning appointed officers to provide that if an appointed board is a subgroup of an elected body that is appointed entirely: (1) from the body's elected members; and (2) by a member or members of the elected body; the appointed board may publish a board member's name and elected title in the board's meeting notice or agenda with a link or web address to the website where information of each board member's appointment and term is published. Removes provisions enacted by HEA 1001-2025 that: (1) treated the local government investment pool as a financial institution; and (2) considered the seven day yield published weekly by the treasurer of state to be a quote for purposes of the law governing the deposit and investment of public funds. Provides that money in the Pokagon Band Tribal-state compact fund is continuously appropriated for the purposes of the fund. Provides that funding to a local board of health from the local public health fund may only be used for Indiana residents who are lawfully present in the United States. Resolves conflicts.

DIGEST OF HB 1448 (Updated April 7, 2025 3:25 pm - DI 140) Supplemental payments to qualified cities. Changes the effective date of the supplemental payments to qualified cities statute. Requires the state comptroller to distribute annual supplemental payments to qualified cities, that were not previously paid, using money sourced from a combination of: (1) amounts to be deducted from the amount payable to Gary under the disposition of tax revenue statute; and (2) money appropriated by the general assembly. Requires the city of Gary to repay to the state the amounts the state appropriates for the supplemental payments, once the total amount of supplemental payments has been made to qualified cities, through continued monthly deduction of Gary wagering tax, and until the full amount appropriated by the state is repaid.

DIGEST OF HB 1459 (Updated March 25, 2025 2:28 pm - DI 140) Water and wastewater utility asset management. Provides that beginning January 1, 2026, a water or wastewater utility (utility) that is not under the jurisdiction of the Indiana utility regulatory commission (IURC) for the approval of rates and charges shall submit a report on the utility's asset management

program (program) to the IURC on a quadrennial basis according to a schedule prescribed by the IURC. Provides that a utility's report must include information: (1) demonstrating the utility's efforts to implement the Indiana finance authority's guidelines for asset management programs; and (2) certifying that: (A) the utility has the technical, managerial, legal, and financial capability to support those efforts; and (B) for a report submitted after December 31, 2026, the governing body of the utility has completed a training or continuing education program, as required under the bill, at least one time during the four year reporting period. Provides that evidence that a utility has submitted an asset management program to the Indiana finance authority (IFA) in connection with an application for a grant, loan, or other financial assistance may be provided by the utility to satisfy the requirement to demonstrate the utility's efforts to implement the IFA's guidelines for asset management programs. Requires the IURC to adopt before October 1, 2025, a general administrative order (GAO) setting forth the: (1) information required to be included in a utility's report; (2) procedures for submission of the report, including a simplified alternative reporting form that a utility with less than 1,000 customers may elect to submit; (3) quadrennial reporting schedule for submitting a report; and (4) criteria to be used by the IURC in making certain determinations about a utility's asset management program. Provides that the IURC shall verify on a quadrennial basis: (1) the sufficiency of each utility's program; and (2) the program's compliance with the IURC's GAO. Provides that if the IURC determines that specified deficiencies exist with respect to a utility's program, the IURC: (1) shall notify the utility of the deficiency and provide the utility a time frame in which the utility must correct the deficiency; and (2) may require the utility to undergo an informal rate review. Provides that if a utility receives two consecutive notices of a deficiency from the IURC: (1) the IURC shall assert jurisdiction over the rates and charges of the utility; and (2) the utility must undergo base rate cases under the statutory procedure that applies to wastewater utilities that have been issued two enforcement orders by the department of environmental management. Provides that if a utility receives three consecutive notices of a deficiency over the course of three consecutive verifications, the IURC may initiate a receivership proceeding with respect to the utility. Authorizes the IURC to enter into an agreement with: (1) the department of environmental management; and (2) the Indiana finance authority; to carry out these requirements. Authorizes the IURC to delegate its authority to: (1) review reports submitted by utilities under the bill's provisions; and (2) issue determinations and notices of deficiency; to technical staff, subject to the right of a utility to appeal a determination by technical staff to the full IURC. Provides that beginning January 1, 2027, the governing body of a utility must, on at least a quadrennial basis, complete a training or continuing education program that: (1) includes instruction on specified topics; and (2) is offered by: (A) the IURC; (B) the drinking water and wastewater infrastructure research and extension program; or (C) a statewide not-for-profit association for rural water or wastewater utilities.

DIGEST OF HB 1461 (Updated April 15, 2025 5:14 pm - DI 140) Road funding. Makes various changes to provisions concerning roads and transportation. Allows a taxpayer to claim a credit against state income tax liability for certain qualified railroad expenditures and qualified new rail infrastructure expenditures. Specifies the amount of the credit. Limits the total amount of credits that may be allowed in a state fiscal year and provides for the expiration of the credit. Increases the maximum rate a county containing a consolidated city (consolidated city) may impose for the county wheel tax and the county vehicle excise tax and specifies the purposes for which the proceeds of those taxes must be appropriated. Beginning in 2026, lowers the percentage of funds distributed to counties, cities, and towns (local units) from the motor vehicle highway account that must be used for construction, reconstruction, and preservation of a local unit's highways if certain conditions related to pavement quality are satisfied. Amends provisions pertaining to the Indiana finance authority's authorization to issue revenue bonds or notes, including grant anticipation revenue bonds or notes, to finance highway and road construction

projects. Allows the Indiana department of transportation (department) to submit a request to the Federal Highway Administration for a waiver to toll lanes on interstate highways. Provides that, if a request for a waiver to toll lanes on interstate highways is granted, the general assembly is not required to enact a statute before tolling may occur. Allocates responsibility for bridges in a county between that county and a municipality based on the size and location of the bridge. Allows a local county road and bridge board to undertake low water crossing projects. Requires the department to ensure that information regarding funding sources for low water crossing projects is made available to county boards of commissioners and county highway departments. Provides that money in the local road and bridge matching grant (matching fund) must be allocated, transferred, and distributed for specified purposes. Specifies the timing of those allocations, transfers, and distributions. Imposes conditions on the allocations, transfers, and distributions made from the matching fund, including, in state fiscal years beginning after June 30, 2027, limitations on the ability of a local unit to apply for a grant in certain circumstances. Allows local units to use grants from the matching fund for low water crossing projects. Reduces the required local matching amounts and increases the population thresholds that apply to certain local units, if the department approves a grant from the matching fund. Restates a provision allocating 50% of the amount available in the matching fund to local units with a population of less than 50,000. Increases the speed limit on Interstate Highway 465. Requires all townships to annually adopt a capital improvement plan, which must include the balance of all unrestricted funds that exceed the township's budget for the following year. Provides that a township must transfer 30% of the amount of the balance of all unrestricted funds that exceed the township's budget for the following year to the township roads and infrastructure fund. Requires a township board to adopt a resolution in favor of providing money for the improvement and maintenance of roads and infrastructure within the township before a township transfers money for such projects. Provides, for purposes of the provisions regarding township capital improvement plans and township roads and infrastructure funds, that unrestricted funds are cash reserves that are not obligated, committed, encumbered, or restricted for specified purposes. Urges the legislative council to assign to the interim study committee on roads and transportation the study of appropriate road funding formulas. Makes conforming changes.

DIGEST OF HB 1477 (Updated April 1, 2025 3:33 pm - DI 140) Mobile home communities and manufactured homes. Provides that, for purposes of the Indiana department of health's enforcement of statutes governing mobile home communities, if the owner of a mobile home community is provided written notice from a water utility that the mobile home community will be disconnected from water service, the mobile home community is in violation of the mobile home community's statutory obligation to provide water as of the date on which the owner is provided the notice. Provides that the owner of the mobile home community and the Indiana department of health must receive written notice at least 30 days before the notice that the water service will be disconnected. Authorizes a court to appoint a receiver upon request by a utility providing electric, gas, water, or wastewater utility service to a mobile home community when the property owner has failed to pay: (A) invoiced utility bills for a period greater than 90 days from the due date; or (B) amounts due under a curative payment plan for a period of at least 60 days from the initial due date prescribed under the payment plan. Specifies that a comprehensive plan or ordinance adopted by a county, city, or town may not categorically preclude installation of all manufactured homes that meet specified requirements as permanent residences on a lot on which any other type of dwelling unit may be placed. Provides units may adopt standards and requirements in the comprehensive plans and ordinances that preclude manufactured homes that exceed 12 feet in width and 500 square feet of occupied space but may not preclude manufactured homes that exceed the standards and requirements in current law of 23 feet in width and 950 square feet of occupied space.

DIGEST OF HB 1478 (Updated April 7, 2025 3:27 pm - DI 140) Pro bono legal services fee. Removes the sunset provision for pro bono legal services fees.

DIGEST OF HB 1509 (Updated March 24, 2025 3:51 pm - DI 140) Appointed officials. Requires disclosure of the appointing authority and term of an appointed public officer: (1) in the meeting notice and agenda of the board on which the public officer is appointed to serve; and (2) on the board's website or appointing authority's website, if any. Provides that if the appointing authority or board does not have a website, the information must be published on the Internet through the computer gateway administered by the office of technology.

DIGEST OF HB 1587 (Updated April 24, 2025 2:16 pm - DI 141) Insurance matters. Provides that the director of the state personnel department may make a determination to provide coverage under the state employee health plan for emergency medical services as part of a mobile integrated healthcare program. Provides that the requirement for a policy of accident and sickness insurance and a health maintenance organization contract to provide reimbursement for emergency medical services includes emergency medical services that are performed or provided as part of a mobile integrated healthcare program. Repeals a provision that requires the department of insurance to maintain an electronic system for the collection and storage of information concerning transactions involving residential property. Provides that the article regarding consumer data protection does not apply to any organization exempt from taxation under Section 501(c)(4) of the Internal Revenue Code that is: (1) established to detect or prevent insurance related crime or fraud; and (2) subject to a memorandum of understanding with a statewide law enforcement agency. Changes the deadline for the Indiana Public Employers' Plan, Inc., to apply to the insurance commissioner for a certificate of authority to transact business as a domestic tax exempt reciprocal insurance company from before December 31, 2026, to before December 31, 2030. Repeals the statute requiring carriers of health insurance plans to conduct annual public forums. Provides that provisions requiring a notice of material change apply to personal automobile or homeowner's policies that are issued, delivered, amended, or renewed after June 30, 2026. Amends the definition of "small employer" in the chapter regarding small employer group health insurance. Makes corresponding changes.

DIGEST OF HB 1633 (Updated April 7, 2025 4:06 pm - DI 140) Study of election issues. Requires the secretary of state to do the following: (1) Study scheduling of local elections and requiring all counties to use vote centers. (2) Conduct at least three public meetings on the topics studied. (3) Report the results of the studies to the legislative council before November 1, 2025.

DIGEST OF HB 1641 (Updated April 15, 2025 5:32 pm - DI 140) County government matters. Allows an executive session to be held to communicate with an attorney, subject to the attorney client privilege. Excludes conveyances to a unit from the definition of a "conveyance document". Amends requirements for local ordinances concerning the operation of a golf cart or an off-road vehicle. Provides that if a body is to be transported by common carrier, the person in charge of interment shall secure a burial transit permit in duplicate from certain individuals. Provides that the governing body of a school corporation may enter into a public-private agreement for the construction or renovation of school buildings under the statutes governing public-private agreements. Provides that certain fees collected by the county recorder are deposited in the county recorder's records perpetuation fund. Provides that a fee for recording a mortgage assumption is the same as the fee for recording a mortgage. Prohibits a county employee from taking action on a county contract, unless permitted by a county ordinance. Amends the definition of "residential property" used for an allocation area established after June 30, 2025.

Provides that, after June 30, 2025, no action shall be brought with respect to jail or prison conditions under state law by an offender until such administrative remedies as are available are exhausted.

DIGEST OF SB 1 (Updated April 10, 2025 12:40 pm - DI 140) Local government finance.

Places restrictions on the issuance of certain general obligation bonds. Amends a capitalization rate percentage under the statewide agricultural land base rate determination. Provides that the percentage cap used to determine the maximum levy growth quotient is 4% in 2026. Provides that, notwithstanding any growth in a political subdivision's assessed value (AV) in the previous year, a political subdivision's ad valorem property tax levy shall not exceed the ad valorem property tax levy for its last preceding annual budget, unless the fiscal body of the political subdivision adopts an affirmative tax rate and tax levy increase by ordinance following a separate public hearing. Requires a resulting decrease in tax rates for each political subdivision in which there was an increase in the political subdivision's AV in the previous year, subject to any affirmative tax rate and tax levy increase adopted by the fiscal body of the political subdivision. Phases out the authority for the department of local government finance (department) to permit an excess tax levy that is based on AV growth, school transportation costs, and other circumstances. Retains the provisions that permit an excess tax levy if the civil taxing unit cannot carry out its governmental functions in the case of annexation, a natural disaster, an accident, or an emergency. Phases in an increase in the acquisition cost threshold for the business personal property tax exemption from \$80,000 to \$2,000,000. Provides that the 30% minimum valuation limitation does not apply to business personal property placed in service after January 1, 2025. Phases down the homestead standard deduction over five years to zero beginning for taxes due and payable in 2031. Phases in an increase in the supplemental homestead deduction to 2/3 of the AV of the homestead. Phases in an AV deduction for all property that is subject to the 2% circuit breaker credit for excessive property taxes for assessment dates beginning in 2025 up to a 1/3 AV deduction for taxes due and payable in 2031, and each taxable year thereafter. Expires certain property tax deductions allowed in current law, and instead allows a credit against local property taxes in certain instances. Makes certain changes to the qualification requirements and credit amount for the over 65 circuit breaker credit. Provides a supplemental homestead tax credit for property taxes for a person's homestead if the person qualifies for a standard homestead deduction for the same homestead property. Provides that specified referendums may be placed on the ballot only at a general election. Amends the ballot language for controlled project, school operating, and school public safety referendums. Provides that a school corporation may not adopt a resolution to place a controlled project referendum on the ballot during the second calendar year after the final calendar year in which a previously approved controlled project referendum levy is imposed. Modifies the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies based on the political subdivision's total debt service tax rate. Adds provisions to authorize a county fiscal body to adopt an ordinance to establish a property tax payment deferral program (program). Provides that a qualified individual participating in the program may defer the payment of part of the property taxes that would otherwise be due on a homestead. Provides that property taxes deferred under the program are due after the occurrence of a deferral termination event. Provides that the maximum amount of taxes that may be deferred cumulatively year over year may not exceed \$10,000. Increases, beginning in 2028, the maximum local income tax (LIT) expenditure rate for all counties to 2.9%. Authorizes a city or town to impose a municipal LIT rate beginning in 2028 not to exceed 1.2%. Provides that within a county's total expenditure rate, the county may adopt: (1) up to a 1.2% rate for county general purpose revenue; (2) up to a 0.4% rate for fire protection and emergency medical services; (3) up to a 0.2% rate for nonmunicipal civil taxing unit general purpose revenue; and (4) up to 1.2%

for certain cities and towns that are not eligible to adopt a municipal LIT rate. Eliminates provisions that provide for a distribution of LIT expenditure rate revenue to schools and civil taxing units in counties that imposed a rate under the prior county adjusted gross income tax. Authorizes a county fiscal body to impose a local income tax expenditure rate to provide property tax relief for property tax liability attributable to homesteads in the county before January 1, 2028. Expires the authority to impose a property tax relief rate under the LIT and repeals the levy freeze rate. Provides that, in order to continue to impose an expenditure tax rate after 2027, each county must adopt a new ordinance on or before October 1, 2027, to impose the rate. Provides that, for counties that fail to adopt an ordinance to renew an existing expenditure tax rate in 2027, the expenditure tax rate for the county in 2028 shall be the minimum tax rate necessary for existing debt service. Specifies that this does not prevent the county from renewing, imposing, or modifying an expenditure tax rate in subsequent years. Eliminates local income tax councils beginning July 1, 2027, and instead provides that the county fiscal body is the adopting body in all counties for purposes of the county LIT, and the city or town fiscal body is the adopting body in the case of a municipal LIT. Establishes the state and local income tax holding account within the state general fund for purposes of LIT distributions. Requires the budget agency to maintain an accounting for each county imposing a county LIT based on annual returns filed by or for county taxpayers (same as current law). Requires undistributed amounts so accounted to be held for purposes of the state and local income tax holding account beginning after December 31, 2026. (Under current law, undistributed amounts are required to be held in reserve separate from the state general fund.) Requires the budget agency to present each December to the budget committee a report of the following: (1) An estimate of the monthly certified distribution amounts for the immediately succeeding calendar year. (2) A description of the method used to determine the monthly estimates. Beginning in 2028, requires the budget agency to make monthly transfers to the state and local income tax holding account of the amount determined for the month in the budget agency's report to the budget committee. Repeals a provision that requires the budget agency to adjust the certified distribution of a county for the succeeding year following a tax rate change. Requires the department to develop and maintain a property tax transparency portal through which taxpayers may: (1) compare the property tax liability in their current tax statement compared to their potential property tax liability based on changes under a proposed tax rate; and (2) provide taxpayer feedback to the department. Prohibits the northern Indiana commuter transportation district from issuing new bonds after May 9, 2025, that are payable in whole or in part from amounts distributed from the commuter rail service fund or the electric rail service fund. Requires all school corporations that adopt a resolution for an operating referendum tax levy that is imposed for the first time with property taxes first due and payable beginning after 2027 to share revenue with certain charter schools. Requires, beginning with distributions in 2028, that all school corporations begin sharing revenue from the school corporation's operations fund levy with certain charter schools. Provides for the phasing in of the sharing of revenue with certain charter schools from the school corporation's operations fund levy. Provides for the appointment of additional board members to the governing board of a charter school that receives property tax revenue. Sets forth additional procedures related to the closure of a charter school. Dissolves the Union School Corporation. Provides that for a fire protection territory established after January 1, 2025, each unit in a territory may not impose a tax rate that exceeds \$0.40 per \$100 of assessed valuation. Makes conforming changes. Makes technical corrections. Makes an appropriation.

DIGEST OF SB 95 (Updated March 20, 2025 11:50 am - DI 140) Law enforcement training cost reimbursement. Allows the state, a state agency, or a political subdivision (public employer) to be reimbursed for the costs of employing and training a law enforcement officer by a public employer that subsequently employs the officer. Provides that the reimbursement amount

decreases over time and is eliminated three years after the officer is certified by the law enforcement training board to act as an officer. Allows a public employer to require, as a condition of hiring, that the individual enter into a contract or agreement to reimburse the public employer for employment and training costs, if the individual is subsequently hired by a private or governmental employer that is not defined by statute as a public employer.

DIGEST OF SB 351 (Updated March 25, 2025 2:28 pm - DI 140) Municipal parks and recreation board. Allows a resident of the library district to be appointed to the parks and recreation board of a third class city or a town.

DIGEST OF SB 425 (Updated April 24, 2025 1:40 pm - DI 101) Energy production zones. Provides that a project owner is not required to apply for or receive a zoning permit (permit), or any other land use or zoning approval, from a local authority for the construction of a facility, other than a wind power device or commercial solar energy system, for the generation of electricity (electric generation facility) if: (1) the Indiana utility regulatory commission (commission): (A) grants the project owner a certificate of public convenience and necessity for the construction; or (B) declines jurisdiction over the construction; (2) the electric generation facility will be located on a premise of land on which there was located as of January 1, 2025: (A) an existing electric generation facility with a generating capacity of at least 80 megawatts, regardless of whether the electric generation facility is operational; or (B) a former surface or underground mine; and (3) the project owner complies with specified notice and hearing requirements. Requires an applicant for a permit from a local authority to be given an extension of time if the applicant's failure to meet the application deadline was caused by unforeseen circumstances beyond the applicant's control. Provides that a deadline in an ordinance for commencing or completing a permitted use is tolled until two years after the conclusion of any litigation or regulatory proceeding regarding the granting of the permit. Sets deadlines for review of permit applications. Establishes requirements for development agreements. Provides that certain legal restrictions in effect at the time a permit is issued continue to apply unless the development is not completed within 10 years. Specifies that certain legal restrictions in effect at the time a development agreement is entered into apply for the period specified in the development agreement. Provides that the statute governing the approval of permits concerning zoning does not authorize the impairment of any vested right or abrogate any rights vested under common law. Specifies when land use rights are considered vested. Imposes other requirements upon the permit approval process. Authorizes a political subdivision or a local authority to prohibit, for a period of not more than one year, the siting, construction, installation, permitting, or deployment of a project (other than a project undertaken by specified entities) that involves the siting, construction, or deployment of facilities, equipment, or infrastructure used in the generation of electricity. Provides that a prohibition may not be extended or renewed for any length of time, regardless of when the prohibition first takes effect. Provides that after an advisory plan commission certifies a proposal to adopt, amend, or partially repeal the text of a zoning ordinance, the legislative body must take final action to adopt, amend, or reject the proposal. (Current law provides that after the legislative body acts on the proposal, the proposal returns to the plan commission for further proceedings.)