

HOUSE BILL No. 1319

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-15-2-14; IC 8-15.5.

Synopsis: Collection of toll road user fees. Requires the Indiana department of transportation to establish and implement an electronic or nonmanual tolling program as the sole means for charging and collecting user fees. Provides that a public-private agreement between the Indiana finance authority and an operator that is entered into, renewed, or amended after June 30, 2026, must contain a provision requiring the operator to establish and implement an electronic or nonmanual tolling program as the sole means for charging and collecting user fees.

Effective: July 1, 2026.

Jackson C

January 6, 2026, read first time and referred to Committee on Roads and Transportation.



Introduced

Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1319

A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-15-2-14, AS AMENDED BY P.L.227-2025,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 14. (a) The authority may do the following:
4 (1) Fix, revise, charge, and collect tolls for the use of each toll
5 road project by any person, partnership, association, limited
6 liability company, or corporation desiring the use of any part
7 thereof, including the right-of-way adjoining the paved portion
8 and for placing thereon telephone, telegraph, electric light, or
9 power lines.
10 (2) Fix the terms, conditions, and rates of charge for such use,
11 including assessments for the failure to pay required tolls, subject,
12 however, to the state's police power.
13 (3) **Except as provided in subsection (m),** collect tolls, user fees,
14 or other charges through manual or nonmanual methods,
15 including, but not limited to, automatic vehicle identification
16 systems, electronic toll collection systems, and, to the extent
17 permitted by law, including rules adopted by the authority under



section 17.2(a)(10) of this chapter, global positioning systems and photo or video based toll collection or toll collection enforcement systems.

(4) Adopt rules under IC 4-22-2 authorizing the use of and establishing procedures for the implementation of the collection of user fees by electronic or other nonmanual means under subdivision (3).

(b) Notwithstanding subsection (a), no toll or charge shall be made by the authority under this section or under a public-private agreement entered into under IC 8-15.5 for:

(1) the operation of temporary lodging facilities located upon or adjacent to any project, nor may the authority itself operate or gratuitously permit the operation of such temporary lodging facilities by other persons without any toll or charge; or

(2) placing in, on, along, over, or under such project, such telephone, telegraph, electric light or power lines, equipment, or facilities as may be necessary to serve establishments located on the project or as may be necessary to interconnect any public utility facilities on one (1) side of the toll road project with those on the other side.

(c) All contracts executed by the authority shall be preserved in the principal office of the authority.

(d) In the case of a toll road project that is not leased to the department under IC 8-9.5-8-7, the tolls shall be fixed and adjusted for each toll road project so that the aggregate of the tolls from the project, together with other revenues that are available to the authority without prior restriction or encumbrance, will at least be adequate to pay:

(1) the cost of operating, maintaining, and repairing the toll road project, including major repairs, replacements, and improvements;

(2) the principal of and the interest on bonds issued in connection with the toll road project, as the principal and interest becomes due and payable, including any reserve or sinking fund required for the project; and

(3) the payment of principal of and interest on toll road bonds issued by the authority in connection with any other toll road project, including any reserve or sinking fund required for the project, but only to the extent that the authority provides by resolution and subject to the provisions of any trust agreement relating to the project.

(e) Not less than one (1) year before the date that final payment of all such bonds, interest, and reimbursement is expected by the



1 chairman of the authority to be completed, the chairman shall notify the
2 state budget committee in writing of the expected date of final
3 payment.

4 (f) Such tolls shall not be subject to supervision or regulation by any
5 other commission, board, bureau, or agency of the state.

6 (g) The tolls, rents, and all other revenues derived by the authority
7 from the toll road project, except those received in accordance with a
8 public-private agreement under IC 8-15.5, shall be used as follows:

9 (1) To pay the cost of operating, maintaining, and repairing the
10 toll road project, including major repairs, replacements, and
11 improvements, to the extent that those costs are not paid out of
12 other funds.

13 (2) To the extent provided for in the resolution authorizing the
14 issuance of bonds under this chapter or in the trust agreement
15 securing the bonds, to pay:

16 (A) the principal of and interest on any bonds as the principal
17 and interest become due; or

18 (B) the redemption price or purchase price of the bonds retired
19 by call or purchase.

20 (3) Except as prohibited by the resolution authorizing the issuance
21 of bonds under this chapter or the trust agreement securing them,
22 for any purpose relating to any toll road project, including the
23 subject toll road project, as the authority provides by resolution.

24 (h) Neither the resolution nor any trust agreement by which a pledge
25 is created needs to be filed or recorded except in the records of the
26 authority.

27 (i) The use and disposition of moneys to the credit of any sinking
28 fund shall be subject to the provisions of any resolution or resolutions
29 authorizing the issuance of any bonds or of any trust agreement. Except
30 as may otherwise be provided in this chapter or in any resolution or any
31 trust agreement, any sinking fund shall be a fund for all bonds without
32 distinction or priority of one over another, subject, however, to such
33 priorities as may arise from prior pledges.

34 (j) In the case of a toll road project that is leased to the department
35 under IC 8-9.5-8-8, the lease must require that the department fix tolls
36 for the toll road project that comply with IC 8-9.5-8-8(c)(6).

37 (k) User fees (as defined in IC 8-15.5-2-10) for a toll road project
38 that is subject to a public-private agreement under IC 8-15.5 shall be
39 set in accordance with IC 8-15.5-7.

40 (l) The amount of a toll must be invoiced to a driver not later than
41 one (1) year after the date the driver incurs the toll.

42 (m) **The department must establish and implement an electronic**



1 **or nonmanual tolling program as the sole means for charging and**
2 **collecting user fees as follows:**

3 **(1) For a toll road project that is constructed after June 30,**
4 **2026.**

5 **(2) For a tollway that is in existence on July 1, 2026, the**
6 **electronic or nonmanual tolling program must be fully**
7 **implemented not later than December 31, 2027.**

8 SECTION 2. IC 8-15.5-5-2, AS AMENDED BY P.L.208-2019,
9 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2026]: Sec. 2. A public-private agreement entered into under
11 this article must provide for the following:

12 (1) The original term of the public-private agreement, which may
13 not exceed seventy-five (75) years.

14 (2) Provisions for a:

15 (A) lease, franchise, or license of the project and the real
16 property owned by the authority upon which the project is
17 located or is to be located; or

18 (B) management agreement or other contract to operate the
19 project and the real property owned by the authority upon
20 which the project is located or is to be located;

21 for a predetermined period. The public-private agreement must
22 provide for ownership of all improvements and real property by
23 the authority in the name of the state or by a governmental entity,
24 or both.

25 (3) Monitoring of the operator's maintenance practices by the
26 authority and the taking of actions by the authority that it
27 considers appropriate to ensure that the project is properly
28 maintained.

29 (4) The basis upon which user fees that may be collected by the
30 operator, as determined under this article, are established.

31 (5) Compliance with applicable state and federal laws and local
32 ordinances.

33 (6) Filing by the operator, on a periodic basis, of appropriate
34 financial statements in a form acceptable to the authority.

35 (7) Grounds for termination of the public-private agreement by
36 the authority or the operator.

37 (8) The date of termination of the operator's authority and duties
38 under this article.

39 (9) Procedures for amendment of the agreement.

40 (10) Provisions requiring the completion of all environmental
41 analyses of the project required by state and federal law in the
42 manner and at the times required by the appropriate state and



1 federal agencies.

2 (11) An expedited method for resolving disputes between or
3 among the authority, the parties to the public-private agreement,
4 and units of local government that contain any part of the project,
5 as required by IC 8-15.5-10-8.

6 (12) This subdivision applies only to a public-private agreement
7 entered into after June 30, 2019. The agreement must provide for
8 payment and performance bonds as follows:

9 (A) For a payment bond, an amount not less than one hundred
10 percent (100%) of the cost to design and construct the project.

11 (B) For a performance bond, an amount not less than fifty
12 percent (50%) of the cost to design and construct the project.

13 **(13) This subdivision applies only to a public-private
14 agreement entered into, renewed, or amended after June 30,
15 2026. The agreement must include a provision requiring an
16 operator to establish and implement an electronic or
17 nonmanual tolling program as the sole means for charging
18 and collecting user fees, with a deadline for implementing the
19 program that is not later than two (2) years after the
20 agreement is entered into, renewed, or amended.**

21 SECTION 3. IC 8-15.5-7-5, AS AMENDED BY P.L.213-2015,
22 SECTION 117, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2026]: Sec. 5. A public-private agreement may:

24 (1) grant an operator a license or franchise to charge and collect
25 tolls or user fees for the use of the toll road project or facility
26 project;

27 (2) authorize the operator to adjust the user fees charged and
28 collected for the use of the toll road project or facility project, so
29 long as the amounts charged and collected by the operator do not
30 exceed the maximum amounts established by the authority under
31 section 1 of this chapter;

32 (3) provide that any adjustment by the operator permitted under
33 subdivision (2) may be based on such indices, methodologies, or
34 other factors as described in the public-private agreement or
35 section 1 of this chapter or as approved by the authority, as
36 applicable;

37 (4) **except as provided in IC 8-15.5-5-2(13)**, authorize the
38 operator to charge and collect user fees through manual and
39 nonmanual methods, and for a toll road project may include, but
40 not be limited to, automatic vehicle identification systems,
41 electronic toll collection systems, and, to the extent permitted by
42 law, including rules adopted by the authority under



1 IC 8-15-2-17.2(a)(10), global positioning systems and photo or
2 video based toll collection or toll collection enforcement systems;
3 and
4 (5) authorize the collection of user fees charges by a third party.

