

The Cope...



INCMA's Monthly Newsletter

March 2018

LEGISLATURE ADJOURNS

At midnight the legislative session ended – at least according to statute. Confusion reined in the final minutes and carried over as many struggled to comprehend what was occurring. A few bills that had been agreed to did not pass because of time. Consult your local papers for updates to the end of the session last night.

Workforce development: was the centerpiece of the session and a priority to the Governor and legislative leaders. [SB 50](#) (Long –R, Fort Wayne) and [HB 1002](#) (Houston – R, Fishers) represent the effort so lawmakers to enhance workforce training. The bills establish the Governor's Workforce Cabinet to develop comprehensive career navigation and coaching system for Indiana and they require all high schools to participate in the career-coaching program. Business groups including the Indiana Manufacturers Association (IMA) have been critical of both bills. In the final days of the session the IMA changed its position to oppose both bills.

Infrastructure: A task force established under [HB 1267](#) (Soliday, R – Valparaiso) will evaluate the needs of water

infrastructure in Indiana. INCMA followed this measure to ensure that water utilities did not use this as an attempt to implement “tracker” language that would increase costs.

Environmental: The omnibus environmental bill, [HB 1233](#) (Wolkins – R, Warsaw) went through several iterations winding up as a clean up bill for the most part. Most significant was the change in the environmental crimes statute. For the first time in Indiana



“negligence” will be the standard for violations of statutes or rules related to NPDES regulations. The statute contains its own definition of “negligence” requiring a gross deviation from the standard of care an ordinary person would exercise.

Utility Issues: Very little activity took place this session involving utility statutes. INCMA participated in an informational hearing on

the Utility Receipts Tax (URT). The URT is a 1.4% tax paid on all utility bills. INDIEC will be asking the legislature in 2019 to “right size” the tax for the first time in 17 years.

INCMA lobbyists will continue to provide you with [online](#) updates as the Governor reviews and signs or vetoes matters. If you have questions, please contact Blake Jeffery at incmaoffice@ameritech.net or Patrick Bennett at patrick@pkbconsulting.net

TRADE TARIFF'S GOOD OR BAD?

President Trump surprised many last week with his move to implement tariffs on steel and aluminum. While some in the foundry sector have strong concerns, others are more reserved. The AFS has solicited feedback and received mixed results although few offer strong support for the tariffs. The tariffs will take effect March 23rd. A few more facts:

- Scope of the steel products is defined as HTS codes: 7206.10 through 7216.50; 7216.99 through 7301.10; 7302.10; 7302.40 through 7302.90; and 7304.10

through 7306.90. These include bar, rod, wire, ingot, flat, rolled, etc., but no downstream products.

- Scope of the aluminum products is defined as HTS codes: 7601; 7604 through 7609; and HTS **7616.99.51.60**

(castings). This includes aluminum in all its basic forms, as well as castings under these HTS codes.

- The president will have the discretion to add or subtract countries and raise and lower the tariffs at any time.

- The tariffs will not apply to imports from Canada and Mexico initially so that officials work toward a new NAFTA agreement.

- Other countries with a “security relationship” to the U.S. may seek exemptions.

While the debate continues, [link here](#) for a copy of the White House tariff proclamation. Click here for a [recent article in The Charlotte Observer](#) reflecting one foundry's experience. Stay tuned!

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