

Legislative Agenda

Chamber Outlines Bill Positions

By Kevin Brinegar, president and CEO, Indiana Chamber of Commerce

This **second edition** of the Indiana Chamber's 2019 *Legislative Agenda* continues an evolving public policy process for the organization and the state's business community.

Chamber policy committees, composed of statewide volunteer leaders, meet throughout the year. They identify key issues, research the topics and help define policy positions, which are adopted each fall by the Chamber's Board of Directors.

The organization's policy positions are outlined in the annual *Legislative Business Issues* publication, with the 2019 edition presented to all members of the General Assembly at the beginning of the current session. *Legislative Agenda* matches those policy positions with specific feedback on the bills introduced in the House and Senate.

This publication provides clear input on issues that not only affect the Indiana business community, but communities, families and individuals throughout the state. We strive to provide you

with a clear understanding of our positions on key bills that will assist you as you proceed during this legislative session.

Please contact me or any of the members of our government affairs team with questions about this *Legislative Agenda*.

NOTES: This second edition considers all bills as of 3/1.

The absence of a bill from this list does not mean the Indiana Chamber has, or will have, no position on the legislation. The review process continues throughout the legislative session.



= Chamber priority bills



= bills designated as "job killers"

HOUSE BILLS

HB 1001 BIENNIAL BUDGET (Huston)

Establishes the state budget for the next two fiscal years (FY20 and FY21). 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 for bonding authority for capital projects for higher education institutions. makes a great variety of changes to state monetary matters.

Position: SUPPORT IN PART Reason: The Chamber supports the overall sound and balanced approach this budget reflects by funding critical needs within the means of the state based on projected revenues and maintaining a prudent level of reserve funds to guard against the ramifications of an economic downturn. More specifically, the Chamber supports the funding for the Department of Local Government Finance to establish an online portal for business personal property taxpayers to file their returns.

Contact: Bill Waltz (317) 264-6887

HB 1002 CAREER AND TECHNICAL EDUCATION MATTERS (Sullivan)

Establishes the career coaching grant program and fund. Provides that the Governor's Workforce Cabinet shall administer the grant program and fund. Provides that the skills enhancement fund may be used to support cooperative arrangements between school corporations or charter schools and businesses if the cooperative arrangement leads to: (1) a postsecondary credential for a new hire; or (2) an increase of wages and a postsecondary credential for an incumbent employee. Provides that the cabinet shall receive, distribute and account for all funds received for career and technical education under the Carl D. Perkins Vocational and Applied Technology Act. ... **Position: SUPPORT Reason:** Proposal contains a number of provisions, most of which emanated from the Governor's Workforce Cabinet. The Chamber supports provisions which provide an increased focus/emphasis on quality career-technical education programming at the K-12 level and expanding the Next Level Jobs grant programs.

Contact: Jason Bearce (317) 264-6880



HB 1003 SCHOOL CORPORATION
EXPENDITURE TARGETS (DeVon)

Requires the education employment relations board to annually prepare, publish and submit a report to the budget committee and the Legislative Council that covers various employment information for school employees. Provides that a school corporation shall make every reasonable effort to budget and spend for its education fund so that no more than 15% of the revenue deposited in its education fund is transferred to its operations fund. Requires the Department of Education (DOE) to identify and the Office of Management and Budget (OMB) to notify those school corporations that transfer more than the 15% amount for the previous school year. Requires DOE and OMB to publish on their web sites a list of those school corporations exceeding the 15% transfer amount. ... **Position: SUPPORT Reason:** The Chamber supports efforts to ensure greater transparency in school corporation expenditures of state funding with a priority on driving dollars to the classroom, including teacher salaries and academic programming tied directly to student achievement.

Contact: Jason Bearce (317) 264-6880

HB 1005 STATE SUPERINTENDENT
OF PUBLIC INSTRUCTION (Bosma)



Amends the date on which the office of the state superintendent of public instruction is abolished. Provides for the appointment of the secretary of education by the Governor beginning January 11, 2021. (Current law provides that the Governor does not appoint the secretary of education until January 11, 2025.) **Position: SUPPORT Reason:** The Chamber has a longstanding position in favor of the state superintendent of public instruction being an appointed rather than elected position to ensure policy alignment with the Governor's education priorities, as well as that of the other state education/workforce agencies that are either appointed directly by the Governor or by board appointees of the Governor. As such, the Chamber supports moving up the appointment date from 2025 to 2021.

Contact: Jason Bearce (317) 264-6880

HB 1008 TEACHER CAREER LADDERS (Behning)

Makes changes to the requirements necessary for a school corporation to receive a grant from the teacher and student advancement grant program supported by a proposed appropriation of \$5 million from the state's general fund for grants to local schools. The proposed program changes aim to improve teacher retention rates by establishing a pay progression system based on teachers' demonstrated effectiveness and level of responsibility (mentor, leader, etc.) rather than the traditional measures of education level and years of experience. Provides that not later than July 1, 2020, and each July 1 thereafter, the department shall submit a report to the Governor and the General Assembly regarding the program. Repeals provisions relating to the career pathways

and mentorship program as well as provisions relating to the Indiana new educator induction pilot program. **Position: SUPPORT Reason:** Proposal is consistent with the Chamber's support of pay-for-performance systems and efforts that attract and retain highly-effective educators who ensure students are prepared to meet the needs of employers and thrive in a 21st century economy.

Contact: Jason Bearce (317) 264-6880

HB 1009 TEACHER RESIDENCY GRANT PILOT
PROGRAM (DeVon)

Establishes the teacher residency grant pilot program with an initial state appropriation of \$1 million to be administered by the Commission for Higher Education (CHE). Provides that the commission may award grants to school corporations/charter schools that partner with an approved postsecondary educational institution to establish and implement a teacher residency program that meets certain requirements. The program provides stipends for experienced teachers who help train/mentor new teachers for a period of one year. Require CHE to submit a report regarding the pilot program and the retention and performance of program participants. **Position: SUPPORT Reason:** The Chamber supports implementation/expansion of proven practices that increase teacher retention and instructional effectiveness in the classroom.

Contact: Jason Bearce (317) 264-6880

HB 1062 UNEMPLOYMENT MATTERS (Leonard)

Makes various changes to unemployment compensation law concerning confidentiality, the method of sending notices to claimants and employers, the removal of the cap on expenditures from the special employment and training services fund, employing units subject to the Federal Unemployment Tax Act, and appeals regarding seasonal determinations. Updates and eliminates outdated language.

Position: SUPPORT Reason: The Chamber supports the technical corrections and updates, method of notices to claimants and the disclosure of confidentiality. The Department of Workforce Development also has demonstrated that removal of the penalty and interest fund cap is warranted

Contact: Mike Ripley (317) 264-6883

HB 1123 TELEPHONE SOLICITATION
(Ellington)



Provides that an executive officer of a person that violates the telephone solicitation law commits a separate deceptive act actionable by the Consumer Protection Division of the attorney general's office. Requires the division to amend its rules to allow businesses to be included in the quarterly listing of telephone numbers of persons that request not to be solicited by telephone. Allows the division to use the consumer protection division telephone solicitation fund to: administer the statutes concerning the registration of telephone solicitors, administer the regulation of automatic dialing machines and

reimburse county prosecutors for expenses incurred in extraditing violators of these and other state and federal statutes concerning telephone solicitations. The bill also expands civil penalties collected from individuals who violate the bill's provisions. The first offense carries a maximum civil penalty of \$10,000 and each additional penalty carries a maximum civil penalty of \$25,000. **Position: OPPOSE Reason:** This bill could have a negative impact on the business community as it would limit business-to-business interactions. It would make the executive of a company liable for employees' acts even if the executive did not knowingly or recklessly allow the acts of the employee. The bill could lead to costly implementation for business-to-business transactions and would prohibit certain acts of businesses. Further study is warranted.

Contact: Greg Ellis (317) 264-6881

HB 1172 VIRTUAL EDUCATION (Behning)

Provides that the State Board of Education (state board) may adopt rules regarding virtual education programs of school corporations. Requires the following: (1) A school corporation to establish and implement an onboarding process and orientation for prospective students of virtual education programs. (2) A virtual charter school to establish and implement an onboarding process and orientation for students newly enrolled in the virtual charter school. Provides that a student who does not participate in a school corporation's virtual education program before July 1, 2019, must complete the onboarding process and orientation established by the school corporation before the student may participate in the school corporation's virtual education program. Provides that a student who initially enrolls in a virtual charter school after June 30, 2019, must participate in the onboarding process and orientation established by the virtual charter school or the student must be withdrawn from the virtual charter school. Provides that, if at least 30% of the total number of students enrolled in a school corporation participate in the school corporation's virtual education program, the school corporation shall establish a dedicated virtual education school. **Position: SUPPORT Reason:** The Indiana Chamber has a longstanding position in favor of promoting school choice options for Hoosier families. However, given that students enrolled in virtual schools tend to underperform their peers in traditional bricks-and-mortar and blended-learning schools, it seems prudent to establish reasonable safeguards that ensure students who choose to attend virtual schools adequately understand and are equipped to succeed in these unique learning environments.

Contact: Jason Bearce (317) 264-6880

HB 1180 PHARMACY BENEFITS (Carbaugh)

Requires a health plan that denies prior authorization for certain prescription drugs to provide an alternative list of prescription drugs covered by the health plan. Urges the Legislative Council to assign to an interim study committee the topic of regulation and practice of pharmacy benefit

managers for study and recommendations during the 2019 interim of the General Assembly. **Position: SUPPORT IN PART Reason:** There has been a lot of discussion about pharmacy benefit managers (PBMs) and their transparency. While we believe that PBMs help control prescription drug costs for employers, there also should be some regulation. The question is how much regulation; a summer study committee is a good place to look at this issue.

Contact: Mike Ripley (317) 264-6883

HB 1181 ASBESTOS LITIGATION

(Lehman)



Requires certain disclosures regarding asbestos trust claims in civil asbestos actions. Requires a defendant to identify additional trust claims that a defendant believes a plaintiff is eligible for in a written motion. Requires a defendant to disclose, in the defendant's motion, the basis for the defendant's belief that a plaintiff is eligible for an additional trust claim. Prohibits a defendant from filing an additional motion alleging plaintiff eligibility for additional trust claims in certain instances. **Position: SUPPORT Reason:** This bill brings 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. The individual must disclose what trusts they have made a claim to and what trusts they believe they are entitled to.

Contact: Mike Ripley (317) 264-6883

HB 1182 WORKER'S COMPENSATION (Lehman)

Provides that, for worker's compensation purposes, an employee who leaves work to serve as a volunteer firefighter or member of a volunteer emergency medical services association (volunteer member) is considered an employee of the firefighting unit while in the performance of duties as a volunteer firefighter or volunteer member. Increases the maximum amount of burial expenses that an employer must pay under the worker's compensation act for the burial expenses of a covered employee who dies from an injury by an accident arising out of the employee's employment from \$7,500 to \$12,500. **Position: SUPPORT Reason:** Employers' worker's comp should not cover an employee if they are serving as a volunteer firefighter during the course of the day, even if the employer chooses to supplement their pay while at a fire. The inherent risks are different for a firefighter than what they would be on the job with the employer. Without this legislation, employers that accommodate employees for volunteer firefighter service will definitely not elect to supplement their pay while carrying out that service.

Contact: Mike Ripley (317) 264-6883

HB 1266 SEDIMENT AND EROSION CONTROL IN CONSTRUCTION (Miller)

Provides that the Indiana Department of Environmental Management (IDEM), a soil and water conservation district or a municipal separate storm sewer system (MS4) community to

which a construction plan is submitted must make a preliminary determination whether the construction plan is substantially complete not more than 48 hours after the submission of the construction plan. Prohibits an MS4 community from requiring erosion and sediment control measures that are more stringent than the erosion and sediment control measures required by the administrative rule of the Environmental Rules Board concerning storm water runoff associated with construction activity. ... **Position: SUPPORT Reason:** This bill will provide consistent regulation statewide for construction projects. It should also provide for a more timely approval or denial of construction plans. It will require individuals who review the plans to have subject matter expertise.
Contact: Greg Ellis (317) 264-6881

HB 1278 VARIOUS ENVIRONMENTAL MATTERS (Wolkins)

Corrects or resolves various issues related to the Indiana Department of Environmental Management (IDEM). Makes some technical corrections to Indiana Code and Code of Federal Regulations citations. **Position: SUPPORT Reason:** IDEM annually identifies issues that require correction in its “clean-up” bill. This is intended to fix those issues.
Contact: Greg Ellis (317) 264-6881

HB 1279 CONSERVANCY DISTRICT PETITION (Wolkins)

The bill increases the number of petition signatures required to initiate proceedings with the circuit court to establish a conservancy district. Circuit courts refer petitions to the Natural Resources Commission to conduct public hearings, gather input and prepare reports to the court. **Position: SUPPORT Reason:** Conservancy districts are formed to address a number of water issues including flood prevention and control, drainage, irrigation, water supply and treatment, sewage control and erosion. This bill should help slow the creation of very small water utilities, which have been a problem for ratepayers and sustainability of resources. The Chamber’s water study identified economies of scale as one method of preventing the costs of water resources from increasing.
Contact: Greg Ellis (317) 264-6881

HB 1341 OCCUPATIONAL SAFETY AND HEALTH (Carbaugh)

Creates a new civil penalty for certain occupational safety and health violations. **Position: SUPPORT Reason:** The Chamber supports safety in the workplace. This legislation would assess a penalty on an employer that knowingly violates any standard, rule or order resulting from an inspection that involves the death of an employee. The assessed civil penalties could range from \$9,472 to \$132,598.
Contact: Mike Ripley (317) 264-6883

HB 1344 NURSE LICENSURE COMPACT (Clere)
Specifies requirements for participation by the state in a multistate nurse licensure compact, including provisions concerning: (1) nurse qualifications, practice and participation; (2) a compact commission; (3) interstate commission and state board of nursing authority and rulemaking; (4) a coordinated licensure information system; (5) oversight and enforcement; and (6) termination or withdrawal from the compact. **Position: SUPPORT Reason:** Hospital facilities are facing staffing barriers due to the shortage of registered nurses. The Chamber believes the compact will help ease the financial burden of dual licensure for those organizations and their practitioners.
Contact: Mike Ripley (317) 264-6883

HB 1352 SALES TAX ADMINISTRATION (Porter).

Provides that a marketplace facilitator is required to collect and remit state sales tax as a retail merchant when it facilitates a retail transaction for sellers on the marketplace facilitator’s marketplace. Specifies circumstances in which a marketplace facilitator or a seller would not be required to collect and remit the state sales tax on the retail sale. Retains provisions that go into effect on July 1, 2019, for state sales tax collection and remittance requirements of an accommodations facilitator that facilitates a retail transaction for sellers that rent or furnish rooms, lodgings or accommodations in Indiana. **Position: SUPPORT IN PART Reason:** The Chamber supports requiring the online facilitators to collect and remit the sales tax so long as the provisions are equitable to the facilitators who are effectively performing the obligations of the seller and the state to collect the tax. Requiring the collection at the point of the transaction should prove beneficial to all affected parties.
Contact: Bill Waltz (317) 264-6887

HB 1362 PEER-TO-PEER VEHICLE SHARING (Eberhart)

Defines peer-to-peer vehicle sharing. Provides requirements for a peer-to-peer vehicle sharing program. For vehicles shared on a peer-to-peer vehicle program: (i) precludes vehicles subject to a safety recall; (ii) provides insurance requirements; (iii) imposes the peer-to-peer vehicle sharing excise tax; (iv) exempts the vehicles from auto rental excise tax. Authorizes the Evansville City Council and Marion County City-County Council to adopt ordinances imposing a supplemental auto rental excise tax. Provides that a political subdivision may not otherwise enact or enforce an ordinance, resolution, policy or rule to regulate peer-to-peer vehicle sharing. **Position: SUPPORT Reason:** The Chamber believes it is appropriate to ensure that shared personal vehicles are safe and road worthy. The Chamber further supports prohibiting local units from adopting separate and disparate ordinances to regulate this new form of commerce.
Contact: Adam Berry (317) 264-6892

HB 1400 EDUCATION STUDIES (Cook)

Urges the Legislative Council to assign to the interim study committee on education during the 2019 interim the study of: (1) how to eliminate, reduce or streamline the amount of education mandates placed on schools; and (2) the provisions that expire July 1, 2020 or otherwise no longer apply to schools after June 30, 2020. Provides that certain administrative rules that pertain to education expire July 1, 2020. Requires the state Department of Health, before January 1, 2021, to amend a rule pertaining to indoor air quality to eliminate its application to schools. **Position: SUPPORT Reason:** The Chamber supports efforts to reduce government bureaucracy, eliminate antiquated/unnecessary state requirements and streamline expectations to increase the efficiency and effectiveness of Indiana's K-12 schools.

Contact: Jason Bearce (317) 264-6880

HB 1404 SCHOOL ACCOUNTABILITY (Cook)

Provides that a high school may count a: (1) work-based learning course; or (2) career and technical educational course that is an approved course under the rules established by the State Board of Education; as satisfying an Indiana diploma with a Core 40 with academic honors designation or another designation requirement. Provides that, before July 1, 2020, the State Board of Education shall establish new standards of measuring school performance. Makes conforming amendments. **Position: SUPPORT Reason:** The Chamber supports efforts to increase/incentivize student engagement in work-based learning experiences and career-technical education coursework. The Chamber also supports the move to integrate meaningful outcome measures into the state's school accountability system, including student completion of industry-recognized credentials and student enrollment in postsecondary education and training programs.



Contact: Jason Bearce (317) 264-6880

HB 1405 TAXATION OF DATA CENTERS (Soliday)

Provides that a county or municipal fiscal body may designate an area in which a property tax exemption will be provided for certain enterprise information technology equipment. Provides a state sales and use tax exemption for the purchase of certain data center equipment that is located in a data center that results in a minimum qualified investment within five years, ranging from at least \$25 million to more than \$150 million depending on the population of the county in which the data center is located. Requires the Indiana Economic Development Corporation to take requests to certify qualified data centers eligible for the exemption. **Position: SUPPORT Reason:** Site locators indicate that Indiana fails to even be considered for large data center projects due to the more competitive environment created by so many other states that offer more substantial and comprehensive incentives than Indiana. While data centers are not high-volume employers themselves, they make huge capital investments that entice their customers and affiliated service providers to locate

nearby. The very presence of a data center often attracts high technology companies in need of their services and seeking the advantages of proximity to their key service provider – their data center. Indiana should be competing for these developments.

Contact: Adam Berry (317) 264-6892

HB 1406 WATER INFRASTRUCTURE ASSISTANCE FUND AND PROGRAM (Soliday)



This bill provides that money from certain sources in the Water Infrastructure Assistance fund is continuously appropriated for the purposes of the law concerning the water infrastructure assistance program. Annually appropriates \$20 million from the state general fund to the Indiana Finance Authority (IFA) to create a leveraged loan program and provide financial assistance that may include grants, loans and other financial assistance from the fund. Specifies that the annual appropriations begin in the state fiscal year beginning July 1, 2020. Authorizes the IFA to establish the interest rate or parameters for establishing the fund and program. Provides that a participant, to receive a loan, grant or other financial assistance from the fund must have an asset management program and demonstrate to the IFA that it has a plan to participate with one or more other participants in cooperative activities. Provides that a participant, after receiving a loan or grant from the fund, must maintain its asset management program as long as the loan remains unpaid or during the useful life of the asset financed with the loan or grant. Requires a participant, if appropriate, to conduct or participate in efforts to determine and eliminate the causes of non-revenue water (leaks) in its water distribution system. ...

Position: SUPPORT Reason: This is consistent with one of the drivers of the Chamber's *Indiana Vision 2025* plan and our long-term position on water resources. It will establish some funding for the water infrastructure assistance fund created through SB 416 in the 2017 legislative session. It also promotes sustainability of water resources and attempts to keep costs as low as possible.

Contact: Greg Ellis (317) 264-6881

HB 1427 DEPARTMENT OF LOCAL GOVERNMENT FINANCE (Leonard)

Makes numerous changes to a great variety of matters administered by the Department of Local Government Finance (DLGF). These matters include property tax rates, levies, deductions, credits, exemptions and procedures governing local government budgets. There are also provisions relating to annexation remonstrance waivers and other items that affect local government operations. **Position: SUPPORT IN PART Reason:** In particular, the Chamber supports the provision that requires counties to upload their software vendor contracts to the transparency web portal. The Chamber also supports the restrictions on annexation remonstrance waivers. More generally, the Chamber supports the efforts of the DLGF to identify statutory changes that would allow them to function

more effectively as an administrative body; this bill includes a variety of such measures.

Contact: Bill Waltz (317) 264-6887

HB 1444 TAXATION OF ELECTRONIC CIGARETTES (Brown)

Imposes a tax on electronic cigarettes that contain nicotine at a rate of \$0.04 per fluid milliliter of consumable material.

Deposits the revenue from the tax into the state general fund.

Position: SUPPORT IN PART Reason: E-cigarettes and other e-liquid products have become prevalent in use and should be taxed on par with traditional cigarettes. While we are supportive of the general effort, not nearly enough taxation will be placed on the purchase of Juul pods, which is what is driving teenage e-cigarette usage and accounts for the majority of e-cigarette-related sales.

Contacts: Bill Waltz (317) 264-6887; Mike Ripley (317) 264-6883

HB 1470 UTILITY TRANSMISSION IMPROVEMENTS AND COSTS (Soliday)

Amends the statute concerning transmission, distribution and storage system improvements charges (TDSIC) for electric and gas utilities. For purposes of the statute, "eligible transmission, distribution, and storage system improvements" include: (1) projects that do not include specific locations or exact numbers; and (2) advanced technology investments. Provides that a public utility's required TDSIC plan under the statute must cover a period of at least five years and not more than nine years. The bill requires a utility to update its TDSIC plan at least annually. Provides that an update to a TDSIC plan may include new projects or improvements. It specifies that a targeted economic development project may include a project related to the provision of electric service. ... The Indiana Utility Regulatory Commission must approve the TDSIC plan before it can be implemented. It requires a public utility to update its TDSIC plan at least annually with the IURC. Provides that a utility may terminate a TDSIC plan upon 30 days' notice to the IURC and petition the IURC for approval of a new TDSIC plan. It provides that a utility that terminates a TDSIC plan must petition the IURC for review and approval of the public utility's basic rates and charges with respect to the same type of utility service before the original expiration date of the terminated plan. **Position: SUPPORT Reason:** The TDSIC plans have been heavily litigated before the Indiana Court of Appeals and the Indiana Supreme Court. This bill would fix and clarify issues with SB 560 that was passed into law in 2013 as identified by the courts. The cleaner and streamlined procedure will decrease administrative and legal costs that are put into the utilities' rate base, which are ultimately paid by the ratepayers.

Contact: Greg Ellis (317) 264-6881

HB 1518 ALCOHOLIC BEVERAGE MATTERS (Smaltz)

This is an omnibus bill pertaining to the regulation of alcohol beverages. The provisions include: sales clerks, specialty stores, manufacturer's permits, bringing wine into a restaurant, reporting, criminal convictions, private clubs, brewery and winery sales, civic center permits, transfer of retailer's permit, criminal and civil penalties, enforcement and administration fund, permit escrow, permit ownership transfers, entertainment revitalization areas, repeal of obsolete provisions, salon permits, food hall permits, beer gardens, renewal of permits, premises near a church, winery sales, storage of alcohol at college stadiums, marina permits, corkage fee, riverfront projects, carryout sales at Indiana State Fair and sales from a single bar. It is an update to the state's overall alcoholic beverage code.

Position: SUPPORT IN PART/OPPOSE IN PART Reason: The Chamber supports more logical and equitable alcohol policies that level the playing field for producers, distributors and retailers, as well as facilitate consumer convenience while discouraging underage and inappropriate consumption of alcohol. We are opposed to certain revised escrow provisions in the bill. Specifically, the prohibition of a permit from being escrowed if the permit holder or the permit holder's affiliates have a permit in escrow that is of the same type and issued for the same jurisdiction. This could have a chilling effect on development for large entertainment or retail establishments. The Chamber recommends a narrow exception to this prohibition.

Contact: Greg Ellis (317) 264-6881

HB 1628 PRE-KINDERGARTEN PROGRAMS (Behning)



Provides that, after June 30, 2019, in addition to the counties currently participating in the pre-kindergarten pilot program, the program includes eligible providers in any county in Indiana. Requires the Office of the Secretary of Family and Social Services to conduct an annual statewide needs assessment to determine which eligible providers are approved to accept grants. Provides that the total number of grants the office awards to eligible children in certain participating counties during a state fiscal year may not be less than the total number of grants the office awarded to eligible children in that county during the immediately preceding state fiscal year unless the office determines that there is an insufficient number of eligible children or eligible providers in the county to justify the total number of grants for that county. Adds a provision (beginning July 1, 2020) to increase the total number of grants awarded in Marion County in an amount at least equal to the number of children served under the Indy Preschool Scholarship Program during the 2018-2019 school year. ... **Position: SUPPORT Reason:** The Chamber supports efforts to expand student access to quality early childhood and pre-kindergarten programs statewide as proven drivers of student achievement and economic development.

Contact: Jason Bearce (317) 264-6880

HB 1629 VARIOUS EDUCATION MATTERS (Behning)



Provides that a school corporation or charter school may not charge a fee for the first five hours required to search for a record that is in an electronic format. Provides that a school corporation or charter school may charge a search fee for any time spent searching for a record that is in an electronic format that exceeds five hours. Provides that each school corporation may encourage the development of a community service ethic among high school students in grades nine through 12. (Current law provides that each school corporation may encourage the development of a community service ethic among high school students in grade 11 or 12.) Provides that the governing body of a school corporation that operates a career or technical education center must admit students who attend a charter school or state accredited nonpublic school if the charter school, state accredited nonpublic school or student provides the governing body tuition for the student, which may not be greater than the per capita cost of operating the system of industrial or manual training. Provides that after June 30, 2020, any Core 40 college preparation curriculum models adopted by the State Board of Education shall include the requirement that each graduating senior shall submit to the United States Department of Education a Free Application for Federal Student Aid (FAFSA) unless a principal, a parent or the student (if the student is an adult or is emancipated) provides a waiver. ... **Position: SUPPORT Reason:** This proposal contains several worthwhile provisions supported by the Chamber, including: 1) increasing student access to postsecondary education and workforce training programs by requiring completion (with an opt-out provision) of the FAFSA and 2) expanding access to the state's work-study program to high school (as well as college) students in order to promote earlier acquisition of essential employability skills and incentivize increased employer engagement in a critical talent development strategy.

Contact: Jason Bearce (317) 264-6880

SENATE BILLS

SB 4 WATER AND WASTEWATER UTILITIES AND RUNOFF (Charbonneau, Merritt, Koch)



Requires the Indiana finance authority (IFA) to divide the state of Indiana into study areas and to hold annual meetings with the officers and employees of the water and wastewater utilities located in each study area. Authorizes the utilities within a study area to meet voluntarily to determine area water and wastewater priorities, promote cooperation among the utilities and consider other matters. Requires biennial reports from the utilities of each study area and from the IFA on the cooperative activities of the utilities. Provides that a utility applying to the IFA for a loan, a grant or other financial

assistance must demonstrate that its officers and employees have participated in study area activities. Requires every water utility, at least once in each calendar year, to perform an audit of its water distribution system to determine the causes of the water utility's "non-revenue water" (leaks or lost water). Provides that, under certain circumstances, a permit may be issued for the operation of a public water system or for the discharge from a wastewater treatment plant without a certification that a life cycle cost-benefit analysis, a capital asset management plan, and a plan have been prepared. Amends the definition of "customer lead service line improvement". **Position: SUPPORT Reason:** This bill is consistent with the Chamber's past positions on water resources and one of the drivers of the Chamber's *Indiana Vision 2025* plan, which has identified water resources as an important consideration in economic development. It also fixes some confusion created in SB 362 (2018) in that it defines a wastewater treatment plant (for regulatory purposes), which does not include wastewater treatment plants installed by businesses to treat their own wastewater.

Contact: Greg Ellis (317) 264-6881

SB 7 MARION COUNTY CAPITAL IMPROVEMENT BOARD (Mishler)

Marion County Capital Improvement Board. Allows the expansion of the professional sports development area (tax area) in Marion County. Changes the maximum amount of state revenue that may be captured in the tax area after July 1, 2021. Authorizes the city-county council to adopt a resolution that continues imposition of the increase to the county supplemental auto rental excise tax through February 28, 2038. Authorizes the city-county council to adopt a resolution that continues imposition of the increase to the county admissions tax through February 28, 2038. Authorizes the city-county council to adopt a resolution that continues the capture of Marion County capital improvement board. Allows the expansion of the professional sports development area (tax area) in Marion County. ... **Position: SUPPORT Reason:** The Chamber supports efforts to enhance the downtown sports facilities in Indianapolis and secure the Indiana Pacers' presence in Indiana for many years to come.

Contact: Kevin Brinegar (317) 264-6882

SB 12 BIAS/HATE CRIMES (Bohachek)

Provides that a court may consider bias in imposing a criminal sentence. Specifies the manner in which bias crime data shall be reported to the state police department. **Position: OPPOSE Reason:** A bias/hate crimes law is important to enhancing Indiana's image as a welcoming state so that employers can recruit and retain talent of all races, religions, ethnicity and lifestyles. The Chamber strongly supports such a statute that would allow judges to aggravate a criminal sentence in cases where there is clear evidence that the crime was motivated by a bias towards an individual or group of individuals, especially those who have been



historically subjected to “hate crimes.” In particular, the Chamber wants a statute enacted that removes Indiana from a short list of states that do not have a hate crimes law. Senate Bill 12, in its current form, does not remove Indiana from this negative list, which should be the most important objective of the General Assembly this session. Georgia and South Carolina are both considering comprehensive hate crimes legislation, which, if they become law, would leave Indiana as one of only three states without a hate crimes law. It is the Chamber’s strong preference that a list of specific protected individuals – either spelled out or referred to – be as comprehensive as possible and, in particular, include sexual orientation and gender identity.

Contact: Kevin Brinegar (317) 264-6882

SB 94 ANNEXATION (Boots)

Makes substantial changes to the procedures governing annexations, including a provision that voids remonstrance waivers. **Position: SUPPORT IN PART Reason:** The Chamber supports curtailing the use of remonstrance waivers, which unnecessarily restrict taxpayers from exercising their right to voice opinions on annexations that impact their property.

Contact: Bill Waltz (317) 264-6887

SB 99 WAGE ASSIGNMENTS FOR CLOTHING AND TOOLS (Boots)

Provides that a wage assignment for the purchase, rental or use of uniforms, shirts, pants and other job-related clothing may not be an amount that exceeds the direct cost paid by the employer to an external vendor for those items. Provides that a wage assignment may be made for the rental of uniform shirts, pants and job-related clothing. Provides that a wage assignment may be made for the purchase of equipment or tools necessary to fulfill the duties of employment. Provides that a wage assignment for the purchase of equipment or tools may not be an amount that exceeds the direct cost paid by the employer to an external vendor for those items. ... **Position: SUPPORT Reason:** The U.S. Southern District Court of Indiana determined that a wage assignment could not be used for the rental of uniforms – only purchase. This bill fixes that and clarifies what else as far as clothing may be included in a wage assignment.

Contact: Mike Ripley (317) 264-6883

SB 108 COVERAGE FOR PHARMACIST CARE (Grooms)

Urges the Legislative Council to assign the topic of coverage for pharmacist care to an interim study committee during the 2019 interim of the General assembly. **Position: NEUTRAL Reason:** We opposed the bill in its introduced version because it was a mandate. Sending this to a summer committee is acceptable.

Contact: Mike Ripley (317) 264-6883

SB 131 SALES TAX ON RECREATIONAL VEHICLES (Doriot)

Removes the expiration of the provision in current law that provides that the sales tax rate on certain cargo trailers or recreational vehicles is the rate of the other state or other country in which the cargo trailer or recreational vehicle will be titled or registered under certain circumstances. (This provision was set to expire on June 30, 2019.) Amends the provision to apply only to sales that are made to a resident of a nonreciprocal state or a foreign country. Repeals the provision that authorizes the Department of Revenue to enter into reciprocal agreements with other states concerning a sales tax exemption for cargo trailers and recreational vehicles that will be purchased in a state by a nonresident and then titled in another state. **Position: SUPPORT Reason:** There is little reason to complicate the sale of recreational vehicles to customers that intend to register the recreational vehicle outside of Indiana. The legislation would have a direct benefit on both the Indiana-based recreational vehicle dealerships and the Indiana recreational vehicle manufacturers that supply those dealers.

Contact: Bill Waltz (317) 264-6887

SB 162 CHRONIC PAIN MANAGEMENT (Messmer)

Requires state employee health plans, Medicaid, policies of accident and sickness insurance, and health maintenance organization contracts to provide coverage for chronic pain management. Requires the Office of Medicaid Policy and Planning to apply for any Medicaid state plan amendment necessary to provide the coverage. **Position: OPPOSE Reason:** This a mandate to group health insurance and the Chamber has a standing policy to oppose mandates. That being said, the Chamber can’t imagine a case where this isn’t being covered currently. We will admit in many cases pain management is reducing costs. The Senate amended this bill to include the term “medically necessary” and as a result, the Chamber did not testify in opposition to the bill at the time. **After further review,** there is still some concern about the cost sharing portion of the bill. It restricts a carrier’s ability to enact various initiatives to encourage utilization of certain more cost effective or beneficial treatments, or rely upon certain providers that do a better job of pain management – which ultimately leads to higher costs for employers. Not to mention, this *still* only impacts about 20% of the marketplace. Employer self-insured plans are not included, so if the Legislature thinks it is fixing a problem, most likely it is not.

Contact: Mike Ripley (317) 264-6883

SB 188 NURSING FACULTY LOAN REPAYMENT GRANT PROGRAM (Becker, Leising)

Establishes the nursing faculty loan repayment grant program to increase the number of nursing faculty in Indiana. Requires the Commission for Higher Education to administer the program. Establishes the nursing faculty loan repayment grant fund. Sets



forth requirements for an individual to participate in the program. **Position: SUPPORT Reason:** The Chamber supports efforts to attract and retain talent to meet the needs of Indiana employers and the state's economy, particularly in high need shortage areas such as nursing.

Contact: Jason Bearce (317) 264-6880

SB 193 SEWER AND WATER CONNECTIONS THROUGH RIGHTS-OF-WAY (Bohacek)

Provides that a unit of local government may not prohibit a property owner from installing a sewer line or other sewage works: in or through a public right-of-way owned or controlled by the unit and for the purpose of connecting the owner's property to a sewer system owned or operated by another unit or entity; if the owner provides proof that the owner's existing sewage disposal system is failing and the property owner restores all public property damaged by the installation/connection to the sewer system. Provides that in the case of a connection to a sewer system made under these provisions, a municipality (or a board of sanitary commissioners) that owns or operates the sewer system to which the connection is made may waive the requirement that the property owner must release the property owner's right to remonstrate against pending or future annexations of the property owner's property by the municipality. Provides that a unit may not prohibit a property owner from installing a water service line or other water utility service infrastructure in or through a public right-of-way owned or controlled by the unit if the property owner's property is served by a private water well and certain other conditions are met. **Position: SUPPORT IN PART/OPPOSE IN PART Reason:** The Chamber supports the protection of public health and the water resources of Indiana, which is what this bill would accomplish by allowing connection to sewer systems. However, we oppose the continued use of waivers of remonstrance against proposed annexation of property by municipalities. These waivers are binding on subsequent property owners. This bill has the potential to negatively impact businesses as well as residential property owners.

Contact: Greg Ellis (317) 264-6881

SB 233 BUSINESS PERSONAL PROPERTY TAX EXEMPTION (Freeman)



Increases, from \$20,000 to \$40,000, the acquisition cost threshold for the business personal property tax exemption. Specifies that a taxpayer who is eligible for a personal property tax exemption must include on the taxpayer's personal property tax return: (1) information concerning whether the taxpayer's business personal property within the county is in one location or multiple locations; and (2) an address for the location of the property. Provides that the appropriate county officer designated by the county executive (rather than the assessor, under current law) is responsible for: (1) maintaining data files of the geographic; and (2) submitting those files to the geographic information office of the office of technology. Repeals

provisions in current law that allow a county council to impose a local service fee on each person that has exempt business personal property because the business personal property does not exceed the acquisition threshold. Removes outdated provisions. **Position: SUPPORT Reason:** This bill has a very nominal fiscal impact – particularly in comparison to the benefit it provides to small businesses which must prepare or pay more for the preparation of a return than they ultimately owe in business personal property tax. The average tax liability of taxpayers exempted under this is \$145.

Contact: Bill Waltz (317) 264-6887

SB 248 DISTRIBUTIONS OF PUBLIC SAFETY INCOME TAX REVENUE (Niemeyer)

Requires the distribution of public safety local income tax revenues to a township that provides fire protection or emergency medical services (other than a township in Marion County). Permits a qualified fire protection territory and a qualified fire protection district (other than in Marion County) to be eligible to receive distributions of public safety local income tax revenues. **Position: SUPPORT Reason:** There is no justification for denying a property tax distribution to townships that provide the equivalent public safety service as other entities that receive the distributions.

Contact: Bill Waltz (317) 264-6887

SB 270 RECUSAL OF LOCAL GOVERNMENT OFFICIALS (Head)

Provides that county, city, town and township elected officials (local officials) may not, outside of a public meeting: (1) participate in a discussion or a vote; or (2) persuade the vote of another elected official of the unit; if the local official has a financial interest in the outcome of a decision before the body the local official serves. Provides that an elected official has a financial interest if the decision involves: (1) the transfer or authorized use of property owned or controlled by the elected official or a relative of the elected official; or (2) the procurement of services by the unit from the elected official, the elected official's employer or prospective employer, the elected official's relative or an entity the elected official owns or controls. ...

Position: SUPPORT Reason: Local officials simply should not participate in decisions that impact them financially.

Contact: Bill Waltz (317) 264-6887

SB 304 INTIMIDATION AGAINST UTILITY WORKERS (Koch)

Provides that a person who communicates a threat to another person with the intent of interfering with the provision of utility service or communications service for a dwelling, building or other structure commits intimidation, a Class A misdemeanor. Provides that the offense is a Level 6 felony if the person to whom the threat is communicated is an employee or agent of a utility company or a communications service provider engaged in the performance of the person's

duties on behalf of the utility or the communications service provider. **Position: SUPPORT Reason:** Provides additional needed protection to workers that often interface with people in difficult situations without the ability to protect themselves. **Contact: Greg Ellis (317) 264-6881**

SB 322 SALES TAX ADMINISTRATION (Holdman)

Provides that a marketplace facilitator is required to collect and remit state sales tax as a retail merchant when it facilitates a retail transaction for sellers on the marketplace facilitator's marketplace. Specifies circumstances in which a marketplace facilitator or a seller would not be required to collect and remit the state sales tax on the retail sale. Retains provisions that go into effect on July 1, 2019, for state sales tax collection and remittance requirements of a person or marketplace facilitator that facilitates a retail transaction for sellers that rent or furnish rooms, lodgings, or accommodations in Indiana. Repeals the definition of facilitator that is set to go into effect on July 1, 2019. **Position: SUPPORT Reason:** The Chamber supports the objective of this bill to simplify and maximize the collection of sales tax on online transactions. This bill can potentially benefit all parties involved in the transaction so long as it is done in a fair and equitable manner that respects the rights of the seller, the collector and the consumer. **Contact: Bill Waltz (317) 264-6887**

SB 358 WORKER'S COMPENSATION (Tallian)
Increases benefits for injuries and disablements by 2% each year for three years, beginning on July 1, 2019. **Position: OPPOSE Reason:** While this is significantly less than the introduced version of a 10% increase, the bill provides no incentives or benefits for employers. **Contact: Mike Ripley (317) 264-6883**

SB 420 WORKFORCE DEVELOPMENT (Raatz, Kruse)
Provides for certification of an Industry Credentialing Organization (ICO). An organization qualifies as an ICO if it: (1) is a 501(c)(3) tax exempt organization; (2) conducts activities to enhance career and technical education opportunities for students attending a school within the community and aligns those opportunities with local economic and labor needs within the community; (3) is governed by a board of directors that includes business representatives from at least a majority of the economic growth regions in the same industry/trade; and (4) enters into an agreement with the Department of Education and the Department of Workforce Development. ... **Position: SUPPORT Reason:** The Chamber supports efforts to expand collaboration between Indiana's business/industry sectors and the state's education and workforce development systems that increase students' career preparation in alignment with employer needs. **Contact: Jason Bearce (317) 264-6880**

SB 436 NURSE LICENSURE COMPACT (Zay)
Specifies requirements for participation by the state in a multistate nurse licensure compact, including provisions concerning: (1) nurse qualifications, practice, and participation; (2) a compact commission; (3) interstate commission and state board of nursing authority and rulemaking; (4) a coordinated licensure information system; (5) oversight and enforcement; and (6) termination or withdrawal from the compact. Provides that an additional fee of \$25 must be paid at the time of application and renewal of a license from the Indiana State Board of Nursing if the license is a multistate license. **Position: SUPPORT Reason:** See HB 1344. **Contact: Mike Ripley (317) 264-6883**

SB 438 TEACHER LICENSING AND CREDENTIALS (Zay, Raatz)
Amends requirements to be eligible for a career specialist permit. Establishes requirements to be eligible for a workplace specialist license. (The current requirements to be eligible for a workplace specialist license are in rules adopted by the Indiana state board of education.) Requires the Department of Education to enter into the National Association of State Directors of Teacher Education and Certification Interstate Agreement. Requires the Indiana Commission for Higher Education to establish a dual credit advisory council to review and update, as needed, the requirements under HEA 1370-2016 (P.L.175-2016) concerning ensuring that a teacher who currently teaches a high school dual credit course on behalf of or under an agreement with a state educational institution can, by July 1, 2022, meet accreditation requirements established by the state educational institution's regional accrediting agency or an association recognized by the United States Department of Education. Requires, not later than November 1, 2019, the council to submit a report to the Legislative Council concerning the council's findings and recommendations. **Position: SUPPORT Reason:** The Chamber supports efforts to expand the state's capacity to attract and certify qualified personnel who are equipped to deliver relevant career and technical education programming in alignment with the needs of industry and Indiana employers. **Contact: Jason Bearce (317) 264-6880**

SB 460 BROADBAND DEVELOPMENT (Messmer)
Provides that a communications service provider that holds a certificate of territorial authority shall be designated as a public utility solely as that term is used in federal law that allows a state to exempt a public utility from the federal law's requirement that the state must charge fair market value for the use of real property acquired by the state using federal transportation funding. Provides that the department of transportation (INDOT) may not charge an access rate or any other charge or fee, on an annual basis or otherwise, for certain communications infrastructure that is located before March 14, 2019, in any rights-of-way that are owned or controlled by INDOT. Provides that, before July 1, 2020, INDOT shall update sections of its administrative code

regarding utility facility relocation for purposes of construction contracts. Provides that INDOT may create a broadband corridor program. **Position: SUPPORT IN PART Reason:** The Chamber supports the provisions of this bill to the extent they will promote a higher level of broadband deployment in un- and 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. This bill offers some means for furthering these objectives, but the Chamber believes it will ultimately have to be implemented in line with these principles.

Contact: Adam Berry (317) 264-6892

SB 471 OFFENSES INVOLVING CRITICAL INFRASTRUCTURE (Koch)

Provides that a person who, not having a contractual interest in the property, knowingly or intentionally enters the real property of a critical infrastructure facility without the permission of the owner of the critical infrastructure facility or an authorized person commits the offense of critical infrastructure facility trespass. Provides that a person who recklessly, knowingly or intentionally damages or defaces property of a critical infrastructure facility commits the offense of critical infrastructure facility mischief. Provides increased criminal penalties and civil remedies for offenses involving a critical infrastructure facility. Defines critical infrastructure to include energy infrastructure, pipelines, water infrastructure, certain business property, as well as protected categories as identified by federal law. **Position: SUPPORT Reason:** This bill will provide additional protections not just for utilities but also industry and businesses – like pharmaceutical companies and manufacturers – that use chemicals in their processes. It will help ensure reliable services and reduce costly shutdowns for all involved.

Contact: Greg Ellis (317) 264-6881

SB 472 UTILITY RATES AND ACQUISITIONS (Koch)

This bill provides that an order affecting rates of service may be entered by the Indiana Utility Regulatory Commission (IURC) without a formal public hearing in the case of any public or municipally owned utility that serves less than 5,000 customers or has initiated a rate case on behalf of a single division of the utility and that division serves less than 5,000 customers and has an IURC-approved schedule of rates and charges that is separate and independent from that of any other division of the utility. (Current law permits the IURC to enter a service rate order without a public hearing only in the case of a public or municipally owned utility that itself serves less than 5,000 customers.) Changes the term “distressed utility” to “offered utility” for purposes of provisions regarding acquisition of water or wastewater utilities. ... **Position: SUPPORT Reason:** This bill will clarify some issues with current law that have recently been litigated. It should reduce litigation costs of water/wastewater utilities going forward that

would have been rolled into utility rates as an increase. It will also allow for greater economies of scale in water infrastructure by allowing larger utilities to acquire small water utilities. This is consistent with findings in the Chamber’s 2014 water study. **Contact: Greg Ellis (317) 264-6881**

SB 507 EDUCATION MATTERS (Raatz, Kruse)

Provides that the State Board of Education may adopt and provide to schools: (1) an early warning system that provides actionable data on students as early as elementary school; and (2) a graduation pathways tracking and reporting system that provides actionable data on students. Provides that, if the state board enters into a contract with a vendor to provide an early warning system, the state board shall include in the contract a requirement that the vendor provide to the state board, at least quarterly, a statewide summary report concerning certain information. Provides that teacher evaluations must be conducted by a certified evaluator. Establishes requirements for a teacher evaluation model. Requires a school corporation to report certain data from the school corporation's teacher evaluation model. Requires the department of education to aggregate the data and provide the information to the Commission for Higher Education and the State Board not later than December 1 of each year. Requires the State Board, working in conjunction with the commission, to analyze the data annually and publish findings and recommendations to inform the teacher preparation programs in Indiana. Allows the state board to establish criteria for renewal and initial teacher preparation program approvals based on the state board's findings. **Position: SUPPORT Reason:** The Chamber supports the development and deployment of early warning systems that leverage relevant data to ensure students are on track for success and support proactive interventions for students with identified academic deficiencies. Moreover, the Chamber supports robust teacher preparation and evaluation systems that increase transparency and effectiveness of classroom instruction.

Contact: Jason Bearce (317) 264-6880

SB 517 UTILITY RELOCATION FOR ROAD PROJECTS (Head)

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. The bill provides that if INDOT prevails in a court action to compel a utility to relocate the facilities, the court shall order the utility to reimburse INDOT court costs and attorney's fees and pay to INDOT a civil penalty of not less than \$20,000. If a utility prevails in a court action to compel the utility to relocate the facilities or customer service facilities, the court shall order INDOT to pay: the costs of any relocation of the utility's facilities in connection with the project and the litigation expenses incurred by the utility. ... **Position: SUPPORT IN PART, OPPOSE IN PART Reason:** The Chamber supports the timely construction

and/or repair of roads in Indiana. However, we have concerns that this bill has a very strong potential to interrupt key utility service and drive up costs that will be passed along to the ratepayers. INDOT and county governments should not be relocating utility infrastructure. The utilities know their needs and are better situated to move their own infrastructure or explore alternative plans. 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.

Contact: Greg Ellis (317) 264-6881

SB 532 TEACHER LICENSING EXAMS (Leising)
Requires, not later than July 1, 2020, the State Board of Education to adopt teacher licensing examinations to replace the teacher licensing examinations administered on July 1, 2019. Requires, not later than July 1, 2021, the Department of Education to implement the adopted teacher licensing examinations. **Position: SUPPORT Reason:** The Chamber supports efforts to ensure teacher quality through a variety of measures, including effective licensing systems.

Contact: Jason Bearce (317) 264-6880

SB 535 EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (Boots)

Repeals the general authority of a city or town to exercise the following powers outside of its corporate boundaries: (1) Regulating conduct or property use endangering public health, safety, and welfare. (2) Capturing and destroying animals and maintaining and operating animal shelters. (3) Operating recreational parks and exercising eminent domain to acquire property for park purposes. Provides that a municipality may only exercise eminent domain within the municipality unless a statute expressly provides otherwise. Repeals a provision that allows a municipality to exercise powers regarding watercourses within 10 miles outside its corporate boundaries. Eliminates the ability of a municipal advisory plan commission to exercise planning and zoning jurisdiction, including approval or denial of applications for improvement permits and other permits for property located in the unincorporated area on July 1, 2019. Under the amended bill, municipalities would still have the ability to regulate a two-mile fringe outside of its corporate limits. **Position:**

SUPPORT Reason: This bill will fix past and current problems that Indiana businesses have experienced with municipalities taking action outside of their corporate boundaries to prevent actions allowed under state permits or Indiana law. It prevents municipalities from taking action where there is little recourse for the affected business or individual. Businesses should not be subject to requirements established by a governmental entity within whose jurisdiction they are not situated (we would never let Illinois or Ohio impose zoning restrictions outside of its jurisdictional limits into Indiana). A municipality would no longer plan or regulate property within the 10-mile zone (outside its boundaries) and

instead, the county would have authority. The current myriad of overlapping authority creates jurisdictional confusion and regulatory conflicts; it should reduce litigation costs for both businesses and municipalities (which pay with tax dollars).

Contact: Greg Ellis (317) 264-6881

SB 546 EDUCATION TASK FORCE (Spartz)

Establishes the Education Task Force to make recommendations concerning education to the Governor, superintendent of public instruction, General Assembly, Indiana State Board of Education and the Commission for Higher Education, Legislative Council and Interim Study Committee on Education. **Position:**

SUPPORT IN PART Reason: The Chamber supports efforts to promote greater coordination and alignment across the state's K-12 and higher education systems. However, additional study may be required to determine how this entity would align with and support existing governance boards to guard against additional bureaucratic barriers and duplication of efforts. The Chamber continues to support the re-establishment of Indiana's Education Roundtable as a proven model for driving consensus and progress on key education priorities.

Contact: Jason Bearce (317) 264-6880

SB 552 GAMING MATTERS (MESSMER, JON FORD)

Authorizes sports wagering at riverboats, racinos, a Vigo County casino and satellite facilities. Provides for the administration and conduct of sports wagering. Imposes initial and annual fees on a licensed owner, operating agent, vendor or permit holder conducting sports wagering. Imposes initial and annual licensing fees on vendors conducting sports wagering. ... Authorizes a holder of a Gary riverboat license to change locations under certain circumstances, to another location in Gary or to Vigo County. Provides that, if gaming operations are relocated within the city of Gary, certain units of government may receive supplemental payments from wagering tax distributions. Provides a procedure if the owner of one of the Gary riverboat licenses applies to operate in Vigo County to notify the other riverboat owners who may then file a declaration of interest to compete for ownership of the riverboat license to be located in Vigo County. ... **Position:**

SUPPORT IN PART/NEUTRAL IN PART Reason: In light of the recent U.S. Supreme Court decision authorizing sports wagering across the country, it makes sense for the General Assembly to enact legislation here in Indiana in order to prevent the tax revenue collected on said wagering to go out of state. It is further appropriate that sports wagering be authorized at existing, regulated gaming facilities. The Chamber is neutral on the other provisions in the bill.

Contact: Adam Berry (317) 264-6892

SB 554 ECONOMIC DEVELOPMENT (Garten)

Provides that the Indiana Economic Development Corporation (IEDC) may renew an enterprise zone that is established in an inactive or closed military base (enterprise zone) for not more

than 10 years subject to certain criteria. Provides that a reuse authority, following the expiration of an enterprise zone over which the reuse authority had jurisdiction, may, subject to the approval of the IEDC, certify a business that is located within the boundaries of the enterprise zone for a tax credit, deduction or exemption that could have been available to the business had the enterprise zone not expired. ... **Position:** **SUPPORT Reason:** This bill would help facilitate the redevelopment of military property.
Contact: Adam Berry (317) 264-6892

SB 563 ECONOMIC DEVELOPMENT (Holdman)



Makes a variety of changes to tax policy and tax incentive programs intended to promote and enhance economic development. The major components are: (1) moving to a market-based sourcing method for income apportionment for service companies; (2) a small business innovation voucher program to assist in research; (3) making the venture capital investment (VCI) credit transferrable/saleable; (4) making the headquarters relocation credit available to small businesses; (5) including additional items to what qualifies for the Hoosier business investment tax credit; and (6) expanding the application of the redevelopment tax credit. **Position:** **SUPPORT Reason:** Except for the sunset provision relating to the VCI tax credit, the Chamber supports the entirety of this bill. It makes a number of changes and its provisions are structured to collectively function to promote economic development through sound tax policy. Probably most noteworthy are the changes regarding the VCI. This bill makes the credit transferable, a crucial step in attracting more capital investment from outside Indiana. Indiana greatly underperforms in attracting capital investment from outside the state due to the non-transferability of the credit. The bill also changes the method used for determining the taxable income associated with the sale of non-tangible services so that it will be based on where the purchaser of the service is located rather than where the service is generated. This change will, generally speaking, collect more tax from companies that are based outside of Indiana and less from Indiana-based companies. Several additional changes are designed to fine-tune incentives to maximize their economic benefit.
Contacts: Adam Berry (317) 264-6892; Bill Waltz (317) 264-6887

SB 565 DEPARTMENT OF REVENUE (Holdman)

Contains numerous changes to the administrative procedures governing the operations of the Department of Revenue. **Position:** **SUPPORT Reason:** The Chamber supports the general effort and objective of the Department of Revenue to improve its ability to serve taxpayers by seeking adjustments to the statutes that govern its administrative operations.
Contact: Bill Waltz (317) 264-6887

SB 566 RESIDENTIAL TAX INCREMENT FINANCING (Raatz)

Permits redevelopment commissions in counties having a population of not more than 100,000 to establish a program for residential housing development and a tax increment funding allocation area for that program. Defines "residential housing" as housing that consists of single-family dwelling units. **Position:** **SUPPORT Reason:** Housing needs have impeded economic development in many areas. This bill would provide an ability to assist in needed residential development to accommodate potential employees for employers considering local investment.

Contacts: Adam Berry (317) 264-6892; Bill Waltz (317) 264-6887

SB 567 VIRTUAL EDUCATION (Raatz)

Provides that the State Board of Education may adopt rules regarding virtual education programs of school corporations. Requires the following: (1) A school corporation to establish and implement an onboarding process and orientation for participating students of virtual education programs. (2) A virtual charter school to establish and implement an onboarding process and orientation for students of the virtual charter school. Requires students of virtual education programs and students enrolled in virtual charter schools to participate in the respective onboarding processes and orientations. Provides that, if the lesser of at least: (1) 100 students of a school corporation; or (2) 25% of the total number of students enrolled in the school corporation; receive at least 50% of instruction through a school corporation's virtual education program, the school corporation shall establish a dedicated virtual education school. ... **Position:** **SUPPORT Reason:** The Indiana Chamber has a longstanding position in favor of promoting school choice options for Hoosier families. However, given that students enrolled in virtual schools tend to underperform their peers in traditional bricks-and-mortar and blended-learning schools, it seems prudent to establish reasonable safeguards that ensure students who choose to attend virtual schools adequately understand and are equipped to succeed in these unique learning environments.
Contact: Jason Bearce (317) 264-6880

SB 606 TEACHER SALARIES (Raatz, Kruse)

Removes a provision that provides that a combination of certain factors may account for not more than 33.33% of the calculation used to determine an increase or increment in teacher salaries. **Position:** **SUPPORT Reason:** The 33.3% rule appears to be an arbitrary and antiquated limitation to establishing a more effective teacher compensation system in Indiana.
Contact: Jason Bearce (317) 264-6880

SB 607 WORKFORCE DIPLOMA REIMBURSEMENT PROGRAM (Raatz, Zay)

Establishes the: (1) workforce diploma reimbursement program; and (2) workforce diploma reimbursement program fund.

Provides that the Governor's Workforce Cabinet, in coordination with the Department of Workforce Development, shall administer the program. Provides that the purpose of the workforce diploma reimbursement program fund is to provide payments to eligible program providers that assist adults who are more than 22 years of age in: (1) developing employability and career technical skills; and (2) obtaining high school diplomas. Provides that: (1) the cabinet shall approve eligible program providers to participate in the program; and (2) the department shall publish a list of approved eligible program providers on the department's internet web site. ... **Position: SUPPORT Reason:** The Indiana Chamber supports efforts to ensure the effectiveness of adult education program providers in promoting career readiness in alignment with employer/industry expectations.

Contact: Jason Bearce (317) 264-6880

SB 623 PROPERTY TAX MATTERS (Buchanan)

Provides that a county assessor or township assessor (if any) may request the Department of Local Government Finance (DLGF) to perform a state conducted assessment of a particular commercial building or structure used for retail purposes. Specifies the procedures for the state conducted assessment. Provides that the true tax value of commercial real property used for retail purposes that is occupied by the original owner or by a tenant for which the improvement was built shall be determined by the cost approach for the first 10 years of occupancy of the property, less normal depreciation and normal obsolescence under the rules and guidelines of the DLGF. ... **Position: OPPOSE Reason:** The provisions of this bill undermine the constitutional principles of equal and uniform property tax assessment based on the value of the subject property as determined under generally accepted appraisal practices.

Contact: Bill Waltz (317) 264-6887

No. 2 • March 4, 2019

Legislative Agenda



Quick Reference: Position by Bill Number and Title

*** = Chamber Priority Bill OIP=Oppose in Part • NIP=Neutral in Part • SIP=Support in Part

HOUSE

- HB 1001 BIENNIAL BUDGET – **SIP**
- *** HB 1002 CAREER AND TECHNICAL EDUCATION MATTERS – **SUPPORT**
- HB 1003 SCHOOL CORPORATION EXPENDITURE TARGETS – **SUPPORT**
- *** HB 1005 STATE SUPERINTENDENT OF PUBLIC INSTRUCTION – **SUPPORT**
- HB 1008 TEACHER CAREER LADDERS – **SUPPORT**
- HB 1009 TEACHER RESIDENCY GRANT PILOT – **SUPPORT**
- HB 1062 UNEMPLOYMENT MATTERS – **SUPPORT**
- HB 1123 TELEPHONE SOLICITATION – **OPPOSE**
- HB 1172 VIRTUAL EDUCATION – **SUPPORT**
- HB 1180 PHARMACY BENEFIT MANAGERS – **SIP**
- *** HB 1181 ASBESTOS LITIGATION – **SUPPORT**
- HB 1182 WORKER'S COMPENSATION – **SUPPORT**
- HB 1266 SEDIMENT AND EROSION CONTROL IN CONSTRUCTION – **SUPPORT**
- HB 1278 VARIOUS ENVIRONMENTAL MATTERS – **SUPPORT**
- HB 1279 CONSERVANCY DISTRICT PETITION – **SUPPORT**
- HB 1341 OCCUPATIONAL SAFETY AND HEALTH – **SUPPORT**
- HB 1344 NURSE LICENSURE COMPACT – **SUPPORT**
- HB 1352 SALES TAX ADMINISTRATION – **SIP**
- HB 1362 PEER-TO-PEER VEHICLE SHARING – **SUPPORT**
- HB 1400 EDUCATION STUDIES – **SUPPORT**
- *** HB 1404 SCHOOL ACCOUNTABILITY – **SUPPORT**
- HB 1405 TAXATION OF DATA CENTERS – **SUPPORT**
- *** HB 1406 WATER INFRASTRUCTURE ASSISTANCE FUND AND PROGRAM – **SUPPORT**
- HB 1427 DEPARTMENT OF LOCAL GOVERNMENT FINANCE – **SIP**
- HB 1444 TAXATION OF ELECTRONIC CIGARETTES – **SIP**
- HB 1470 UTILITY TRANSMISSION IMPROVEMENTS AND COSTS – **SUPPORT**
- HB 1518 ALCOHOLIC BEVERAGE MATTERS – **SIP/OIP**
- *** HB 1628 PRE-KINDERGARTEN PROGRAMS – **SUPPORT**
- *** HB 1629 VARIOUS EDUCATION MATTERS – **SUPPORT**

Quick Reference: Position by Bill Number and Title

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SENATE

*** SB 4 WATER AND WASTEWATER UTILITIES AND RUNOFF – **SUPPORT**
SB 7 MARION COUNTY CAPITAL IMPROVEMENT BOARD – **SUPPORT**
*** SB 12 BIAS/HATE CRIMES – **OPPOSE**
SB 94 ANNEXATION – **OPPOSE**
SB 99 WAGE ASSIGNMENTS FOR CLOTHING AND TOOLS – **SUPPORT**
SB 108 COVERAGE FOR PHARMACIST CARE – **NEUTRAL**
SB 131 SALES TAX ON RECREATIONAL VEHICLES – **SUPPORT**
SB 162 CHRONIC PAIN MANAGEMENT – **OPPOSE**
SB 188 NURSING FACULTY LOAN REPAYMENT GRANT PROGRAM – **SUPPORT**
SB 193 SEWER AND WATER CONNECTIONS THROUGH RIGHTS-OF-WAY – **SIP/OIP**
*** SB 233 BUSINESS PERSONAL PROPERTY TAX EXEMPTION – **SUPPORT**
SB 248 DISTRIBUTIONS OF PUBLIC SAFETY INCOME TAX REVENUE – **SUPPORT**
SB 270 RECUSAL OF LOCAL GOVERNMENT OFFICIALS – **SUPPORT**
SB 304 INTIMIDATION AGAINST UTILITY WORKERS – **SUPPORT**
SB 322 SALES TAX ADMINISTRATION – **SUPPORT**
SB 358 WORKER'S COMPENSATION – **OPPOSE**
SB 420 WORKFORCE DEVELOPMENT – **SUPPORT**
SB 436 NURSE LICENSURE COMPACT – **SUPPORT**
SB 438 TEACHER LICENSING AND CREDENTIALS – **SUPPORT**
SB 460 BROADBAND DEVELOPMENT – **SIP**
SB 471 OFFENSES INVOLVING CRITICAL INFRASTRUCTURE – **SUPPORT**
SB 472 UTILITY RATES AND ACQUISITIONS – **SUPPORT**
SB 507 EDUCATION MATTERS – **SUPPORT**
SB 517 UTILITY RELOCATION FOR ROAD PROJECTS – **SIP/OIP**
SB 532 TEACHER LICENSING EXAMINATIONS – **SUPPORT**
SB 535 EXTRATERRITORIAL POWERS OF CITIES AND TOWNS – **SUPPORT**
SB 546 EDUCATION TASK FORCE – **SIP**
SB 552 GAMING MATTERS – **SIP/NIP**
SB 554 ECONOMIC DEVELOPMENT – **SUPPORT**
*** SB 563 ECONOMIC DEVELOPMENT – **SUPPORT**
SB 565 DEPARTMENT OF REVENUE – **SUPPORT**
SB 566 RESIDENTIAL TAX INCREMENT FINANCING – **SUPPORT**
SB 567 VIRTUAL EDUCATION – **SUPPORT**
SB 606 TEACHER SALARIES – **SUPPORT**
SB 607 WORKFORCE DIPLOMA REIMBURSEMENT PROGRAM – **SUPPORT**
SB 623 PROPERTY TAX MATTERS – **OPPOSE**