



Session – Week 6
February 14, 2025

LEGISLATIVE UPDATE

The Corydon Group
— FIRST IN PUBLIC AFFAIRS —

Indiana Outdoor Management Association

Click here for current Bill Track:

<https://tinyurl.com/IOMA2025>

The sixth week of the legislature was a flurry of activity. Monday, February 17, is the committee report deadline, and any bill that isn't heard will be dead. Property tax reform was again a focus after the Senate Tax and Fiscal Policy Committee heard and listened to SB1 (Property Tax) testimony last week. The committee met and amended the bill after hearing from local government units, whose budgets come from property taxes. They were concerned that the steep cuts in the drafted bill would undermine their ability to provide public safety and other critical services to their communities. An overview of the amended bill is at the end of this report.

On Monday, the House Ways and Means Committee will hear, adopt amendments, and pass HB1001 (State Budget) to direct state spending for the next two years. It will follow the same legislative process as other bills, first being heard on the second reading, where any member can propose an amendment, and on to its third reading, where the House will vote it out of the chamber and over to the Senate for their consideration and discussion.

Thursday, February 20, is the final deadline for bills to pass their first chamber. Any bill that isn't heard and passed before the deadline is dead as a bill, but its language may be considered for amendment into another bill later. Find out the status of your bills by clicking the link above.

HB1184—State Chemist, authored by Representative Steve Bartels (R - Eckerty), would transfer the office's reporting line, including its duties, authorities, and employees, from Purdue to the Indiana Department of Agriculture in 2027. The office would continue to exist, but instead of reporting to the Dean of the School of Agriculture at Purdue, it would report to the State Agricultural Commissioner, who reports to the Lt. Governor. It did not receive a hearing and will die after the deadline passes.

SB123-Unemployment Compensation, authored by Senator Scott Alexander (R - Muncie), reduces the maximum amount of regular unemployment benefits. Senate Pensions and Labor Committee heard it three weeks ago but held it for further discussion. Employers pay into an Unemployment Insurance Fund, which provides unemployment benefits. An employer's UI rate is based on several variables, but one of the most significant is the number of workers who receive UI benefits. Seasonal industries pay

more than non-seasonal industries because their workers use UI benefits. It was not scheduled and will die after the deadline passes.

HB1418-Employing an Unauthorized Alien, authored by Rep. Jim Lucas (R - Seymour), prohibits an employer from intentionally employing an unauthorized alien or entering into an agreement with an employer (even as a subcontractor) who employs unauthorized aliens. It allows a person to allege a complaint against an employer alleging a violation that the Indiana Attorney General must investigate. Employment, Labor, and Pensions Committee Chairman Heath VanNatter (R - Kokomo) did not schedule a hearing; it will die after the deadline.

HB1638-Government and Regulatory Matters, authored by Rep. Steve Bartels (R - Eckerty), is the latest administrative agency reform bill of a multi-year effort to increase transparency, eliminate waste, and improve the efficiency of state agencies. As drafted, it requires agencies to engage in additional actions before renewing a rule, like comparing the costs of similar rules in surrounding states. It also merges, consolidates, and eliminates overlapping boards regarding duties or personnel. Two of the boards that would be consolidated are the Pesticide Review Board and the Invasive Species Council. I confirmed with the author that the governor's office had concerns. The Government and Regulatory Reform Committee did not schedule a hearing; it will die after the deadline.

There is one remaining bill of concern. HB1531-Various Immigration Matters, authored by Rep. J.D. Prescott (R-Union City), says that in Indiana, federal immigration laws may be carried out by federal, state, and local law enforcement. It pertains mainly to government units, and their failure to comply with an immigration detainer request may be brought to court and have a civil penalty imposed by the Indiana Attorney General. This is directed at "sanctuary cities" and law enforcement units that will not say if they will cooperate with immigration enforcement.

It also prohibits an employer from recruiting, hiring, or employing an unauthorized alien. Provides that if the attorney general determines that probable causes exist that an employer has recruited, hired, or employed an unauthorized alien, the attorney general may enjoin the action and seek the suspension of the employer's operating authority. It was on the tracking list but wasn't getting traction until the House Judiciary Committee scheduled a hearing for Monday morning. We will attend the committee and report back.

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Senate Bill 1 Changes

[Amendment 17](#) was added into [SB 1](#) on Tuesday, changing much of the bill's intent. Many of Governor Braun's policy proposals were removed. SB 1's original form would have charged local government with the task of "tightening their belts" and limited funding for services to realize more tax relief. The amended bill still requires them to pursue cost cutting measures regarding levies and school referenda but omits larger budget concerns such as the 3% property tax growth cap and 2% cap for low-income individuals or families with children.

The amendment also incorporated a wide range of other Senate bills into SB 1. Sen. Rogers' (R-Granger) proposal for a payment deferral program of up to \$500 of property income tax was amended into SB 1 with a \$2,500 first-time homebuyer tax credit for individuals making up to \$75,000 in annual income. Sen. Baldwin's (R-Noblesville) plan to freeze the 2026 maximum levy growth quotient and then cap it for the following two years was also added. Language authored by Sen. Buchanan (R-Lebanon) requiring school referenda to only be placed on the ballot in general election years was also included in the newly amended bill.

Braun's initial plan would have saved taxpayers \$2.7 billion over the next three years while the new proposal estimates

only \$1.4 billion in savings over that same period. Sen. Holdman (R-Markle), the author of SB 1, said he is working with the governor's office to move forward on the bill and get to a "good spot."

Community leaders voiced concerns over the original bill's impact on local government's ability to generate revenue and function, citing its increased restrictions on the tools local units use to cover the services they provide to their communities and how much local governments can increase their annual budgets.

During Thursday's session, several amendments to SB 1 offered by Sen. Qaddoura (D-Indianapolis) and Sen. Young (R-Indianapolis) were defeated on the floor after Sen. Holdman objected to each.

SB 1 now has been engrossed and is eligible for a vote by the full Senate on February 17.

Ways & Means Committee

The House Ways & Means Committee took public testimony on the Governor's proposed budget, [HB 1001](#), last week on Thursday, January 6. Around 100 people testified before the committee to express their support for the provisions or make funding requests.

Education was a central theme. Teachers and parents came to testify in support of the

Education Saving Account (ESAs), Career Scholarship Account (CSAs), and universal school vouchers. In 2023, the voucher program expanded to households earning up to 400% of the qualifying income for the federal reduced-price school lunch program. Governor Braun's proposed budget would remove any income eligibility requirements, making Indiana one of ten states with universal school choice.

Additionally, many requested increased funding for trails. In 2023, the Department of Natural Resources (DNR) received a \$30 million appropriation as part of former Governor Holcomb's Next-Level Connections infrastructure development program. This line item under DNR was left out of the Governor's proposed budget.

Next-Level Trails has invested \$180 million state dollars over four rounds of funding to support the development and connection of trails regionally and locally across Indiana.

Organizations from across the state advocated for the funding to be reinstated, citing trails as community building, public health, and economic development tools.

This coming Monday, February 17, Chairman Jeff Thompson (R-Lizton) will hear HB1001 for amend and vote. The full House must pass the two-year budget bill no later than Thursday, February 20.

Legislative Deadlines

125th General Assembly

House and Senate committee report
deadlines:

February 17, 2025

House and Senate second reading
deadline:

February 19, 2025

House and Senate third reading
deadline:

February 20, 2025

Crossover break:

February 24 – February 28, 2025

Second half of session begins:

March 3, 2025

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