



Legislative Update

121st General Assembly

Friday, February 1, 2019

Week Four Overview

The fourth week of the 2019 session was very busy and very cold! Committee hearings are in full swing. The House and Senate still have a few weeks for committee hearings before the committee report deadline, so committee activity will continue to be busy over the next couple of weeks.

Points of Interest

Budget Hearings

House of Representatives Ways and Means Committee

This first couple days of this week for the committee consisted of budget hearings. The committee heard testimony from several state agencies who presented their biennial budget requests. These include:

Monday

- Family & Social Services Administration
 - Medicaid Forecast Overview
- State Department of Health

Tuesday

- Department of Workforce Development
- Department of Natural Resources
- Department of Environmental Management
- Indiana Finance Authority
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Wednesday

- Tobacco Master Settlement Fund
- Department of Child Services
- Indiana Economic Development Corporation
- Public Testimony House Bill 1001 (The Budget)

On Thursday, the Committee started hearing testimony on subject matter legislation. They also heard several amendments on the proposed legislation. The hearing consisted of the following bills and proposed amendments to these bills:

- *House Bill 1003 School Corporation Expenditure Targets. (Rep. Dale DeVon (R-Granger))*
- *House Bill 1065 Regional Holding Facility. (Rep. Randy Frye (R-Greensburg))*
- *House Bill 1150 Monetary Awards for Exonerated Prisoners. (Rep. Gregory Steuerwald (R- Danville))*
- *House Bill 1155 Clark County Circuit Court. (Rep. Terry Goodin (R- Austin))*
- *House Bill 1173 Tippecanoe County Superior Court. Rep. Sharon Negele (R-Attica))*
- *House Bill 1238 Medicaid Reimbursement for Children's Hospitals. (Rep. Edmond Soliday (R- Valparaiso))*
- *House Bill 1332 Marion County Magistrates. (Rep. Mike Speedy (R-Indianapolis))*
- *House Bill 1473 Indiana Bond Bank. (Rep. Gregory Steuerwald (R- Danville))*
- *House Bill 1115 Tourism Development. (Rep. Michael Karickhoff (R- Kokomo))*



Session Floor Highlights

During the fourth week of session, the Indiana House of Representatives and the Indiana State Senate debated a number of bills and many passed on third reading. Many committee reports were adopted and bills were moving along to their second and third readings. Below you will find bills that passed in their respective chamber this week.

House of Representatives

House Bill 1004- School Safety (Rep. Wendy McNamara (R- Evansville)) - Provides that the Indiana safe schools fund may not be used to provide grants to employ a school resource officer or a law enforcement officer. Provides that an Indiana secured school fund matching grant may be used to employ a law enforcement officer. Provides that an accredited nonpublic school may receive a grant from the Indiana secured school fund (fund). Makes changes to the maximum grant amounts that a school corporation, charter school, accredited nonpublic school, or coalition of schools may receive from the fund. Provides that a virtual charter school or a virtual accredited nonpublic school may not receive a grant from the fund. Establishes minimum grant match percentages necessary to be eligible to receive a grant from the fund. Provides that, before July 1, 2021, each school corporation, charter school, or accredited nonpublic school shall certify to the department of homeland security that the school corporation, charter school, or accredited nonpublic school has conducted a threat assessment for each school building used by the school corporation, charter school, or accredited nonpublic school before applying for a fund matching

grant. Requires that at least one of the manmade disaster drills that is required to be conducted by each school in a school corporation during each semester must be an active shooter drill and must be conducted within 90 days after the beginning of the semester. Provides that each: (1) accredited nonpublic school; and (2) charter school; must conduct at least one active shooter drill during each school year. Provides that, beginning after July 1, 2019, for each year that the federal Centers for Disease Control and Prevention Youth Risk Behavior Survey or a successor survey is administered by the state department of health, each public school, charter school, and accredited nonpublic school with at least one employee shall work with the state department of health to provide students in grades 9 through 12 with the opportunity to participate in the survey. Provides that each school corporation and charter school shall: (1) identify; and (2) enter into a memorandum of understanding for referral with; a provider or providers to provide appropriate and necessary mental health services to students. A memorandum of understanding for referral shall be developed by the division of mental health and addiction.

House Bill 1008- Teacher Career Ladders (Rep. Robert Behning (R- Indianapolis)) - Makes changes to the requirements necessary for a school corporation to receive a grant from the teacher and student advancement grant program (program). Provides that charter schools may receive grants under the program. 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. Repeals provisions relating to the Indiana new educator induction pilot program.

House Bill 1009- Teacher Residency Grant Pilot Program (Rep. Dale DeVon (R- Granger))
- Establishes the: (1) teacher residency grant pilot program (pilot program); and (2) teacher residency grant pilot program fund. Requires the commission for higher education (commission) to administer the pilot program. Provides that the commission may award grants to school corporations and charter schools that: (1) apply to participate in the pilot program; (2) partner with one approved postsecondary educational institution to establish and implement a teacher residency program (program); (3) submit a teacher residency plan that establishes a program that meets certain requirements; and (4) provide other information required by the commission. Provides that a school corporation or charter school that is awarded a grant under the pilot program: (1) shall provide stipends to program participants and teachers who act as mentors to program participants; and (2) may use money from the grant award to pay the approved postsecondary educational institution with which the school corporation or charter school has partnered for administrative costs incurred by the approved postsecondary educational institution in developing and implementing the program. Requires the commission to submit a report regarding the pilot program and the retention and performance of program participants.

House Bill 1021- Education Finance (Rep. Jeffrey Thompson (R- Lizton)) - Replaces references to pre-2019 school funds with references to conform to the education funding and accounting changes made by HEA 1009-2017 and HEA 1167-2018. Extends (through 2022) the ability in current law for a school corporation to allocate circuit breaker credits proportionately (without taking protected taxes into account) under certain circumstances. Provides for the calculation of the growth in the maximum levy for a school corporation's operation fund to be based on an assessed value growth quotient (AVGQ) using the average annual growth in net assessed value over the most recent three year period. Provides for a ceiling of 4% plus the statewide AVGQ and a floor of the statewide AVGQ. Removes a requirement concerning an estimate of: (1) the source of all revenue to be dedicated to a school corporation's proposed capital expenditures in the upcoming calendar year; and (2) the amount of property taxes to be collected in the upcoming calendar year and retained in

the fund for capital expenditures proposed for a later year; from the format of a school corporation's capital expenditures plan. Provides for an adjustment to the Evansville Vanderburgh School Corporation operations fund levy for 2020 to fund a historical society supporting Bosse Field (the 2019 operations fund levy did not recognize the historical society fund levy that was imposed in 2018). Makes technical corrections.

House Bill 1034- Political Subdivision Controlled Projects And Debt (Rep. Jeffrey Thompson (R-Lizton)) - 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. Bases these threshold amounts on gross assessed value. Provides that for a road, street, or designated bridge project, only the costs paid from property taxes are considered when applying these threshold amounts. Provides that if the estimated increase in a political subdivision's property tax levy for debt service for a proposed controlled project will be offset in whole or in part because of the retirement of existing debt of the political subdivision, the proper officers of the political subdivision may adopt a resolution that includes certain information and statements. Provides that if a political subdivision experiences a decrease in net assessed value it may be stated as an exception to a political subdivision's statement about maintaining its property tax rate to fund a new controlled project because of the retirement of debt. Specifies the ballot language for the referendum on such a proposed controlled project. Provides that the restrictions on supporting a position on a controlled project apply to any political subdivision that has assessed value within the same taxing district as the political subdivision proposing the project.

House Bill 1139- Pension Thirteenth Checks (Rep. Burton (R- Greenwood)) - Provides for thirteenth checks in 2019 and 2020 for certain members of the: (1) Indiana state teachers' retirement fund; (2) public employees' retirement fund; (3) state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan; (4) state police pre-1987 benefit system; and (5) state police 1987 benefit system.

House Bill 1200- Telepsychology (David Frizzell (R- Indianapolis)) - Allows a psychologist and a health service provider who meets certain requirements (supervisee) to use telepsychology. Requires the psychologist or the supervisor of a supervisee who uses telepsychology to ensure that confidential communications stored electronically cannot be recovered or accessed by unauthorized persons when the psychologist or the supervisor of a supervisee disposes of electronic equipment and data

House Bill 1246- Pharmacy Matters (Steven Davisson (R- Salem)) - Allows a pharmacy that holds a retail permit to offer drugs and devices to a long term care facility and a health facility. Allows a pharmacy to transfer, upon the request of a patient, certain prescriptions for the patient that the pharmacy has received but not filled to another pharmacy. Provides that a pharmacy may not terminate employment of, demote, or retaliate against an employee of the pharmacy for lawfully defending himself or herself from physical harm or a crime. Provides that injectable epinephrine or glucagon must have an expiration date of not less than 12 months from the date that the pharmacy dispenses the injectable epinephrine or glucagon to a person. Provides that an automated dispensing system that meets certain requirements may be operated in a location other than through a registered remote dispensing facility. Allows a qualifying pharmacist who is absent to have a designee in the pharmacist's place at a remote dispensing facility. Allows the board of pharmacy to establish continuing education rules for pharmacy technicians who are at a remote dispensing facility that is not staffed by a pharmacist. Provides that auditory communication must be available, as needed, with the remote dispensing facility and the qualifying pharmacist. Requires

the board to adopt emergency rules concerning automated dispensing systems. Provides that the term "wholesale distribution", for purposes of the wholesale legend drug distributor laws, does not include the sale or transfer of a drug by a charitable organization to: (1) a nonprofit affiliate of the organization; or (2) a nonprofit entity that is not affiliated with the organization; to the extent permitted by law. Adds gabapentin to the definition of "controlled substance" for purposes of the Indiana scheduled prescription electronic collection and tracking (INSPECT) program.

Senate

Senate Bill 4, Water and Wastewater Utilities and Runoff (Sen. Ed Charbonneau (R-Valparaiso)) – Establishes a storm water management task force to study issues related to storm water management systems. Provides for the task force to consist of: (1) two members of the senate; (2) two members of the house; and (3) other members appointed by the governor. Requires the task force to issue a report setting forth its findings and recommendations not later than December 1, 2019. Requires the governor to appoint a water data officer. Requires the water data officer to: (1) serve as the executive branch coordinator of water related programs and activities of the state; (2) advise executive state agencies and political subdivisions regarding best practices concerning the coordination of funding streams and incentives to achieve comprehensive water related data collection and regional collaboration in water and wastewater service; and (3) coordinate data analytics and transparency master planning regarding investment, affordability, supply, and economic development related to water and wastewater service. 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" (the difference between the amount of water entering the utility's distribution system and the amount of water received by the water utility's customers). In even-numbered years, requires the results of the annual audit to be verified by an independent evaluator and reported to the IFA and requires the IFA to issue a report concerning the audit results. 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 cybersecurity plan have been prepared. Provides that an applicant for or holder of a permit for the operation of a water or wastewater treatment plant may withhold information in a life cycle cost-benefit analysis or capital asset management plan from public disclosure if the information could be excepted from inspection and copying at the discretion of a public agency under the public records law. Amends the definition of "customer lead service line improvement"

Senate Bill 83, Tax Increment Financing (Sen. Eddie Melton (D-Gary)) – Allows a redevelopment commission (including the Indianapolis metropolitan development commission) to the use up to 15% of the property tax proceeds allocated to a redevelopment district in a fiscal year for ongoing maintenance and repair of: (1) public ways; and (2) sewers, central water systems, central sewer systems, roads, sidewalks, and levees; that are located in an allocation area and that were funded in whole or in part with tax proceeds allocated to the redevelopment district.

Senate Bill 163, Recidivist Look Back Periods (Sen. Jack Sandlin (R-Indianapolis)) – Provides that a person commits a Level 6 felony if the person: (1) has a prior conviction for operating while intoxicated that occurred within the previous seven years; or (2) has at least two prior unrelated convictions for operating while intoxicated, two of which occurred in the previous 15 years. Provides that a person who causes serious bodily injury to another person when operating a vehicle while intoxicated commits a Level 5 felony if the

person has a previous conviction for operating while intoxicated within the previous seven years. Provides that a person commits a Level 6 felony for theft if the person has a prior unrelated conviction for theft or conversion that occurred within the previous 10 years. (Current law provides that a person commits a Level 6 felony for theft if the person has a prior unrelated conviction for theft or conversion at any time.)

Senate Bill 188, Nursing Faculty Loan Repayment Grant Program (Sen. Vaneta Becker (R-Evansville)) – Allows the state health commissioner to issue standing orders (current law allows for statewide standing orders) and sets forth requirements of a standing order. Removes requirement that the state department of health (state department) adopt rules defining a birth problem. Requires the state department to publish a list annually of birth problems required to be reported and allows for the state department to update the list. Adds considerations by the state department in compiling the birth problem list. Allows the state department to release information in the immunization data registry to the Centers for Disease Control and Prevention. Requires the state department to publish a list of reportable communicable diseases and other diseases and conditions that are a danger to health and to publish the list of control measures for the diseases and conditions on the state department's Internet web site. Sets forth considerations in updating the list of communicable diseases and conditions.

Senate Bill 193, Sewer and Water Connections Through Rights-of-Way (Sen. Mike Bohacek (R-Michiana Shores)) – Provides that a unit may not prohibit a property owner from installing a sewer line or other sewage works: (1) in or through a public right-of-way owned or controlled by the unit; and (2) 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 to the unit a written determination from a specified authority that the owner's existing sewage disposal system is failing, and if certain other conditions are met. Provides that in the case of a connection to a sewer system made under these provisions, a municipality (or a board of sanitary commissioners for the department of sanitation in certain municipalities) 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: (1) in or through a public right-of-way owned or controlled by the unit; and (2) for the purpose of connecting the owner's property to a waterworks owned or operated by a water utility other than a water utility owned or operated by the unit; if the property owner's property is served by a private water well, and if certain other conditions are met. Provides that the property owner may not install a sewer line or water line unless (1) the unit or entity that operates the sewer system or waterworks approves the connection to the sewer system or waterworks; (2) the sewer line or water service line does not extend outside the regulated territory, if any, that the property is located in; and (3) the property owner obtains all permits and approvals that are required for installation of the sewer line or water service line by the state and the unit in which the property is located.

Senate Bill 228, Department of Health Matters (Sen Ed Charbonneau (R-Valparaiso)) – Allows the state health commissioner to issue standing orders (current law allows for statewide standing orders) and sets forth requirements of a standing order. Removes requirement that the state department of health (state department) adopt rules defining a birth problem. Requires the state department to publish a list annually of birth problems required to be reported and allows for the state department to update the list. Adds considerations by the state department in compiling the birth problem list. Allows the state department to release information in the immunization data registry to the Centers for Disease Control and Prevention. Requires the state department to publish a list of reportable communicable diseases and other diseases and conditions that are a danger to health and to publish the list of control measures for the diseases and conditions on the state department's Internet web site. Sets forth considerations in updating the list of communicable diseases and conditions.

Senate Bill 233, Business Personal Property Tax Exemption (Sen Aaron Freeman (R-Indianapolis)) – 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 information system characteristics of each parcel in the county as of each assessment date; 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.

Senate Bill 235, Expungements (Sen Aaron Freeman (R-Indianapolis)) – Defines "collateral action" as an action that is factually or legally related to an arrest, a criminal charge, a delinquency allegation, a criminal conviction, or a delinquency adjudication. Specifies that certain information relating to: (1) an arrest; and (2) a collateral action is required to be sealed or marked expunged if a petition for expungement is granted. Provides that a person convicted of a felony that resulted in death to another person may not seek expungement of that felony. Strikes and relocates a provision relating to certain nonpublic records maintained by a law enforcement agency, and specifies that this provision also applies to records maintained by a public defender agency. Provides that records ordered expunged or marked as expunged when a court grants a petition for expungement include certain records relating to arrests and charges, if not otherwise ordered expunged or marked as expunged. Establishes a method for a person to expunge a protection order if the petition for a protection order is dismissed or denied.

Senate Bill 238, Indiana Criminal Justice Institute (Sen Aaron Freeman (R-Indianapolis)) – Expands the possible recipients of grants from the Indiana criminal justice institute (institute) beyond a county government or the state government. Changes the institute's responsibility from administering sexual offense services, domestic violence programs, and assistance to victims of human sexual trafficking to administering funds to support those programs and services. Requires the state police department to establish, maintain, and operate an Internet web site containing a list of properties that have been used in the illegal manufacture of a controlled substance. Abolishes the institute's: (1) meth watch program; (2) responsibility for developing guidelines concerning reporting of methamphetamine abuse; (3) gang crime witness protection program; (4) gang crime witness protection fund; and (5) sexual assault victim advocate standards and certification board. Makes conforming amendments.

Senate Bill 276, Opioid Treatment Pilot Program (Sen Aaron Freeman (R-Indianapolis)) – Extends the opioid treatment pilot program until 2022. (Under current law the pilot program will expire in 2020.)

Senate Bill 279, Waiver to Adult Court for Attempted Murder (Sen. Erin Houchin (R-Salem)) – Provides that the juvenile court shall waive jurisdiction if it finds that: (1) the child is charged with an act that would be murder or attempted murder if committed by an adult; (2) there is probable cause to believe that the child has committed the act; and (3) the child was at least 12 years of age when the act charged was allegedly committed; unless it would be in the best interests of the child and of the safety and welfare of the community for the child to remain within the juvenile justice system. Prohibits a person who has been adjudicated a delinquent child for committing an act while armed with a firearm that would be a serious violent felony if committed by an adult (serious delinquent) from possessing a firearm unless the person is at least: (1) 26 years of age, in the case of less serious acts; or (2) 28 years of age, in the case of more serious acts. Makes possession of a firearm by a serious delinquent a Class A misdemeanor, and increases the penalty to a Level 6 felony for a second or subsequent offense. Prohibits the expungement of the juvenile records of a serious delinquent unless the person is at least 26 or 28 years of age, depending on the seriousness of the underlying delinquent acts.

Senate Bill 438, Teacher Licensing and Credentials (Sen. Andy Zay (R- Huntington)) – 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 (NASDTEC) Interstate

Agreement. Requires the commission for higher education to establish a dual credit advisory council (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.

Senate Bill 488, Public Defenders (Sen. Michael Young (R-Indianapolis)) – Authorizes the Indiana public defender commission to create guidelines and requirements pertaining to a multicounty public defender's office. Authorizes a county executive to adopt an ordinance that allows the county to enter into an interlocal agreement with one or more counties for the purpose of: (1) creating a multicounty public defender's office; and (2) providing legal services to indigent persons located in the areas subject to the interlocal agreement. Requires interlocal agreements concerning indigent criminal defense to be administered by a joint board. Prohibits certain persons from acting as a member of a joint board. Specifies: (1) term limits; and (2) meeting requirements; for joint boards. Requires the auditor of one county belonging to an interlocal agreement to: (1) receive; (2) disburse; and (3) account for; all monies distributed to a multicounty public defender's office. Amends certain definitions. Makes conforming amendments.

Senate Bill 490, National Guard Life Insurance Program (Sen. Ron Alting (R- Lafayette)) – Requires the adjutant general of the Indiana national guard to facilitate the state sponsored group term life insurance program for members of the Indiana national guard.

Senate Bill 523, Waiver of Interest and Penalties (Sen. Eddie Melton (D- Gary)) – Provides that the fiscal body of a county may adopt an ordinance to establish a property tax amnesty program and require a waiver of interest and penalties added before January 1, 2019, on delinquent taxes and special assessments on real property in the county if: (1) all of the delinquent taxes and special assessments on the real property were first due and payable before January 1, 2019; and (2) before May 1, 2020, the taxpayer has paid all of these delinquent taxes and special assessments and has also paid all of the taxes and special assessments that are first due and payable after December 31, 2018. Requires the waiver of interest and penalties in these circumstances, notwithstanding any payment arrangement entered into by the county treasurer and the taxpayer. Provides that the waiver of interest and penalties under a program shall not apply to interest and penalties added to delinquent property tax installments or special assessments on real property that was purchased or sold in any prior tax sale.

Senate Bill 545, Reports on Stress Tests and Risk Assessments (Sen. Victoria Spartz (R-Noblesville)) – Provides that: (1) the executive director of the Indiana public retirement system; and (2) the trustee of the Indiana state police pension trust; shall report to the interim study committee on pension management oversight on any stress tests or sensitivity analyses performed during a state fiscal year on the pension funds under their respective administration.

Senate Bill 582, Jurisdiction of the Tax Court over Fees (Sen. Ed Charbonneau (R-Valparaiso)) – Provides that a taxpayer's appeal of an assessment may not include a claim related to the legality or constitutionality of certain other charges, rates, or fees. Provides that the tax court does not have jurisdiction over a challenge to the establishment, fixing, charging, imposition, or collection of user fees included in a case over which the tax court otherwise has jurisdiction. Defines "user fee" for purposes of tax court jurisdiction.

Please feel free to contact a member of our legislative team should you have questions regarding the Indiana General Assembly!

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