



February 27, 2019

TOP STORIES

Chamber Concerns Addressed in State Revenue Bill; Worker's Comp Benefit Increase and Virtual Education Bills Pass

Senate Bill 565 (Department of State Revenue), authored by Sen. Travis Holdman (R-Markle), passed the full Senate on Tuesday. This is the Department of Revenue's (DOR) "agency bill" that largely includes items to help it do its job, but a couple added provisions were of concern to the Chamber. Those were remedied on Monday with a second reading amendment from Sen. Holdman, who worked with us on the two issues. Both were what we labeled overreaches by the DOR. One would have restricted the interest paid on refund claims. The other would have limited what evidence a taxpayer could bring forward to substantiate their position when they failed to keep certain records. Senator Holdman agreed to remove the provisions that would have limited interest payment on refunds. And the recordkeeping provision was amended to allow a court to weigh all evidence and consider the fact that certain records were not kept by the taxpayer. As the bill currently stands, the Chamber is now in full support of it.

Senate Bill 358 (Worker's Compensation), authored by Sen. Karen Tallian (D-Portage), passed the full Senate on Tuesday 38-11. The bill increases benefits for injuries and disablements by 2% each year for three years, beginning on July 1. The Chamber opposes the bill and is seeking to have a benefit for employers packaged with the worker's comp benefit increase. We are already working with the House sponsor, Rep. Matt Lehman (R-Berne), to improve the bill.

Senate Bill 567 (Virtual Education), authored by Sen. Jeff Rantz (R-Richmond), passed the full Senate on Tuesday. This Chamber-supported bill would establish and implement an onboarding process and orientation for students of a virtual charter school so they adequately understand and are equipped to succeed in these unique learning environments. This is necessary given that students enrolled in virtual schools tend to underperform their peers in traditional bricks-and-mortar and blended-learning schools.

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SPONSORED BY: Reid Health

The graphic features a blue background with a blurred image of a city street. The text reads: 'You lose 17 days a year commuting to and from work in large metro areas. What would you do with those 17 days?' Below this is a black bar with a green circular button containing a white cursor icon and the text 'CLICK HERE'.

<https://www.reidhealth.org/provider-careers/what-would-you-do-with-17-days>

Priority Legislation on Venture Capital Credit, Broadband and Asbestos Litigation Moves to Second Half

Senate Bill 563 (Economic Development), authored by Sen. Travis Holdman (R-Markle), passed the Senate 45-4 on Monday. It contains the long-standing Indiana Chamber priority of making the venture capital investment credit transferable. Another aspect of significance is the change to how service providers' income tax liability is determined. The change, generally speaking, will benefit companies that sell their services to out-of-state customers, avoid double taxing of income and remove a disincentive to companies locating in Indiana. Another notable provision will help small businesses obtain research assistance from universities. The bill also makes a number of additional useful refinements and modest expansions to existing tax credits – all designed to make our economic development tools more effective.

Senate Bill 460 (Broadband Development), authored by Sen. Mark Messmer (R-Jasper), was voted out of the Senate unanimously. The Chamber supports this amended bill that will promote a higher level of broadband deployment in underserved portions of the state. The expansion of broadband is critical to long-term economic development but must be done with as little regulation as possible and in a manner that treats all industry players on a level playing field. Previously, the bill was amended to remove Chamber-opposed language that may have subjected telecommunication stakeholders, which are exempt under federal regulations, to Indiana Utility Regulatory Commission regulations.

House Bill 1181 (Asbestos Litigation), authored by Rep. Matt Lehman (R-Berne), cleared the House 59-39. This is an Indiana Chamber priority bill and would bring needed transparency to the legal process. It does not stop anyone from bringing suit against a company they believe caused exposure to asbestos. What the bill does do is allow a jury to have all the information to make an informed decision. We will turn our attention to the Senate, where the bill previously met its demise in the Senate Civil Law Committee, whose makeup favors trial lawyers who are opposed to this legislation. The Chamber will continue to push for action.

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Trio of Utility Measures Headed to House – Improvement Sought on One

Senate Bill 304 (Intimidation Against Utility Workers), authored by Sen. Eric Koch (R-Bedford), offers needed protection to workers that often interface with people in difficult situations without the ability to protect themselves. This Chamber-supported bill cleared the Senate 40-0.

Senate Bill 472 (Utility Rates and Acquisitions), authored by Sen. Eric Koch (R-Bedford), was approved by the Senate 36-4. This bill represented a needed fix for distressed water and wastewater utilities. It should reduce litigation costs of water/wastewater utilities going forward that would otherwise have been rolled into utility rates as an increase. It promotes efficiencies in the process and economies of scale in water infrastructure.

Senate Bill 517 (Utility Relocation for Road Projects), authored by Sen. Randy Head (R-Logansport), passed the Senate on Tuesday 44-3. This bill essentially gives the Indiana Department of Transportation (INDOT) and the county government executive the authority to relocate utility facilities that will interfere with a planned construction project involving the state highway system, if the utility hasn't responded to INDOT within 90 days. We intend to work with Sen. Head to come up with a bill that accomplishes timely road construction/repairs and controls costs of utility infrastructure relocations while maintaining services.

Resource: Greg Ellis at (317) 264-6881 or email: gellis@indianachamber.com

Federal Front: Meetings With Congressional Delegation

On Friday, the Indiana Chamber met with new Congressman Greg Pence (IN-6) in his Columbus office. The main topics were international relations, tariffs/trade and President Trump's policies. The Chamber reiterated its concern about the effects of the Trump administration imposing significant long-term tariffs on countries that Indiana companies are reliant on for business. The meeting, arranged by the U.S. Global Leadership Council, also included the International Center (located in Indianapolis) and the Hoosier Veterans Association Foundation.

This Friday, Chamber President Kevin Brinegar is slated to discuss issues with U.S. Sen. Todd Young. Previously this month, the Chamber met with new U.S. Sen. Mike Braun.

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EVENTS/INFORMATION

The **2019 Legislative Directory** will keep you connected with state legislators during the General Assembly session and beyond. It's available as a handbook and app.
<https://www.indianachamber.com/directory!>

The first edition of the Indiana Chamber **2019 Legislative Agenda** is online at www.indianachamber.com/agenda. This document matches our policy positions (developed by employees from member companies and approved by our board of directors) to specific legislation introduced in the House and Senate. We plan to use votes on the bills – those that make it to the House or Senate floor – contained in this document in our annual *Legislative Vote Analysis*. NOTE: The second version of the *Legislative Agenda* (reflecting the current status of key bills) will be available early next week at www.indianachamber.com/agenda.

March 12 – Chamber Day Dinner (formerly Legislative Dinner) – Join top policymakers and business leaders from throughout the state at the premier legislative event of the year, held at the Indiana Roof Ballroom. The keynote will be delivered by Arthur C. Brooks, president of the American Enterprise Institute and best-selling author. Register to attend at [https://www.indianachamber.com/event/chamberday/!](https://www.indianachamber.com/event/chamberday/)