

INCMA Bill Report
Report created on April 15, 2025

SB1 LOCAL GOVERNMENT FINANCE (HOLDMAN T) Places restrictions on the issuance of certain general obligation bonds. Amends a capitalization rate percentage under the statewide agricultural land base rate determination. Provides that the percentage cap used to determine the maximum levy growth quotient is 4% in 2026. Provides that, notwithstanding any growth in a political subdivision's assessed value (AV) in the previous year, a political subdivision's ad valorem property tax levy shall not exceed the ad valorem property tax levy for its last preceding annual budget, unless the fiscal body of the political subdivision adopts an affirmative tax rate and tax levy increase by ordinance following a separate public hearing. Requires a resulting decrease in tax rates for each political subdivision in which there was an increase in the political subdivision's AV in the previous year, subject to any affirmative tax rate and tax levy increase adopted by the fiscal body of the political subdivision. Phases out the authority for the department of local government finance (department) to permit an excess tax levy that is based on AV growth, school transportation costs, and other circumstances. Retains the provisions that permit an excess tax levy if the civil taxing unit cannot carry out its governmental functions in the case of annexation, a natural disaster, an accident, or an emergency. Phases in an increase in the acquisition cost threshold for the business personal property tax exemption from \$80,000 to \$2,000,000. Provides that the 30% minimum valuation limitation does not apply to business personal property placed in service after January 1, 2025. Phases down the homestead standard deduction over five years to zero beginning for taxes due and payable in 2031. Phases in an increase in the supplemental homestead deduction to 2/3 of the AV of the homestead. Phases in an AV deduction for all property that is subject to the 2% circuit breaker credit for excessive property taxes for assessment dates beginning in 2025 up to a 1/3 AV deduction for taxes due and payable in 2031, and each taxable year thereafter. Expires certain property tax deductions allowed in current law, and instead allows a credit against local property taxes in certain instances. Makes certain changes to the qualification requirements and credit amount for the over 65 circuit breaker credit. Provides a supplemental homestead tax credit for property taxes for a person's homestead if the person qualifies for a standard homestead deduction for the same homestead property. Provides that specified referendums may be placed on the ballot only at a general election. Amends the ballot language for controlled project, school operating, and school public safety referendums. Provides that a school corporation may not adopt a resolution to place a controlled project referendum on the ballot during the second calendar year after the final calendar year in which a previously approved controlled project referendum levy is imposed. Modifies the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies based on the political subdivision's total debt service tax rate. Adds provisions to authorize a county fiscal body to adopt an ordinance to establish a property tax payment deferral program (program). Provides that a qualified individual participating in the program may defer the payment of part of the property taxes that would otherwise be due on a homestead. Provides that property taxes deferred under the program are due after the occurrence of a deferral termination event. Provides that the maximum amount of taxes that may be deferred cumulatively year over year may not exceed \$10,000. Increases, beginning in 2028, the maximum local income tax (LIT) expenditure rate for all counties to 2.9%. Authorizes a city or town to impose a municipal LIT rate beginning in 2028 not to exceed 1.2%. Provides that within a county's total expenditure rate, the county may adopt: (1) up to a 1.2% rate for county general purpose revenue; (2) up to a 0.4% rate for fire protection and emergency medical services; (3) up to a 0.2% rate for nonmunicipal civil taxing unit general purpose revenue; and (4) up to 1.2% for certain cities and towns that are not eligible to adopt a municipal LIT rate. Eliminates provisions that provide for a distribution of LIT expenditure rate revenue to schools and civil taxing units in counties that imposed a rate under the prior county adjusted gross income tax. Authorizes a county fiscal body to impose a local income tax expenditure rate to provide property tax relief for property tax liability attributable to homesteads in the county before January 1, 2028. Expires the authority to impose a property tax relief rate under the LIT and repeals the levy freeze rate. Provides that, in order to continue to impose an expenditure tax rate after 2027, each county must adopt a new ordinance on or before October 1, 2027, to impose the rate. Provides that, for counties that fail to adopt an ordinance to renew an existing expenditure tax rate in 2027, the expenditure tax rate for the county in 2028 shall be the minimum tax rate necessary for existing debt service. Specifies that this does not prevent the county from renewing, **MORE...**

Recent Status: 4/15/2025 - Senate concurred with House amendments; Roll Call 417: yeas 27, nays 22

Priority: Tier 1 - High

State Bill Page: [SB1](#)

HB1003 HEALTH MATTERS (BARRETT B) Specifies that the Medicaid fraud control unit's (MFCU) investigation of Medicaid fraud may include the investigation of provider fraud, insurer fraud, duplicate billing, and other instances of fraud. Permits the attorney general to enter into a data sharing agreement with specified state agencies and authorizes the MFCU to analyze this data to carry out its investigative duties. Provides that all complaints made to the state Medicaid fraud control unit are confidential until an action is filed concerning the complaint. Requires the office to establish: (1) metrics to assess the quality of care and patient outcomes; and (2) transparency and accountability safeguards; for a specified long term care risk based managed care program. Requires, not later than July 31, 2026, a clinical laboratory and diagnostic imaging facility to post certain pricing information for services determined by the department of insurance. Allows: (1) a manufacturer to provide; and (2) a patient to receive; individualized investigational treatment if certain conditions are met. Requires an Indiana nonprofit hospital system to report a list of facilities that may submit a bill on an institutional provider form and report the facility code for each facility. Adds provisions concerning payments by insurers, health maintenance organizations, employers, and other responsible persons to qualified providers that are providing services in an office setting. Requires good faith estimates for health care services to be provided at least two business days (rather than five business days) before the health care services are scheduled to be provided. Removes language concerning the disclosure of a trade secret from provisions that allow for a health plan sponsor to access and audit claims data. Provides that when a health carrier is in the process of negotiating a health provider contract with a health provider facility or provider, the health carrier must provide certain information to the health provider facility or provider. Prohibits certain provisions from being included in a health provider contract. Allows the department of insurance to: (1) enter into partnerships and joint ventures to encourage best practices in the appropriate and effective use of prior authorization in health care; and (2) receive information regarding prior authorization disputes. Requires the department of insurance to prepare a report with findings and recommendations related to the prior authorization dispute information. Requires, not later than September 1, 2025, the department of insurance to issue a request for information concerning ways to better enable medical consumers to compare and shop for medical and health care services. Provides that an insurer or a health maintenance organization may not deny a claim for reimbursement on the basis that the referring provider is an out of network direct primary care provider or independent physician. Requires, if a fully credentialed physician becomes employed with another employer or establishes or relocates a medical practice in Indiana, an insurer and health maintenance organization to provisionally credential the physician for 60 days or until the physician is fully credentialed, whichever is earlier. Requires the state department, in consultation with the office of technology, to study the feasibility of developing certain standards regarding medical records and data.

Recent Status: 4/14/2025 - Second reading amended, ordered engrossed

Priority: Tier 2 - Medium

State Bill Page: [HB1003](#)

HB1007 ENERGY GENERATION RESOURCES (SOLIDAY E) Provides a credit against state tax liability for expenses incurred in the manufacture of a small modular nuclear reactor (SMR) in Indiana. Establishes procedures under which certain energy utilities may request approval for one or more of the following from the Indiana utility regulatory commission (IURC): (1) An expedited generation resource plan (EGR plan) to meet customer load growth that exceeds a specified threshold. (2) A generation resource submittal for the acquisition of a specific generation resource in accordance with an approved EGR plan. (3) A project to serve one or more large load customers. Sets forth: (1) the requirements for approval of each of these types of requests; (2) standards for financial assurances by large load customers; and (3) cost recovery mechanisms for certain acquisition costs or project costs incurred by energy utilities. Amends the statute concerning public utilities' annual electric resource planning reports to the IURC to provide that for an annual report submitted after December 31, 2025, a public utility must include information as to the amount of generating resource capacity or energy that the public utility plans to retire or refuel with respect to any electric generation resource of at least 125 megawatts. Provides that for any planned retirement or refueling, the public utility must include, along with other specified information, information as to the public utility's plans with respect to the following: (1) For a retirement, the amount of replacement capacity identified to provide approximately the same accredited capacity within the appropriate regional transmission organization (RTO) as the capacity of the facility to be retired. (2) For a refueling, the extent to which the refueling will maintain or increase the current generating resource accredited capacity or energy that the electric generating facility provides, so as to provide approximately the same accredited capacity within the appropriate RTO. Requires IURC staff to prepare a staff report for each public utility report that includes a planned electric generation resource retirement. Provides that if, after reviewing a public utility's report and any related staff report, the IURC is

not satisfied that the public utility can satisfy both its planning reserve margin requirement and the statute's prescribed reliability adequacy metrics, the IURC shall conduct an investigation into the reasons for the public utility's inability to meet these requirements. Provides that if the public utility's report indicates that the public utility plans to retire an electric generating facility within one year of the date of the report, the IURC must conduct such an investigation. Provides that: (1) a public utility may request, not earlier than three years before the planned retirement date of an electric generation facility, that the IURC conduct an investigation into the planned retirement; and (2) if the IURC conducts an investigation at the request of the public utility within that three year period, the IURC may not conduct a subsequent investigation that would otherwise be required under the bill's provisions unless the IURC is not satisfied that the public utility can satisfy both its planning reserve margin requirement and the statutory reliability adequacy metrics as of the time the investigation would otherwise be required. Provides that if a CPCN is granted by the IURC for a facility intended to repower or replace a generation unit that is planned for retirement, and the CPCN includes findings that the project will result in at least equivalent accredited capacity and will provide economic benefit to ratepayers as compared to the continued operation of the generating unit to be retired, the CPCN constitutes approval by the IURC for purposes of an investigation that would otherwise be required. Provides that if, after an investigation, the IURC determines that the capacity resources available to the public utility will not be adequate to allow the public utility to satisfy both its planning reserve margin requirements and the statute's prescribed reliability adequacy metrics, the IURC shall issue an order: (1) directing the public utility to acquire or construct; or (2) prohibiting the retirement or refueling of; such capacity resources that are reasonable and necessary to enable the public utility to meet these requirements. Provides that if the IURC does not issue an order in an investigation within 120 days after the initiation of the investigation, the public utility is considered to be able to satisfy both its planning reserve margin requirement and the statutory reliability adequacy metrics with respect to the retirement of the facility under investigation. Provides that if the IURC issues an order to prohibit the retirement or refueling of an electric generation resource, the IURC shall create a sub-docket to authorize the public utility to recover in rates the costs of the continued operation of the electric generation resource proposed to be retired or refueled, subject to a finding by the IURC that the continued costs of operation are just and reasonable. Makes a technical change to another Indiana Code section to recognize the redesignation of subsections within the section containing these provisions.

Recent Status: 4/14/2025 - House Bills on Third Reading

Priority: Tier 2 - Medium

State Bill Page: [HB1007](#)

HB1037 STORM WATER MANAGEMENT (MILLER D) Provides that a unit does not have the power to adopt a law, rule, ordinance, or regulation that is more stringent than or exceeds in any manner the requirements of the department of environmental management's (IDEM) construction stormwater general permit (CSGP). Provides that if a law, rule, ordinance, or regulation is more stringent than or exceeds the CSGP, then: (1) the law, rule, ordinance, or regulation is void; and (2) the unit must continue to discharge its duties under IDEM's CSGP program. Provides that a unit or IDEM may under certain circumstances: (1) issue a written warning to a person engaging in land disturbing activities; and (2) issue a stop work order for the site.

Recent Status: 4/10/2025 - Second reading ordered engrossed

Priority: Tier 2 - Medium

State Bill Page: [HB1037](#)

SB3 FIDUCIARY DUTY IN HEALTH PLAN ADMINISTRATION (BUSCH J) Provides that any third party administrator or pharmacy benefit manager acting on behalf of a plan sponsor owes a fiduciary duty to the plan sponsor.

Recent Status: 4/3/2025 - Senate concurred with House amendments; Roll Call 337: yeas 48, nays 0

Priority: Tier 2 - Medium

State Bill Page: [SB3](#)

SB371 WORKFORCE MATTERS (ROGERS L) Amends the definitions of "discharge for just cause", "employment", and "gross misconduct" for purposes of unemployment insurance. Provides that an unemployment claimant: (1) is required to verify their identity before a claim can be filed, and as a condition for continued eligibility; and (2) has the right to request a wage investigation and to appeal the results of the investigation to a liability administrative law judge. Allows an unemployment claimant or employing unit to appeal regarding

the claimant's status as an insured worker. Requires that all hearings before an administrative law judge or the unemployment insurance review board concerning disputed unemployment claims be set as telephone hearings, unless an objection is made. Allows a disputed unemployment claim to be directly filed with a liability administrative law judge. Provides that administrative records of the department of workforce development (department) are self-authenticating and admissible in an administrative hearing. Provides that the department may release certain confidential records to the extent permitted by federal law. Makes certain changes regarding the reemployment service and eligibility assessment program. Makes various changes regarding extended unemployment benefits. Provides that repayment of a benefits overpayment may be waived if certain conditions are met. Alters certain fee and payment provisions. Removes or alters notice and delivery requirements and extends certain deadlines. Requires the department to issue a written notice of violation to a person who fails to comply with certain authorization requirements. Provides that the department may assess a civil penalty against a person under certain circumstances. Requires civil penalties collected by the department to be deposited in the proprietary educational institution authorization fund. Establishes the unemployment insurance modernization fund (fund). Requires the department to annually submit a report to the budget committee detailing the expenditures made from the fund during the previous state fiscal year. Requires the department to annually submit a report to the budget committee concerning the status of the department's unemployment insurance program. Makes conforming changes.

Current Status: 4/14/2025 - House Advisors appointed Lopez, Hostettler and Hamilton

Recent Status: 4/14/2025 - House Conferees appointed Miller D and Moseley
4/10/2025 - Senate dissented from House Amendments

Priority: Tier 2 - Medium

State Bill Page: [SB371](#)

SB451 **INCOME TAX RATE** (HOLDMAN T) Provides for a decrease in the individual adjusted gross income tax rate beginning in 2030 depending on certain conditions being met.

Recent Status: 4/7/2025 - Senate concurred with House amendments; Roll Call 354: yeas 48, nays 0

Priority: Tier 2 - Medium

State Bill Page: [SB451](#)