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## Statehouse Report

### APRIL 20, 2009

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Less than two weeks remain in the 2009 legislative session, and the General Assembly has moved into the final phase of the process. All bills have been fully considered by both chambers, and conference committees have begun. Conference committees are where differences between the House and Senate version of bills are negotiated in a joint committee of House and Senate members. If the committee can agree on a compromise, the final version of the bill is presented back to each chamber for a final concurrence vote by each body. Both the House and Senate frequently make major amendments to bills originating in a different chamber; therefore, the most significant negotiations on bills often take place in conference committee.

#### State Budget

The Senate [voted 32-18](#) last Tuesday to pass their version of the state budget bill, [HB 1001](#). The two-year, \$28.1 billion proposal uses federal stimulus money to provide \$823 million for education, and \$1.1 billion for Medicaid. Final negotiations between the House, Senate and the governor now have until April 29 to come to agreement. Conference committee meetings on the budget bill begin this week.

On Friday, April 17, the most recent state revenue forecasts were greeted with mixed reviews. The forecast showed a \$690 million shortfall off initial revenue projections. However, fiscal analysts from both chambers expressed fears the new projections—as bad as they are—may not be accurate. If the losses the state has seen over last few months continue, tax receipts will fall another \$250 million below last week's forecast for 2009.

#### Unemployment

Negotiations are continuing on finding a solution to Indiana's unemployment trust fund crisis. The federal government has said it might raise taxes on employers if Indiana is unable to repay the \$725 million in loans it has taken out to keep the fund afloat.

If the state has not repaid its loans in full by November 10, 2010, Indiana employers could see a 38% increase in their federal unemployment taxes. Fourteen states have used federal loans to keep paying unemployment benefits during the current recession. Michigan has borrowed the most, \$1.96 billion, followed by California at \$1.83 billion, New York at \$1.19 billion, and Ohio, \$772.6 million. Indiana employers currently pay annual state unemployment taxes of 1.1 percent to 5.6 percent on the first \$7,000 of an employee's income. Employers with a history of layoffs pay more. The federal tax is currently .8 percent on the first \$7,000 and could rise to 1.1 percent next year if the federal loans aren't repaid.

Meanwhile, Indiana's unemployment rate rose to 10% in March—the highest it has been since 1983—and personal bankruptcies for March 2009 have increased 41% over 2008 numbers. Indiana now ranks 9<sup>th</sup> nationally in bankruptcies.

## **Campaign Finance**

The House has passed [SB 209](#) by a [vote of 54-46](#). The bill would prohibit the governor from soliciting or receiving campaign contributions during budget-writing sessions of the General Assembly. Members of the General Assembly already may not receive campaign contributions during sessions in the years in which the state budgets are written. The bill would also prohibit any businesses with large state contracts from contributing to statewide office holders or candidates.

The author of the House-added provisions drew inspiration from the recent “pay-to-play” scandals in neighboring Illinois. Similar legislation was infamously vetoed by Illinois Governor Rod Blagojevich.

## **Northern Indiana Regional Transportation District.**

[HB 1607](#), a bill to create a four-county Regional Transportation District, was amended on second reading in the Senate last week. As reported out of committee, the created a regional transportation district comprised of Lake, Porter, LaPorte, and St. Joseph counties. The regional district would supplant all local transportation agencies, and have the authority to impose a .25% tax on residents in member counties.

Amendments on the Senate floor would now allow each county a public referendum on whether to participate. Also removed from the bill was the requirement that member counties adopt additional taxes on top of the .25% regional income tax. The House authors are likely to dissent on the changes, and the bill will move to negotiations in conference committee.

## **Governor’s Latest Actions on Bills**

- [SB 057](#) - Sign language interpreters in schools. *Signed.*
- [SB 271](#) - Animal disease diagnostic laboratory. *Signed.*
- [SB 301](#) - Medicaid transfer of assets and trusts. *Signed.*
- [SB 304](#) - Communication of Medicaid notices and bulletins. *Signed.*
- [SB 346](#) - Noncode statutes. *Signed.*
- [SB 424](#) - Pests and pathogens. *Signed.*
- [SB 545](#) - Fish and wildlife matters. *Signed.*

## **Bills in Conference Committee**

- [SB 014](#) - Accessibility of voting locations.
- [SB 126](#) - Financial responsibility curriculum.
- [SB 136](#) - Purchasing and public works.
- [SB 181](#) - Child seduction and repeat sex offenders.
- [SB 219](#) - Immunization registry and immunizations.
- [SB 238](#) - Crimes against animals.
- [SB 244](#) - Offender reentry administrative account.
- [SB 254](#) - Voter ID and voter registration.
- [SB 270](#) - Occupational certification requirements.
- [SB 306](#) - Competitive bids for prescribed drugs under Medicaid program.
- [SB 345](#) - Domestic violence programs and Indiana protective order registry.
- [SB 365](#) - Various human service matters.
- [SB 388](#) - Property tax levies for mental health services.
- [SB 469](#) - Limited liability for certain asbestos claims.
- [HB 1001](#) - Budget bill.
- [HB 1040](#) - Trusts and fiduciaries.
- [HB 1064](#) - Heavy duty vehicle weight limits and permits for heavy loads.
- [HB 1081](#) - Rental property foreclosure notices.
- [HB 1097](#) - Indoor air quality.
- [HB 1130](#) - Drivers licenses.

[HB 1208](#) - Health, mental health, and addiction matters.  
[HB 1230](#) - Publication of notices.  
[HB 1300](#) - Health plan requirements and study.  
[HB 1339](#) - Child restraint systems; special purpose buses.  
[HB 1358](#) - Eligibility for purchasing property at tax sales.  
[HB 1372](#) - Library services authorities; library cards.  
[HB 1379](#) - Unemployment compensation and labor issues.  
[HB 1428](#) - Unlawful manufacture or sale of police or fire insignias.  
[HB 1514](#) - Accounting for public funds.  
[HB 1561](#) - High speed Internet service initiative.

### **Senate Bills of interest that have passed out of the House**

[SB 016](#) - Learner's permits, graduated licenses, special group license plates  
[SB 034](#) - Various criminal law provisions.  
[SB 164](#) - Definition of relevant market area.  
[SB 209](#) - Provisional and absentee ballots; voting systems; campaign finance.  
[SB 218](#) - Health provider issues.  
[SB 223](#) - Various corrections and criminal matters.  
[SB 249](#) - Transportation and tort claim matters.  
[SB 280](#) - Adoption.  
[SB 300](#) - Net metering; renewable energy.  
[SB 374](#) - Various transportation matters.  
[SB 391](#) - Various motor vehicle matters.  
[SB 414](#) - Charity gaming.  
[SB 420](#) - Renewable energy.  
[SB 440](#) - Air quality.  
[SB 450](#) - Business corporation law.  
[SB 461](#) - Environmental issues.  
[SB 492](#) - Consumer practices and residential mortgage foreclosures.  
[SB 501](#) - Uniform commercial code revisions and economic development.  
[SB 530](#) - Indiana-Michigan boundary line commission.

### **House Bills of interest that have passed out of the Senate**

[HB 1001](#) - Budget bill.  
[HB 1014](#) - Age discrimination.  
[HB 1033](#) - Renewable energy.  
[HB 1036](#) - Education issues.  
[HB 1071](#) - Homeowners associations.  
[HB 1090](#) - Primary motor vehicle coverage.  
[HB 1094](#) - Property tax assessments and notices.  
[HB 1096](#) - Mortgage deduction application.  
[HB 1135](#) - Veterans' benefits.  
[HB 1162](#) - Environmental issues.  
[HB 1167](#) - Asbestos.  
[HB 1246](#) - Use of credit information by insurance companies.  
[HB 1278](#) - Water and utilities.  
[HB 1286](#) - Gaming in taverns.  
[HB 1363](#) - Waiver of certain court fees and court costs.  
[HB 1374](#) - Escrow transactions.  
[HB 1471](#) - Property taxation.  
[HB 1483](#) - Off-road vehicles, farm wagons, and golf carts.



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[HB 1491](#) - St. Joseph superior court judges.  
[HB 1554](#) - Alternative fuel incentives.  
[HB 1589](#) - Electronic waste.  
[HB 1593](#) - Practicing as a surgical technologist.  
[HB 1598](#) - Logistics development incentives.  
[HB 1604](#) - Local and state taxes.  
[HB 1607](#) - Regional transportation districts.  
[HB 1612](#) - Various financial institution matters.  
[HB 1627](#) - Insurance matters.  
[HB 1634](#) - Mortgage loan creditors and originators.  
[HB 1637](#) - Mortgage foreclosures.  
[HB 1701](#) - Corporate officers and worker's compensation.

### **How to track legislative action.**

The [web page for the Indiana General Assembly](#) is a free resource for the public that provides some helpful tools to follow the progress of legislative action during the session. You can [find out how to contact your legislator](#), read [all of the filed bills](#), and search the [Indiana Constitution, Indiana Code, and Indiana Register](#).

You can also watch live streaming video of the legislature while it is in session, as well as some committee meetings [here](#).

The regularly updated House and Senate Committee schedules are also available online, and contain links to legislation up for consideration in committee.

[House Committee Schedule](#)

[Senate Committee Schedule](#)