

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 7025**

**BILL NUMBER: HB 1333**

**NOTE PREPARED: Jan 7, 2026**

**BILL AMENDED:**

**SUBJECT:** Land Use and Development.

**FIRST AUTHOR:** Rep. Culp

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** *IFA Agreements:* This bill requires a development that is sited on land: (1) in an area zoned agricultural; and (2) comprised of certain capability classes of soils; to be a permitted use. It extends governmental immunity to a private entity or nonprofit entity that has executed certain agreements under the Indiana Brownfields Program.

*Data Center Exemptions:* The bill provides that the Indiana Economic Development Corporation may not issue a specific transaction award certificate to exempt purchases made by certain data centers from sales and use tax exemption after June 30, 2026.

*Definitions:* For purposes of the statute concerning energy production zones: (1) redesignates the term "electric generation facility" as "electric generation or storage facility"; and (2) provides that the term includes a utility scale battery energy storage system. It also defines, for purposes of the statute, an "onsite energy offtake development" (OEO development) as a commercial or industrial development:

(1) that will be located on a premise of land in an energy production zone on which an electric generation or storage facility that is not subject to the jurisdiction of the Indiana utility regulatory commission will be located;

(2) that will be equipped with or use water saving technologies; and

(3) with respect to which the development owner has committed through an off take agreement to purchase a specified amount of energy or capacity from the energy generation or storage facility; under the terms of an economic development agreement with a unit.

*Electric Storage Facility Notifications:* It also provides that if a planned electric generation or storage facility will include a BESS, the project owner must include in the required statutory notice to the local planning authority: (1) the emergency response plan required under the statute governing the approval of a battery energy storage system by the Department of Homeland Security (department); and (2) documentation of the department's approval of the battery energy storage system .

*Onsite Energy Offtake Permitting:* It also provides that a development owner is not required to obtain a

permit, or any other land use or zoning approval, from a local authority for the construction of an Onsite energy offtake development if the development owner: (1) provides notice containing specified information about the Onsite energy offtake development to the local authority before commencing construction; and (2) holds a public hearing in the unit in which the onsite energy offtake development will be located; in the same manner provided under current law for planned electric generation or storage facilities. Makes conforming changes.

*Local Public Hearings:* This bill allows a plan commission, board of zoning appeals, or county or municipal legislative body (body) to require a person to provide their name and address in writing in order to speak at a public hearing regarding certain matters. Allows the body's presiding officer to give consideration to whether a person is a county resident or has an interest as an owner, lessor, lessee, or life tenant in real property within the county in deciding: (1) the order of speakers; and (2) the amount of time allotted to speakers; at a hearing.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** *IFA Agreements:* The bill may increase the capacity of the Indiana Finance Authority (IFA) by allowing government immunity to extend to parties it contracts with. The workload of the IFA may increase in managing its contracts as a result of the bill's provisions.

*Electric Storage Facility Notifications:* This bill increases the workload of the Indiana Department of Homeland Security (IDHS) to review and approve utility scale battery energy storage system emergency response plans for responding to fire and the discharge of environmental contaminants from electric utilities. The workload increase will depend on the number of applications the IDHS receives to bring utility scale batteries online. [According to the Indiana Utility Regulatory Commission's 2025 Annual Report, there are currently 8 utility scale batteries online, and by May 2029 an additional 10 will be brought online.]

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Electric Storage Facility Notifications:* Municipal utilities that seek to bring a utility scale battery energy storage system online will have to notify their local planning authority and include their emergency response plan and approval from the IDHS for their utility scale battery. The bill's requirements are within utilities' functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

*Onsite Energy Offtake Permitting:* This bill makes it so that owners of an onsite energy offtake project are not required to obtain a permit for land use or zoning purposes. This will reduce the workload of local authorities in reviewing permit applications for onsite energy offtake projects.

*Local Public Hearings:* The workload of local planning commissions and municipal bodies may increase in processing an individual's identification and processing whether they are a resident of the county or has an interest as an owner, lessor, lessee, of life tenant in real property in the county. The presiding officer may use this information to allocate how much time a person may speak, and the other in which persons speak in a hearing.

**Explanation of Local Revenues:** *Onsite Energy Offtake Permitting Permitting:* The revenues from application and permitting fees received by local authorities may decrease because onsite energy offtake project are not required to obtain permits for land use or zoning.

**State Agencies Affected:** IDHS, IFA.

**Local Agencies Affected:** Municipal Utilities, Local Planning Commissions

**Information Sources:**

2025 IURC Annual Report, <https://www.in.gov/iurc/files/2025-IURC-Annual-Report.pdf>

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