



Legislative Update

January 26, 2024

TO: INAAP

FROM: Bose Public Affairs Group

WHAT'S NEW?

The House and the Senate both have committee report deadlines next week. In order for bills to stay alive, they must be approved by a committee by Tuesday in the House and Thursday in the Senate. This means we are about two weeks away from bills switching chambers, marking the official halfway point of session.

See the remaining legislative deadlines below:

House	Senate
<ul style="list-style-type: none"> ● Jan. 30 – Deadline for House bills to advance out of committee ● Feb. 1 – 2nd Reading Deadline ● Feb. 5 – 3rd Reading Deadline ● Feb. 27 – Deadline for Senate bills to advance out of committee ● Feb. 29 – 2nd Reading Deadline for Senate bills ● March 4 – 3rd Reading Deadline for Senate bills 	<ul style="list-style-type: none"> ● Feb. 1 – Deadline for Senate bills to advance out of committee ● Feb. 5 – 2nd Reading Deadline ● Feb. 6 – 3rd Reading Deadline ● Feb. 29 – Deadline for House bills to advance out of committee ● March 4 – 2nd Reading Deadline for House bills ● March 5 – 3rd Reading Deadline for House bills
<p><i>Required Sine Die Date: March 14</i></p>	

2024 ELECTION NEWS

Senator Mark Messmer (R-Jasper) filed to run in the Republican Primary for Indiana's 8th Congressional District. Messmer has been in the state Senate since 2014, and he previously served in the Indiana House of Representatives. His Senate seat is not up for re-election this year, so he would remain in the Indiana Senate if he does not win the congressional race.

Congressman Larry Bucshon announced earlier this month he would not seek an eighth term, creating an open seat. Two other Republicans, Jeremy L. Heath and Jon Schrock, have already submitted their candidacies. The deadline for filing is February 9.

HOUSE EDUCATION PRIORITY BILL MOVES TO SENATE

House lawmakers advanced Rep. Chuck Goodrich's (R-Noblesville) [House Bill 1001](#), which would allow high school graduates to use funds from the 21st Century Scholars program and Frank O'Bannon grants for training, such as apprenticeships, instead of traditional college degrees. The legislation also permits students to utilize Career Savings Accounts for covering expenses related to obtaining driver licenses. An amendment postponed these changes until 2025.

Democrat lawmakers also urged the General Assembly to consider providing additional support to college students in the future, emphasizing the differing financial challenges faced by those pursuing technical education versus traditional college paths.

The House approved the bill with an 80-17 vote, forwarding it to the Senate for further consideration.

ADMINISTRATIVE LAW PROCEEDINGS MOVES FORWARD

[House Bill 1003](#), proposed by Rep. Greg Steuerwald (R-Avon), aims to designate the Office of Administrative Law as the final authority in disputes between agencies and the public, consolidating decision-making power.

Steuerwald, who has long advocated for centralizing administrative law judges under one office for all state departments, emphasized no reported expertise loss in the past five years using non-agency administrative law judges.

HB 1003 also requires courts to decide all questions of law without giving deference to any interpretation of the state agency. However, concerns were raised that the bill could weaken certain government rulings and might empower judges to inject personal opinions and policies into the process, departing from the current requirement to assess agencies' reasonableness and expertise on judicial appeal.

Despite these concerns, the bill passed the full House Chamber with a vote of 85-10 and now heads to the Senate.

BILL TO LEGALIZE HAPPY HOUR SEES MOVEMENT

Indiana bars and restaurants could soon offer customers "happy hour" drink deals under Rep. Jake Teshka's (R-South Bend) [House Bill 1086](#). The bill permits retailers to reduce drink prices for up to four hours a day but for less than 15 hours total in a week. Any deals could not occur between 10 p.m. and 3 a.m. However, restrictions include a ban on bottomless drinks and contests based on alcohol consumption. Opponents expressed concerns about increased alcohol consumption and potential negative impacts on those with substance use disorders.

The legislation would also legalize alcohol carry-out orders with specific packaging requirements. Retailers found violating these new terms would face consequences from the Indiana Alcohol and Tobacco Commission.

The bill passed the House Public Policy Committee 12-1, with some lawmakers expressing reservations about potential loopholes.

LAWMAKERS DISCUSS LOCAL PROPERTY TAXES

[House Bill 1120](#), authored by Rep. Jeff Thompson (R-Lizton), would extend the current cap on taxes that can be levied by school corporations for operating expenses approved in a

referendum. That cap is 3% over the maximum operating referendum tax that the school corporation could have levied in the previous year using the maximum referendum rate for that year. An amendment added in committee would also raise the current threshold for units' excess levy appeals. The current threshold is 2% growth over the average statewide assessed value, but the amendment raises that to 4%.

Additionally, [Senate Bill 285](#) was heard in the Senate Appropriations Committee. Committee Chairman and author of the bill, Sen. Ryan Mishler (R-Bremen), announced this hearing was held for discussion purposes only and will not move this year. Under the legislation, starting in Fiscal Year 2032, homesteads would be exempt from the payment of non-referendum property taxes. Up to \$1 billion in homestead taxes would be replaced with grants from the state Homestead Grant Fund which would be created after the early retirement of the pre-1996 pension obligations. With an estimated \$4 billion impact of this change, Mishler said the remaining revenue would need to be provided through some other mechanism.

Lawmakers will continue their work on the State and Local Tax Review Task Force headed into the 2025 session, where big-picture tax policy changes are expected to be considered.

WAYS & MEANS COMMITTEE VOTES TO REPEAL DOWNTOWN INDIANAPOLIS ECONOMIC ENHANCEMENT DISTRICT

The Republican members of the House Ways and Means Committee voted to advance Rep. Julie McGuire's (R-Indianapolis) [House Bill 1199](#), which would repeal a new economic enhancement district (EED) that was enabled in last year's budget bill and which was approved by the Indianapolis City-County Council.

The assessment that downtown property owners would pay was intended to generate revenue for a low-barrier homeless shelter, homeless outreach, downtown cleanliness initiatives, and safety ambassadors. Proponents of repealing the authorization of the EED argue that the provision was inserted without transparency and should have undergone proper vetting. Some downtown property owners and conservative groups support the repeal, claiming it will discourage development. However, supporters of the taxing district, including residents, civic leaders, and city officials, argue that it is crucial for sustainable downtown revitalization efforts.

An amendment approved by the committee to Rep. Jeff Thompson's (R-Lizton) [House Bill 1121](#) would allow the Indianapolis City-County Council to impose a local income tax on all Marion County residents for Mile Square improvements, instead of the special assessment only on properties within the downtown EED.

LAWMAKERS MOVE TO ESTABLISH MORE IEDC OVERSIGHT

The Senate Commerce and Technology Committee unanimously advanced oversight measures for the Indiana Economic Development Corporation (IEDC). The bill's author, Sen. Brian Buchanan (R-Lebanon), emphasized the IEDC's success but said [Senate Bill 295](#) was important to enhance transparency with the public.

Under the legislation, the IEDC would be required to inform local entities about acquisitions over 100 acres at least 30 days prior to closing the deal. The bill would also add two lawmakers to the IEDC's board as non-voting advisory members.

LEGISLATORS REVISIT GOVERNOR'S EMERGENCY POWERS

Senate Republicans passed Sen. Chris Garten's (R-Charlestown) [Senate Bill 234](#), which is aimed at limiting the governor's emergency powers. The bill proposes restricting a governor's

ability to extend a state of disaster emergency beyond 30 days, unless it is unrelated to the initial emergency. Longer declarations would require approval from the General Assembly.

Supporters argue the bill ensures representation for constituents during emergencies, while critics, including Democrats, express concerns that it could delay responses and create an added layer of bureaucracy. The bill, passing 38-10, now moves to the House for consideration. This follows previous legislative efforts to curb executive authority during the pandemic.

WHAT'S NEXT?

To see what committees are scheduled in the Senate, click [here](#). View the House's docket [here](#).

Visit iga.in.gov to access bills, view the latest session calendars, and watch session live.

Please contact your BPAG Professional with any questions regarding the topics above.

PRIORITY LEGISLATION