Hendricks County Chambers Weekly Statehouse Update

By Caryl Auslander • Feb 25, 2023

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General Statehouse Update

Week seven at the Indiana General Assembly was action-packed with committee deadlines, large crowds, and several key pieces of legislation gaining approval from their respective chambers. This week we also saw the first enrolled act make its way to the Governor's desk for his signature. In the House, where 673 bills were introduced, only 178 have made it past deadlines this week (about 25%). What made it through the first major deadline before the switchover? Let's dive in...

SALT Gains Governor's Signature

A bill to provide a <u>state and local tax (SALT) deduction</u> for many small businesses in the state made its way to the Governor's desk and was signed on Thursday. <u>SEA 2</u> provides the deduction for what are known

as pass-through entities, which are businesses that are not subject to corporate income tax. Some advocates for the bill say its passage could potentially result in an estimated \$50 million in annual tax savings for business owners. This is the first bill of the 2023 session to make its way to Governor Holcomb's desk to receive his signature.

The Governor's bill track list can be found here.

HB 1001 Budget Bill Passes First Chamber

HB 1001, the biennial budget bill, passed out of Ways and Means on Monday and was then approved by the full chamber by a party-line vote of 66-29 on Thursday afternoon. Amendments adopted during second reading include minority teacher scholarships, a prohibition of state funding for Indiana University's Kinsey Institute, and an increase in the Sexual Assault Victims Assistance fund to \$8MAs a reminder, In the \$43.3B spending plan, House Republicans prioritize keeping a healthy reserve while investing a portion into one-time spending initiatives to help Hoosier families, promote economic development, and invest in infrastructure.

For additional information, please visit the <u>press release</u> or <u>slide</u> <u>presentation</u>.

Gender Identity Bills Bring Large Crowds

Two bills concerning gender identity were heard in the Senate and House, respectively. Both drew large crowds of activists and made for very full committee hearings. SB 480 bars access to gender-affirming healthcare for transgender kids under age 18. This would prohibit access to any sort of medical or surgical treatment for transgender youth including puberty blockers, hormone therapy or gender-affirming surgery. After hours of emotional testimony, the bill advanced out of the Senate Health and Provider Services Committee by a vote of 8-3.

On Monday, the Public Health Committee heard <u>HB 1608</u>, dubbed the "Don't Say Gay" bill, and was approved on third reading by Thursday afternoon. Under this proposal, educators would be required to tell parents if a student changes their gender identity or preferred name and prohibits instruction surrounding sexuality to be discussed before grade 3.

ESG Legislation passes House Ways and Means

On Tuesday, Ways and Means adopted an amendment to <u>HB 1008</u> designed to maximize returns for the <u>state's public pension system</u>. It would require the Indiana State Public Retirement System to make investment decisions "solely in the financial interest of the participants and beneficiaries of the public pension system" and enacts new requirements for the system.

HB 1008 is intended to ensure maximum financial returns for the state's public pension system, according to bill author Rep. Ethan Manning, R-Logansport. Several second reading amendments were offered by Democrats and failed on Thursday. The bill now awaits final House approval on Monday.

Tax Task Force Legislation Passes Senate

A <u>new task force</u> charged with analyzing property taxes, sales taxes, and income taxes is the focal point of <u>SB 3</u> and was heard in Senate Tax and Fiscal Policy Committee on Tuesday. Most of the work done by the new Tax Task Force would be handled by legislators who would serve on the panel and interested organizations would be encouraged to participate in various subgroups. It is now on the second reading calendar and up for amendments from the chamber.

Climate Solution Task Force Bill Dies in Committee

A bill crafted with the help of <u>young climate activists</u> has died for failure to receive a vote in the Senate Environmental Affairs Committee this session. The task force outlined in <u>SB 335</u> would have studied topics like acquiring land for nature preserves, creating a carbon credit market, funding energy efficiency measures, and expanding mass transit. This is the second year youth activists with Confront the Climate Crisis have worked with lawmakers on this topic.

Partisan School Boards Bills Update

HB 1428, a bill to allow <u>local school boards</u> to decide whether or not school board candidates should disclose their party affiliation, awaits final consideration by the House. The bill was amended to allow school boards the decision to decide if they want to allow for partisan elections. The Senate heard their version of this proposal, <u>SB 188</u>, in the Senate Elections committee earlier this month but was not put back on the schedule for further consideration, so is considered dead for the session.

HB 1428 has until Monday's deadline for a final vote or is also considered dead.

Healthcare Bills Advance to Third Reading

HB 1004, a cumulative healthcare bill including fines for hospitals and tax credits for doctors who are unaffiliated with large healthcare systems, found committee approval in both House Public Health and Ways and Means. No amendments prevailed on second reading and the bill now awaits final consideration from the House. Additionally, HB 1003, which affects insurance components of this session's collection of healthcare cost regulations, awaits final a third reading vote by the house before next week's deadline.

Next Week

The first half of session is drawing to a close with the third reading deadline in the House on Monday and second and third reading deadlines on Monday and Tuesday in the Senate. There will be no more committee hearings until the second half of session. The biennial budget is already on its way to the Senate. Governor Holcomb has signed the first bill of the session into law. With these major gains accomplished, expect to see a great deal of action on Monday and Tuesday with lawmakers (and lobbyists!) taking an extended break midweek through the crossover. Plenty of legislation remains on the calendar at the start of next week and you can count on Torchbearer Public Affairs to be there monitoring and advocating for your needs. Please feel free to reach out to us with any questions or concerns.

Hendricks County Chambers Update

It's the final countdown (of the half!) We finished week 7 at the Statehouse with not one, but three deadlines passing. The House and Senate both had committee deadlines, and the House closed out the week with second reading deadlines on Thursday. The upcoming week will have final third reading deadlines on Monday and Tuesday. Following that, the General Assembly will adjourn for "halftime" and

will reconvene on Monday, March 6th. Bills that did not make it through the deadlines have already been marked dead on the IGA website. Dead bills will fall off of your report following the third reading deadlines next week.

Childcare/PreK:

• HB 1591 is an omnibus education bill authored by Representative Behning and was heard again in committee this week. An amendment was adopted in committee that removed the pilot provision for On My Way Pre-K, making it a permanent program. The amendment clarifies eligible providers to include K-12 schools that operate preschool programs. It also includes a provision about incentivizing providers who increase wages for employees who are obtaining additional credentials. The House-passed version of the budget includes the fiscal component to this language. The bill passed out of committee and was engrossed on second reading with no additional changes. The bill passed with a unanimous third reading vote and will move on to the Senate for committee assignment.

Housing:

• **HB 1085** is a housing TIF bill that has gained a lot of attention this week. There is a significant push back from local governments, and now some local and regional chambers of commerce, saying that this bill hinders economic development. This bill was held on the calendar all week and we are hearing the House does not have enough votes to pass the bill. The bill has until Monday to be voted on.

Workforce:

- As we reported, **SB 347**, this year's work share bill, made it out of committee for the first time in its legislative history. The bill was recommitted to Senate Appropriations committee did not get rescheduled for a hearing. The bill can be considered dead.
- <u>SB 248</u> provides that an individual who is an Indiana resident and cannot provide proof of identity and lawful status in the United States may apply for a driving privilege card to obtain driving privileges. The bill passed out of committee and was recommitted to the Senate Appropriations committee due to its fiscal component. It

did not make it past the committee deadline and is now considered dead.

• HB 1344 is Representative Teshka's Right to Start Act bill. It requires the state to encourage 5% of the total number of state contracts to be awarded to businesses that have been in operation for fewer than five years and whose principal place of business is in Indiana. It also requires the state to encourage 5% of workforce development funding, including funding allocated by workforce development boards across Indiana, to be used to support organizations or programs for individuals starting new businesses or to those organizations or programs that provide services to businesses established within the previous five years and whose principal place is located within Indiana. The bill was heard in committee and received wide support. The bill was held in the first committee and not rescheduled this week. The bill is now considered dead.

Health Care:

- HB 1003, Representative Snow's health care bill, deals with inefficiencies in the system and incentivizing employers through tax credits. The bill would incentivize employers through tax credits to use "health reimbursement arrangements" rather than a traditional health care plan for their employees. Of the numerous House health care bills aimed at lowering costs for Hoosiers, HB 1003 has been met with the most support from stakeholders. The bill passed out of the Ways and Means committee this week with few changes, and was engrossed on second reading with no additional changes. The bill is eligible for a final third reading vote on Monday.
- As we've previously reported, <u>HB 1004</u> is a healthcare bill that deals with what hospitals can charge for services. The bill would create a penalty for hospitals that charge above the national average for services, which is 260% of the federal Medicare reimbursement rate. The bill was heard in committee this week and passed out with a 15-7 vote. It was engrossed on the House floor with no additional changes and is eligible for a third reading vote on Monday.

Please review your bill track list (below) and let us know if you have any questions - Chambers care about a lot of issues, so this list is very expansive!

Here is the live link to your bill track for 2023.

Action Items

• Please review your bill track and let us know of any bills of interest to you.

Important Dates

Monday, February 27th - Senate 2nd Reading Deadline Monday, February 27th - House 3rd Reading Deadline Tuesday, February 28th - Senate 3rd Reading Deadline

Tuesday, April 11th - House Committee Report Deadline

Thursday, April 13th - Senate Committee Report Deadline

Thursday, April 13th - House 2nd Reading Deadline

Monday, April 17th - Senate 2nd Reading Deadline

Monday, April 17th - House 3rd Reading Deadline

Tuesday, April 18th - Senate 3rd Reading Deadline

Thursday, April 27th - Anticipated Sine Die

Senate Session Calendar

House Session Calendar

Please feel free to reach out with any questions. Have a great weekend!

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