



Adopted	Rejected
---------	----------

# COMMITTEE REPORT

YES:	24
NO:	0

**MR. SPEAKER:**

Your Committee on Ways and Means, to which was referred Senate Bill 4, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 2, between lines 26 and 27, begin a new paragraph and insert:
- 2 "SECTION 2. IC 4-22-2-22.7, AS AMENDED BY P.L.93-2024,
- 3 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]: Sec. 22.7. (a) Before complying with section 22.8,
- 5 37.1, or 37.2 of this chapter, an agency shall conduct a regulatory
- 6 analysis for the proposed rule that complies with the requirements of
- 7 this section.
- 8 (b) The office of management and budget shall set standards for the
- 9 criteria, analytical method, treatment technology, economic, fiscal, and
- 10 other background data to be used by an agency in the regulatory
- 11 analysis. The regulatory analysis must be submitted in a form that can
- 12 be easily loaded into commonly used business analysis software and
- 13 published in the Indiana Register using the format jointly developed by

1 the publisher, the office of management and budget, and the budget  
 2 agency. The office of management and budget may provide more  
 3 stringent requirements for rules with fiscal impacts and costs above a  
 4 threshold amount determined by the office of management and budget.

5 (c) At a minimum, the regulatory analysis must include findings and  
 6 any supporting data, studies, or analyses prepared for a rule that  
 7 demonstrate compliance with the following:

8 (1) The cost benefit requirements in IC 4-3-22-13.

9 (2) Each of the standards in section 19.5 of this chapter.

10 (3) If applicable, the requirements for fees, fines, and civil  
 11 penalties in section 19.6 of this chapter.

12 (4) The annual economic impact on small businesses statement  
 13 required under IC 4-22-2.1-5.

14 (5) If applicable, the information required under IC 13-14-9-4.

15 (6) A determination whether the combined implementation and  
 16 compliance costs of a proposed rule are at least ~~one million~~  
 17 ~~dollars (\$1,000,000)~~ **five hundred thousand dollars (\$500,000)**  
 18 for businesses, units, and individuals over any two (2) year  
 19 period.

20 (7) Any requirement under any other law to conduct an analysis  
 21 of the cost, benefits, economic impact, or fiscal impact of a rule,  
 22 if applicable.

23 (d) The regulatory analysis must include a statement justifying any  
 24 requirement or cost that is:

25 (1) imposed on a regulated entity under the rule; and

26 (2) not expressly required by:

27 (A) the statute authorizing the agency to adopt the rule; or

28 (B) any other state or federal law.

29 The statement required under this subsection must include a reference  
 30 to any data, studies, or analyses relied upon by the agency in  
 31 determining that the imposition of the requirement or cost is necessary.

32 (e) Except as provided in subsection (f), if the implementation and  
 33 compliance costs of a proposed rule are expected to exceed the  
 34 threshold set forth in subsection (c)(6), the publisher may not publish  
 35 the proposed rule until the budget committee has reviewed the rule.

36 (f) Subsection (e) does not apply to a proposed rule if the proposed  
 37 rule is:

38 (1) a provisional rule that was issued as the result of the governor

- 1            declaring an emergency under IC 10-14-3 and is only valid during
- 2            the emergency;
- 3            (2) a provisional or interim rule that complies only with the
- 4            requirements of a:
- 5                (A) federal law;
- 6                (B) federal regulation; or
- 7                (C) federal grant or loan program; or
- 8            (3) an interim rule that incorporates a new or updated:
- 9                (A) building;
- 10               (B) equipment;
- 11               (C) firefighting;
- 12               (D) safety; or
- 13               (E) professional;
- 14            code.

15            (g) If an agency has made a good faith effort to comply with this  
 16            section, a rule is not invalid solely because the regulatory analysis for  
 17            the proposed rule is insufficient or inaccurate."

18            Page 3, line 6, after "\$300,000,000" delete "." and insert ", **fifteen**  
 19            **million dollars (\$15,000,000) of which must be allocated to fund**  
 20            **qualified community projects within local government units under**  
 21            **IC 6-3.1-34-24."**

22            Page 3, between lines 38 and 39, begin a new paragraph and insert:  
 23            "SECTION 5. IC 5-28-44 IS ADDED TO THE INDIANA CODE  
 24            AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 25            UPON PASSAGE]:

26            **Chapter 44. Unmanned Aircraft Systems Test Site**  
 27            **Sec. 1. In enacting this chapter, it is the intent of the general**  
 28            **assembly to advance the state's leadership position in technologies**  
 29            **related to unmanned aircraft systems to foster more opportunities**  
 30            **for citizens of the state with respect to unmanned aircraft system**  
 31            **technology and related industries and to support the federal**  
 32            **government in research, development, and testing in support of**  
 33            **commerce and national security. The general assembly finds the**  
 34            **following:**

- 35                (1) **The FAA announced on January 8, 2026, that Indiana is**  
 36                **designated as a test site for UAS.**
- 37                (2) **The FAA notes that test sites help the United States assess**  
 38                **emerging technologies to modernize methods for cargo**

1           **delivery, Beyond Visual Line of Sight operations, and multiple**  
2           **UAS operations while informing safety and security, ushering**  
3           **in the safe commercialization of UAS technologies and fully**  
4           **integrating UAS into the national airspace system.**

5           **(3) Indiana's designation as a test site was the result of a**  
6           **competitive process against other states and a joint**  
7           **application between the corporation and the operating**  
8           **partner. The proposal was developed under a contract**  
9           **between the corporation and the operating partner to pursue**  
10           **similar federal programs.**

11           **(4) The FAA test site will require substantial reporting and**  
12           **compliance activities to comply with federal laws and**  
13           **regulations governing the federal UAS Test Site Program and**  
14           **ancillary activities and is desirable for efficiency, clarity, and**  
15           **transparency to avoid duplicating regulatory schemes at the**  
16           **federal and state levels.**

17           **Sec. 2. As used in this chapter, "FAA" means the Federal**  
18           **Aviation Administration.**

19           **Sec. 3. As used in this chapter, "operating partner" means the**  
20           **Indiana based nonprofit corporation that partners with the**  
21           **corporation to operate and maintain the UAS test site under**  
22           **supervision of the corporation.**

23           **Sec. 4. As used in this chapter, "test site" means the Indiana**  
24           **UAS test site awarded to the corporation by the FAA.**

25           **Sec. 5. As used in this chapter, "UAS" means an unmanned**  
26           **aircraft system, including counter UAS and other related entities.**

27           **Sec. 6. Notwithstanding any other law, during the period that**  
28           **the test site remains subject to federal requirements as part of the**  
29           **UAS Test Site Program operated by the FAA, the corporation and**  
30           **operating partner are not subject to any state law concerning the**  
31           **following for purposes of operating the test site:**

32                   **(1) State procurement requirements.**

33                   **(2) State contracting requirements.**

34                   **(3) State fee setting requirements.**

35           **Sec. 7. (a) The operating partner shall establish a bank account**  
36           **that is separate and segregated from any other bank account under**  
37           **the operating partner's control and administer all funds for the test**  
38           **site in the bank account.**

1           **(b) The operating partner may administer and deposit all**  
2 **income, earnings, and other receipts accrued through operation of**  
3 **the test site in the bank account, including any state or federal**  
4 **funding received through a contract, or as a grant or loan.**

5           **(c) The operating partner may expend money from the bank**  
6 **account for operations of the test site, including costs for**  
7 **administration, staffing, equipment, test site activities,**  
8 **communications, and marketing. The operating partner may**  
9 **transfer revenue from the bank account to the corporation or any**  
10 **other state agency to be used for the following purposes:**

11               **(1) To procure UAS technology for use by the state.**

12               **(2) To pursue federal funding for activities related to UAS**  
13 **that benefit the state.**

14               **(3) To support economic development activities related to**  
15 **UAS research or manufacturing.**

16           **(d) The operating partner shall keep a full and complete record**  
17 **of funds received and disbursed by the operating partner. The**  
18 **report is subject to audit and must be submitted to the corporation**  
19 **board not later than July 1 of each year, or more often as required**  
20 **by the corporation.**

21           **Sec. 8. The state examiner, or deputy examiners, field**  
22 **examiners, or private examiners, shall make a full and complete**  
23 **report of the records and receipts of the test site.**

24           **Sec. 9. The operating partner shall do the following:**

25               **(1) Respond to requests from local, regional, or state**  
26 **economic development organizations for assistance with**  
27 **economic activities intended to attract companies, or to**  
28 **develop clusters of activity, within the UAS sector.**

29               **(2) Respond to requests from state agencies for expertise**  
30 **related to the procurement of UAS technology.**

31               **(3) Respond to requests from state agencies for assistance**  
32 **with the development of new UAS test activities within**  
33 **particular economic sectors.**

34           **Sec. 10. The operating partner is responsible for carrying out**  
35 **the FAA's requirements and obligations for the safe operation and**  
36 **maintenance of the test site and for managing the day to day**  
37 **operations of the test site under supervision of the corporation.**

38           **Sec. 11. (a) Notwithstanding any other law, the corporation may**

1 enter into an agreement with the operating partner to fulfill the  
 2 requirements of this chapter and any other applicable requirement  
 3 from the FAA or another federal agency.

4 (b) The corporation may dedicate resources as determined  
 5 necessary and appropriate by the corporation to support the  
 6 implementation and ongoing operation of the test site, including  
 7 staff support, administrative support, and direct financial support.

8 Sec. 12. Not later than December 1, 2026, and, beginning after  
 9 December 31, 2026, not later than June 1 and December 1 of each  
 10 calendar year, the operating partner and the corporation shall  
 11 submit a written report for review to the budget committee  
 12 concerning the following:

13 (1) An itemization of each of the expenditures of money from  
 14 the bank account established under section 7 of this chapter  
 15 since the last report to the budget committee.

16 (2) Anticipated expenditures for the subsequent six (6)  
 17 months.

18 (3) Funding sources for expenditures.

19 (4) Any other information requested by the budget committee.

20 SECTION 6. IC 6-1.1-8-45, AS AMENDED BY P.L.230-2025,  
 21 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JANUARY 1, 2025 (RETROACTIVE)]: Sec. 45. (a) This subsection  
 23 applies only to a taxpayer's assessable depreciable personal property  
 24 that is placed in service on or before January 1, 2025. Except as  
 25 provided in subsections (b) and (c), for each assessment date, the total  
 26 valuation of a taxpayer's assessable depreciable personal property in a  
 27 single taxing district may not be less than thirty percent (30%) of the  
 28 adjusted cost of all the taxpayer's assessable depreciable property in the  
 29 taxing district.

30 (b) The limitation set forth in subsection (a) is to be applied before  
 31 any special adjustment for abnormal obsolescence. The limitation does  
 32 not apply to equipment not placed in service, special tooling, and  
 33 permanently retired depreciable personal property.

34 (c) Depreciable personal property that is placed in service after  
 35 January 1, 2025, is not subject to the minimum valuation limitation  
 36 under this section. However, if depreciable personal property:

37 (1) is placed in service after January 1, 2025, and is located in an  
 38 existing tax increment allocation area for which the base assessed

1 value is determined before January 1, 2025; **or**  
 2 **(2) is owned by a light, heat, or power company, or a utility**  
 3 **company owned, operated, or held in trust by a consolidated**  
 4 **city;**

5 the depreciable personal property remains subject to the minimum  
 6 valuation limitations under this section.

7 SECTION 7. IC 6-1.1-10-16, AS AMENDED BY P.L.230-2025,  
 8 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JANUARY 1, 2027]: Sec. 16. (a) All or part of a building is exempt  
 10 from property taxation if it is owned, occupied, and used by a person  
 11 for educational, literary, scientific, religious, or charitable purposes.

12 (b) A building is exempt from property taxation if it is owned,  
 13 occupied, and used by a town, city, township, or county for educational,  
 14 literary, scientific, fraternal, or charitable purposes.

15 (c) A tract of land, including the campus and athletic grounds of an  
 16 educational institution, is exempt from property taxation if:

17 (1) a building that is exempt under subsection (a) or (b) is situated  
 18 on it;

19 (2) a parking lot or structure that serves a building referred to in  
 20 subdivision (1) is situated on it; or

21 (3) the tract:

22 (A) is owned by a nonprofit entity established for the purpose  
 23 of retaining and preserving land and water for their natural  
 24 characteristics;

25 (B) does not exceed five hundred (500) acres; and

26 (C) is not used by the nonprofit entity to make a profit.

27 (d) A tract of land is exempt from property taxation if:

28 (1) it is purchased for the purpose of erecting a building that is to  
 29 be owned, occupied, and used in such a manner that the building  
 30 will be exempt under subsection (a) or (b); and

31 (2) not more than four (4) years after the property is purchased,  
 32 and for each year after the four (4) year period, the owner  
 33 demonstrates substantial progress and active pursuit towards the  
 34 erection of the intended building and use of the tract for the  
 35 exempt purpose. To establish substantial progress and active  
 36 pursuit under this subdivision, the owner must prove the existence  
 37 of factors such as the following:

38 (A) Organization of and activity by a building committee or

- 1 other oversight group.
- 2 (B) Completion and filing of building plans with the
- 3 appropriate local government authority.
- 4 (C) Cash reserves dedicated to the project of a sufficient
- 5 amount to lead a reasonable individual to believe the actual
- 6 construction can and will begin within four (4) years.
- 7 (D) The breaking of ground and the beginning of actual
- 8 construction.
- 9 (E) Any other factor that would lead a reasonable individual to
- 10 believe that construction of the building is an active plan and
- 11 that the building is capable of being completed within eight (8)
- 12 years considering the circumstances of the owner.

13 If the owner of the property sells, leases, or otherwise transfers a tract  
 14 of land that is exempt under this subsection, the owner is liable for the  
 15 property taxes that were not imposed upon the tract of land during the  
 16 period beginning January 1 of the fourth year following the purchase  
 17 of the property and ending on December 31 of the year of the sale,  
 18 lease, or transfer. The county auditor of the county in which the tract  
 19 of land is located may establish an installment plan for the repayment  
 20 of taxes due under this subsection. The plan established by the county  
 21 auditor may allow the repayment of the taxes over a period of years  
 22 equal to the number of years for which property taxes must be repaid  
 23 under this subsection.

24 (e) Personal property is exempt from property taxation if it is owned  
 25 and used in such a manner that it would be exempt under subsection (a)  
 26 or (b) if it were a building.

27 (f) A hospital's property that is exempt from property taxation under  
 28 subsection (a), (b), or (e) shall remain exempt from property taxation  
 29 even if the property is used in part to furnish goods or services to  
 30 another hospital whose property qualifies for exemption under this  
 31 section.

32 (g) Property owned by a shared hospital services organization that  
 33 is exempt from federal income taxation under Section 501(c)(3) or  
 34 501(e) of the Internal Revenue Code is exempt from property taxation  
 35 if it is owned, occupied, and used exclusively to furnish goods or  
 36 services to a hospital whose property is exempt from property taxation  
 37 under subsection (a), (b), or (e).

38 (h) This section does not exempt from property tax an office or a

1 practice of a physician or group of physicians that is owned by a  
 2 hospital licensed under IC 16-21-2 or other property that is not  
 3 substantially related to or supportive of the inpatient facility of the  
 4 hospital unless the office, practice, or other property:

5 (1) provides or supports the provision of charity care (as defined  
 6 in IC 16-18-2-52.5), including providing funds or other financial  
 7 support for health care services for individuals who are indigent  
 8 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

9 (2) provides or supports the provision of community benefits (as  
 10 defined in IC 16-21-9-1), including research, education, or  
 11 government sponsored indigent health care (as defined in  
 12 IC 16-21-9-2).

13 However, participation in the Medicaid or Medicare program alone  
 14 does not entitle an office, practice, or other property described in this  
 15 subsection to an exemption under this section.

16 (i) A tract of land or a tract of land plus all or part of a structure on  
 17 the land is exempt from property taxation if:

18 (1) the tract is acquired for the purpose of erecting, renovating, or  
 19 improving a single family residential structure that is to be given  
 20 away or sold:

21 (A) in a charitable manner;

22 (B) by a nonprofit organization; and

23 (C) to low income individuals who will:

24 (i) use the land as a family residence; and

25 (ii) not have an exemption for the land under this section;

26 (2) the tract does not exceed three (3) acres; and

27 (3) the tract of land or the tract of land plus all or part of a  
 28 structure on the land is not used for profit while exempt under this  
 29 section.

30 (j) An exemption under subsection (i) terminates when the property  
 31 is conveyed by the nonprofit organization to another owner.

32 (k) When property that is exempt in any year under subsection (i) is  
 33 conveyed to another owner, the nonprofit organization receiving the  
 34 exemption must file a certified statement with the auditor of the county,  
 35 notifying the auditor of the change not later than sixty (60) days after  
 36 the date of the conveyance. The county auditor shall immediately  
 37 forward a copy of the certified statement to the county assessor. A  
 38 nonprofit organization that fails to file the statement required by this

1 subsection is liable for the amount of property taxes due on the  
 2 property conveyed if it were not for the exemption allowed under this  
 3 chapter.

4 (l) If property is granted an exemption in any year under subsection  
 5 (i) and the owner:

6 (1) fails to transfer the tangible property within eight (8) years  
 7 after the assessment date for which the exemption is initially  
 8 granted; or

9 (2) transfers the tangible property to a person who:

10 (A) is not a low income individual; or

11 (B) does not use the transferred property as a residence for at  
 12 least one (1) year after the property is transferred;

13 the person receiving the exemption shall notify the county recorder and  
 14 the county auditor of the county in which the property is located not  
 15 later than sixty (60) days after the event described in subdivision (1) or  
 16 (2) occurs. The county auditor shall immediately inform the county  
 17 assessor of a notification received under this subsection.

18 (m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not  
 19 later than the date that the next installment of property taxes is due, an  
 20 amount equal to the sum of the following:

21 (1) The total property taxes that, if it were not for the exemption  
 22 under subsection (i), would have been levied on the property in  
 23 each year in which an exemption was allowed.

24 (2) Interest on the property taxes at the rate of ten percent (10%)  
 25 per year.

26 (n) The liability imposed by subsection (m) is a lien upon the  
 27 property receiving the exemption under subsection (i). An amount  
 28 collected under subsection (m) shall be collected as an excess levy. If  
 29 the amount is not paid, it shall be collected in the same manner that  
 30 delinquent taxes on real property are collected.

31 (o) Property referred to in this section shall be assessed to the extent  
 32 required under IC 6-1.1-11-9.

33 (p) This subsection applies to assessment dates occurring before  
 34 January 1, 2026. A for-profit provider of early childhood education  
 35 services to children who are at least four (4) but less than six (6) years  
 36 of age on the annual assessment date may receive the exemption  
 37 provided by this section for property used for educational purposes  
 38 only if all the requirements of section 46 of this chapter are satisfied.

1 A for-profit provider of early childhood education services that  
2 provides the services only to children younger than four (4) years of  
3 age may not receive the exemption provided by this section for  
4 property used for educational purposes.

5 (q) This subsection applies to assessment dates occurring after  
6 December 31, 2025. Property used by a for-profit provider of early  
7 childhood education services to children who are less than six (6) years  
8 of age on the annual assessment date may receive the exemption  
9 provided by this section for property used for educational purposes  
10 only if all the requirements of section 46 of this chapter are satisfied.

11 **(r) This subsection applies only to an Indiana nonprofit hospital**  
12 **system (as defined in IC 16-21-18-2). Notwithstanding any other**  
13 **law, real property directly or indirectly owned by the nonprofit**  
14 **hospital system purchased prior to July 1, 2026, is not exempt from**  
15 **property taxation if, after ten (10) years from the date of purchase**  
16 **of the property by the nonprofit hospital system, the property**  
17 **directly or indirectly owned by the nonprofit hospital system is not**  
18 **being used for the performance of revenue producing health care**  
19 **services by the nonprofit hospital system that directly or indirectly**  
20 **owns the property. For purposes of this subsection, "health care**  
21 **services" means the:**

- 22 (1) assessment;
- 23 (2) diagnosis;
- 24 (3) evaluation;
- 25 (4) consultation;
- 26 (5) treatment; and
- 27 (6) monitoring;

28 of an entity's patients. The term includes medical education,  
29 preventative care, rehabilitative services, long term care, and  
30 administrative services that are necessary for the provision of a  
31 patient's care.

32 (s) This subsection applies only to an Indiana nonprofit hospital  
33 system (as defined in IC 16-21-18-2). Real property directly or  
34 indirectly owned by the nonprofit hospital system purchased after  
35 June 30, 2026, is not exempt from property taxation if the property  
36 directly or indirectly owned by the nonprofit hospital system is not  
37 being used for the performance of revenue producing health care  
38 services by the nonprofit hospital system that directly or indirectly

1 owns the property. For purposes of this subsection, "health care  
2 services" has the meaning set forth in subsection (r).

3 (t) The disallowance of an exemption under subsection (r) does  
4 not apply to a parking garage, parking lot, equipment facility area,  
5 or any other similar property that actively serves a nonprofit  
6 hospital system. A determination under this subsection as to  
7 whether a parking garage, parking lot, equipment facility area, or  
8 any other similar property actively serves a nonprofit hospital  
9 system shall be made by the board of zoning appeals with  
10 jurisdiction over the property.

11 (u) This subsection applies only to property taxes that are first  
12 due and payable in calendar years 2025 and 2026. All or part of a  
13 building is deemed to serve a charitable purpose and is exempt from  
14 property taxation if it is owned by a nonprofit entity that is:

- 15 (1) registered as a continuing care retirement community under  
16 IC 23-2-4 and charges an entry fee of not more than five hundred  
17 thousand dollars (\$500,000) per unit;
- 18 (2) defined as a small house health facility under  
19 IC 16-18-2-331.9;
- 20 (3) licensed as a health care or residential care facility under  
21 IC 16-28; or
- 22 (4) licensed under IC 31-27 and designated as a qualified  
23 residential treatment provider that provides services under a  
24 contract with the department of child services.

25 This subsection expires January 1, 2027.

26 SECTION 7. IC 6-1.1-17-20.3, AS AMENDED BY P.L.230-2025,  
27 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2026]: Sec. 20.3. (a) Except as provided in section 20.4 of this  
29 chapter, this section applies only to the governing body of a public  
30 library that:

- 31 (1) is not comprised of a majority of officials who are elected to  
32 serve on the governing body; and
- 33 (2) has a percentage increase in the proposed budget for the  
34 taxing unit for the ensuing calendar year that is ~~more than the~~  
35 ~~result~~ **equal to or more than fifty percent (50%)** of  
36 ~~(A)~~ the maximum levy growth quotient determined under  
37 IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the  
38 nearest thousandth (0.001). ~~minus~~

1            ~~(B) one (1)~~:

2            For purposes of this section, an individual who qualifies to be  
3            appointed to a governing body or serves on a governing body because  
4            of the individual's status as an elected official of another taxing unit  
5            shall be treated as an official who was not elected to serve on the  
6            governing body.

7            (b) This section does not apply to an entity whose tax levies are  
8            subject to review and modification by a city-county legislative body  
9            under IC 36-3-6-9.

10          (c) If:

11            (1) the assessed valuation of a public library's territory is entirely  
12            contained within a city or town; or

13            (2) the assessed valuation of a public library's territory is not  
14            entirely contained within a city or town but more than fifty  
15            percent (50%) of the assessed valuation of the public library's  
16            territory is contained within the city or town;

17            the governing body shall submit its proposed budget and property tax  
18            levy to the city or town fiscal body in the manner prescribed by the  
19            department of local government finance before September 2 of a year.  
20            However, the governing body shall submit its proposed budget and  
21            property tax levy to the county fiscal body in the manner provided in  
22            subsection (d), rather than to the city or town fiscal body, if more than  
23            fifty percent (50%) of the parcels of real property within the  
24            jurisdiction of the public library are located outside the city or town.

25            (d) If subsection (c) does not apply or the public library's territory  
26            covers more than one (1) county, the governing body of the public  
27            library shall submit its proposed budget and property tax levy to the  
28            county fiscal body in the county where the public library has the most  
29            assessed valuation. The proposed budget and levy shall be submitted  
30            to the county fiscal body in the manner prescribed by the department  
31            of local government finance before September 2 of a year.

32            (e) The fiscal body of the city, town, or county (whichever applies)  
33            shall review each budget and proposed tax levy and adopt a final  
34            budget and tax levy for the public library. The fiscal body may reduce  
35            or modify but not increase the proposed budget or tax levy.

36            (f) If a public library fails to file the information required in  
37            subsection (c) or (d), whichever applies, with the appropriate fiscal  
38            body by the time prescribed by this section, when calculating the

1 maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for  
 2 the public library for the ensuing budget year, instead of multiplying  
 3 the maximum levy growth quotient determined under  
 4 IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by  
 5 the public library's maximum permissible ad valorem property tax levy  
 6 for the preceding calendar year as prescribed in STEP TWO of  
 7 IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a),  
 8 the public library's maximum permissible ad valorem property tax levy  
 9 for the preceding calendar year must instead be multiplied by the result  
 10 of the following:

11 STEP ONE: Determine:

12 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP  
 13 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

14 (B) one (1).

15 STEP TWO: Multiply:

16 (A) the STEP ONE result; by

17 (B) eight-tenths (0.8).

18 STEP THREE: Add one (1) to the STEP TWO result.

19 However, if the public library files the information as required in  
 20 subsection (c) or (d), whichever applies, for the budget year  
 21 immediately following the budget year for which the formula under this  
 22 subsection is applied, when calculating the maximum ad valorem  
 23 property tax levy under IC 6-1.1-18.5-3(a) for the public library for the  
 24 subsequent budget year, the public library's maximum permissible ad  
 25 valorem property tax levy must be calculated as if the formula under  
 26 this subsection had not been applied for the affected budget year.

27 (g) If the appropriate fiscal body fails to complete the requirements  
 28 of subsection (e) before the adoption deadline in section 5 of this  
 29 chapter for any public library subject to this section, when calculating  
 30 the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a)  
 31 for the city, town, or county for the ensuing budget year, instead of  
 32 multiplying the maximum levy growth quotient determined under  
 33 IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by  
 34 the city's, town's, or county's maximum permissible ad valorem  
 35 property tax levy for the preceding calendar year as prescribed in STEP  
 36 TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of  
 37 IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible  
 38 ad valorem property tax levy for the preceding calendar year must

- 1 instead be multiplied by the result of the following:
- 2 STEP ONE: Determine:
- 3 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
- 4 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus
- 5 (B) one (1).
- 6 STEP TWO: Multiply:
- 7 (A) the STEP ONE result; by
- 8 (B) eight-tenths (0.8).
- 9 STEP THREE: Add one (1) to the STEP TWO result.

10 However, if the city, town, or county files the information as required  
 11 in subsection (e) for the budget year immediately following the budget  
 12 year for which the formula under this subsection is applied, when  
 13 calculating the maximum ad valorem property tax levy under  
 14 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent  
 15 budget year, the unit's maximum permissible ad valorem property tax  
 16 levy must be calculated as if the formula under this subsection had not  
 17 been applied for the affected budget year.

18 SECTION 8. IC 6-2.5-5-26, AS AMENDED BY P.L.193-2023,  
 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20 JULY 1, 2026]: Sec. 26. (a) Sales of tangible personal property by an  
 21 organization are exempt from the state gross retail tax if either of the  
 22 following apply:

- 23 (1) The organization:
- 24 (A) is described in section 25(a)(1)(A) through 25(a)(1)(C) of
- 25 this chapter, section 25(a)(1)(D)(i) through 25(a)(1)(D)(iii) of
- 26 this chapter, or section 25(a)(1)(D)(ix) of this chapter;
- 27 (B) makes the sale to make money to carry on a not-for-profit
- 28 purpose; and
- 29 (C) did not make more than one hundred thousand dollars
- 30 (\$100,000) in sales in the current calendar year or the previous
- 31 calendar year.
- 32 (2) The organization:
- 33 (A) is described in section 25(a)(1)(D)(iv) through
- 34 25(a)(1)(D)(viii) of this chapter; or
- 35 (B) is a youth organization focused on agriculture;
- 36 **(C) is a youth organization listed in 36 U.S.C. 101 et. seq.**
- 37 **that:**
- 38 **(i) has an educational purpose; and**

- 1                   **(ii) promotes patriotism and civic involvement; or**  
 2                   **(D) is an organization that:**  
 3                   **(i) is exempt from federal income taxation under Section**  
 4                   **501(c)(3) of the Internal Revenue Code; and**  
 5                   **(ii) promotes youth shooting sports.**

6                   Once sales of an organization that meets the qualifications under  
 7                   subdivision (1), but does not meet the qualifications under subdivision  
 8                   (2), exceed the amount described in subdivision (1), the organization  
 9                   is required to collect state gross retail tax on sales on an ongoing basis  
 10                  for the remainder of the calendar year and each calendar year thereafter  
 11                  until the organization makes less than one hundred thousand dollars  
 12                  (\$100,000) in sales for two (2) consecutive years.

13                  (b) For purposes of subsection (a), the sales of an organization  
 14                  include sales made by all units operating under the organization's  
 15                  registration pursuant to section 25(c) of this chapter.

16                  (c) If the qualifications of subsection (a) are not met, sales of  
 17                  tangible personal property by an organization described in section  
 18                  25(a)(1) of this chapter are exempt from the state gross retail tax, if:

- 19                   (1) the organization is not operated predominantly for social  
 20                   purposes;  
 21                   (2) the property sold is designed and intended primarily either for  
 22                   the organization's educational, cultural, or religious purposes, or  
 23                   for improvement of the work skills or professional qualifications  
 24                   of the organization's members; and  
 25                   (3) the property sold is not designed or intended primarily for use  
 26                   in carrying on a private or proprietary business.

27                  (d) Sales of tangible personal property by a public library, or a  
 28                  charitable organization described in section 25(a)(1) of this chapter  
 29                  formed to support a public library, are exempt from the state gross  
 30                  retail tax if the property sold consists of:

- 31                   (1) items in the library's circulated and publicly available  
 32                   collections, including items from the library's holdings; or  
 33                   (2) items that would typically be included in the library's  
 34                   circulated and publicly available collections and that are donated  
 35                   by individuals or organizations to a public library or to a  
 36                   charitable organization described in section 25(a)(1) of this  
 37                   chapter formed to support a public library.

38                  The exemption provided by this subsection does not apply to any other

1 sales of tangible personal property by a public library.

2 (e) The exemption provided by this section does not apply to an  
3 accredited college or university's sales of books, stationery,  
4 haberdashery, supplies, or other property.

5 (f) To obtain the exemption provided by this section, a taxpayer  
6 must follow the procedures set forth in section 25(c) of this chapter.

7 SECTION 9. IC 6-3.1-24-7, AS AMENDED BY P.L.172-2011,  
8 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2026]: Sec. 7. (a) The Indiana economic development  
10 corporation shall certify that a business is a qualified Indiana business  
11 if the corporation determines that the business:

- 12 (1) has its headquarters in Indiana;
- 13 (2) is primarily focused on professional motor vehicle racing,
- 14 commercialization of research and development, technology
- 15 transfers, or the application of new technology, or is determined
- 16 by the Indiana economic development corporation to have
- 17 significant potential to:

- 18 (A) bring substantial capital into Indiana;
- 19 (B) create jobs;
- 20 (C) diversify the business base of Indiana; or
- 21 (D) significantly promote the purposes of this chapter in any
- 22 other way;

23 (3) has had average annual revenues of less than ten million  
24 dollars (\$10,000,000) in the two (2) years preceding the year in  
25 which the business received qualified investment capital from a  
26 taxpayer claiming a credit under this chapter;

- 27 (4) has:
  - 28 (A) at least fifty percent (50%) of its employees residing in
  - 29 Indiana; or
  - 30 (B) at least seventy-five percent (75%) of its assets located in
  - 31 Indiana; and

- 32 (5) is not engaged in a business involving:
  - 33 (A) real estate;
  - 34 (B) real estate development;
  - 35 (C) insurance;
  - 36 (D) professional services provided by an accountant, a lawyer,
  - 37 or a physician;
  - 38 (E) retail sales, except when:

- 1 (i) the primary purpose of the business is the development
- 2 or support of electronic commerce using the Internet; or
- 3 **(ii) the business is engaged in retail sales as a method to**
- 4 **sell a unique product that the business developed, for**
- 5 **which the business holds patents, or of which the**
- 6 **business otherwise has ownership; or**

7 (F) oil and gas exploration.

8 (b) A business shall apply to be certified as a qualified Indiana  
 9 business on a form prescribed by the Indiana economic development  
 10 corporation.

11 (c) If a business is certified as a qualified Indiana business under  
 12 this section, the Indiana economic development corporation shall  
 13 provide a copy of the certification to the investors in the qualified  
 14 Indiana business for inclusion in tax filings.

15 (d) Except as provided in subsection (e), the Indiana economic  
 16 development corporation may impose an application fee of not more  
 17 than two hundred dollars (\$200).

18 (e) The Indiana economic development corporation may not impose  
 19 the application fee authorized by subsection (d) for applications  
 20 submitted during the period beginning July 1, 2011, and ending June  
 21 30, 2013.

22 SECTION 10. IC 6-3.1-24-7.5, AS ADDED BY P.L.165-2021,  
 23 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2026]: Sec. 7.5. (a) The Indiana economic development  
 25 corporation may certify that an investment fund is a qualified Indiana  
 26 investment fund if the corporation determines that the fund meets the  
 27 definition in section 2.5 of this chapter and the requirements in  
 28 subsection (b).

29 (b) The Indiana economic development corporation may only certify  
 30 a fund as a qualified Indiana investment fund if the fund makes  
 31 investments according to a policy that:

32 (1) requires eligible companies to be primarily focused on the  
 33 commercialization of research and development, technology  
 34 transfer, or application of new technology; and

35 (2) prioritizes investments in companies that:  
 36 (A) have received a grant, loan, or other investment funds  
 37 provided by the Indiana twenty-first century research and  
 38 technology fund established by IC 5-28-16-2; or

1 (B) maintain a substantial presence in Indiana.  
2 **The policy referred to in this subsection shall apply only to**  
3 **investable capital in the fund, excluding management fees, legal**  
4 **fees, and other expenses incurred in the operation of the fund.**

5 (c) An investment fund must apply to be certified as a qualified  
6 Indiana investment fund on a form prescribed by the Indiana economic  
7 development corporation.

8 (d) If an investment fund is certified as a qualified Indiana  
9 investment fund under this section, the Indiana economic development  
10 corporation shall provide a copy of the certification to the investors in  
11 the qualified Indiana investment fund for inclusion in tax filings.

12 SECTION 11. IC 6-3.1-24-12, AS AMENDED BY P.L.165-2021,  
13 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 JULY 1, 2026]: Sec. 12. (a) If the amount of the credit determined  
15 under section 8 or 8.5 of this chapter for a taxpayer in a taxable year  
16 exceeds the taxpayer's state tax liability for that taxable year, the  
17 taxpayer may carry the excess credit over for a period not to exceed the  
18 taxpayer's following five (5) taxable years. The amount of the credit  
19 carryover from a taxable year shall be reduced to the extent that the  
20 carryover is used by the taxpayer to obtain a credit under this chapter  
21 for any subsequent taxable year. A taxpayer is not entitled to a  
22 carryback or a refund of any unused credit amount.

23 (b) If the corporation certifies a credit for an investment that is made  
24 after June 30, 2020, and before July 1, 2029, the taxpayer may assign  
25 all or part of the credit to which the taxpayer is entitled under this  
26 chapter, subject to the limitations set forth in subsection (c).

27 (c) The following apply to the assignment of a credit under this  
28 chapter:

29 (1) A taxpayer may not assign all or part of a credit or credits to  
30 a particular person in amounts that are less than ten thousand  
31 dollars (\$10,000).

32 (2) Before a credit may be assigned, the taxpayer must notify the  
33 corporation of the assignment of the credit in the manner  
34 prescribed by the corporation.

35 (3) An assignment of a credit must be in writing, and both the  
36 taxpayer and assignee shall report the assignment on the  
37 taxpayer's and assignee's state tax returns for the year in which the  
38 assignment is made, in the manner prescribed by the department.

1 (4) Once a particular credit or credits are assigned, the assignee  
2 may not assign all or part of the credit or credits to another  
3 person.

4 (5) A taxpayer may not receive value in connection with an  
5 assignment under this section that exceeds the value of that part  
6 of the credit assigned.

7 **Nothing in this subsection shall prevent a taxpayer from combining**  
8 **individual credits of less than ten thousand dollars (\$10,000) for**  
9 **assignment.**

10 (d) The corporation shall collect and compile data on the  
11 assignments of tax credits under this chapter and determine the  
12 effectiveness of each assignment in getting projects completed. The  
13 corporation shall report its findings under this subsection to the  
14 legislative council in an electronic format under IC 5-14-6 before  
15 November 1, 2022. This subsection expires January 1, 2023.

16 SECTION 12. IC 6-3.1-34-0.5 IS ADDED TO THE INDIANA  
17 CODE AS A NEW SECTION TO READ AS FOLLOWS  
18 [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. (a) In order to facilitate the**  
19 **redevelopment and rehabilitation of property in Indiana that**  
20 **promotes regional collaboration and long term strategic planning,**  
21 **the corporation shall commit thirty-five million dollars**  
22 **(\$35,000,000) in tax credits under this chapter each state fiscal year**  
23 **among:**

- 24 (1) development authorities;
- 25 (2) qualified nonprofit organizations; and
- 26 (3) local economic development organizations that:
  - 27 (A) represent a single unit or multiple units; and
  - 28 (B) have an economically significant impact, as determined
  - 29 by the corporation;

30 which may subsequently be awarded by the corporation at the  
31 request of an entity described in subdivisions (1) through (3) to a  
32 taxpayer proposing a qualified investment in a qualified  
33 redevelopment site. The corporation shall consider the regional  
34 significance of a project when awarding the tax credits under this  
35 subsection.

36 (b) Not later than January 1, 2031, the corporation shall present  
37 a report to the budget committee concerning the tax credits  
38 awarded under this section, including the status of the projects for

1 **which tax credits were awarded under this section and the regional**  
2 **impact of the projects.**

3 SECTION 13. IC 6-3.1-34-2.1 IS ADDED TO THE INDIANA  
4 CODE AS A NEW SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2026]: **Sec. 2.1. As used in this chapter,**  
6 **"development authority" refers to a regional development**  
7 **authority established under IC 36-7.5-2-1, IC 36-7.6-2-3, or**  
8 **IC 36-7.7-3-1.**

9 SECTION 14. IC 6-3.1-34-5.5 IS ADDED TO THE INDIANA  
10 CODE AS A NEW SECTION TO READ AS FOLLOWS  
11 [EFFECTIVE JULY 1, 2026]: **Sec. 5.5. As used in this chapter,**  
12 **"qualified nonprofit organization" means a nonprofit organization**  
13 **that:**

14 (1) **was established and obtained tax exempt status under**  
15 **Section 501 of the Internal Revenue Code before January 1,**  
16 **2016, and has since maintained tax exempt status under**  
17 **Section 501 of the Internal Revenue Code;**

18 (2) **was formed to support economic development across the**  
19 **region; and**

20 (3) **does not represent a single interest group or local unit or**  
21 **units within a single county.**

22 SECTION 15. IC 6-3.1-34-24 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2026]: **Sec. 24. (a) As used in this section,**  
25 **"downtown area" means:**

26 (1) **the central business district of a city or town; or**

27 (2) **any commercial or mixed use area within a neighborhood**  
28 **of a city or town that has traditionally served, since the**  
29 **founding of the community, as the retail service and**  
30 **communal focal point within the community.**

31 (b) **As used in this section, "initiative" means the small town**  
32 **opportunity initiative established by subsection (f).**

33 (c) **As used in this section, "nonprofit taxpayer" means a**  
34 **taxpayer:**

35 (1) **that is tax exempt under Section 501 of the Internal**  
36 **Revenue Code;**

37 (2) **for which some or all of its mission is to revitalize the**  
38 **community it serves; and**

- 1           **(3) whose leadership includes primarily members of the**
- 2           **community it serves.**
- 3           **(d) As used in this section, "qualified community project"**
- 4           **means a project that:**
- 5           **(1) is located in the:**
- 6           **(A) downtown area of a city or a town with a population of**
- 7           **less than thirty thousand (30,000);**
- 8           **(B) downtown area of a city or a town that is located in a**
- 9           **county with a population of less than seventy-five thousand**
- 10           **(75,000); or**
- 11           **(C) unincorporated territory of a county with a population**
- 12           **of less than seventy-five thousand (75,000) if the site of the**
- 13           **project is an area of the unincorporated territory that**
- 14           **serves as the retail service and communal focal point**
- 15           **within the unincorporated territory;**
- 16           **(2) involves the:**
- 17           **(A) historic preservation;**
- 18           **(B) redevelopment; or**
- 19           **(C) rehabilitation;**
- 20           **of real property; and**
- 21           **(3) has a total project budget of at least fifteen million dollars**
- 22           **(\$15,000,000).**
- 23           **(e) As used in this section, "qualified investment" means the**
- 24           **amount of the taxpayer's expenditures that are:**
- 25           **(1) for the redevelopment or rehabilitation of real property as**
- 26           **part of a qualified community project; and**
- 27           **(2) approved by the corporation before the expenditure is**
- 28           **made.**
- 29           **(f) The small town opportunity initiative is established.**
- 30           **(g) The corporation shall administer the initiative.**
- 31           **(h) The purpose of the initiative is to undertake qualified**
- 32           **community projects within local government units to do the**
- 33           **following:**
- 34           **(1) Advance historic preservation.**
- 35           **(2) Redevelop or rehabilitate distressed buildings or**
- 36           **underutilized property.**
- 37           **(3) Redevelop or rehabilitate sites where distressed buildings**
- 38           **once stood.**

1 (i) A for-profit taxpayer undertaking a qualified community  
2 project under the initiative is entitled to a redevelopment tax credit  
3 under this chapter equal to twenty percent (20%) of the taxpayer's  
4 cost of the project.

5 (j) A nonprofit taxpayer undertaking a qualified community  
6 project under the initiative is entitled to a redevelopment tax credit  
7 under this chapter equal to thirty percent (30%) of the taxpayer's  
8 cost of the project.

9 (k) Qualified community projects undertaken under this section  
10 are not subject to any statutory or administrative repayment  
11 obligation.

12 (l) Notwithstanding any other provision of this section, for a  
13 nonprofit taxpayer undertaking a qualified community project  
14 under this section, expenditures incurred to acquire, hold, or  
15 prepare real property for redevelopment or rehabilitation before  
16 the date the taxpayer's initial application or application for  
17 certification is approved by the corporation shall be included in the  
18 taxpayer's qualified investment if:

- 19 (1) the expenditures were incurred for the primary purpose
- 20 of future redevelopment consistent with subsection (h);
- 21 (2) the nonprofit taxpayer obtained site control in furtherance
- 22 of a locally supported redevelopment effort; and
- 23 (3) the corporation determines, as part of the application or
- 24 certification process, that inclusion of such expenditures is in
- 25 the public interest and supportive of early stage community
- 26 redevelopment efforts.

27 (m) For purposes of determining whether an expenditure is  
28 included as part of a qualified investment under subsection (l), an  
29 expenditure shall be treated as if it were approved by the  
30 corporation as of the date the expenditure was originally incurred.

31 SECTION 16. IC 6-9-30 IS ADDED TO THE INDIANA CODE AS  
32 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
33 1, 2026]:

34 **Chapter 30. Delaware County Hospitality Tax Board**  
35 **Consolidation Ordinance**

36 **Sec. 0.5. This chapter applies only to Delaware County.**

37 **Sec. 1. As used in this chapter, "consolidated entity" means a**  
38 **board resulting from the adoption of an ordinance under section**

1 4 of this chapter to consolidate the functions of each former entity  
2 into the consolidated entity.

3 Sec. 2. As used in this chapter, "executive" has the meaning set  
4 forth in IC 36-1-2-5.

5 Sec. 3. As used in this chapter, "former entity" means a board,  
6 bureau, commission, authority, or any other similar entity  
7 authorized to administer funds received from the county:

8 (1) innkeeper's tax imposed under IC 6-9-18; or

9 (2) food and beverage tax imposed under IC 6-9-21.

10 Sec. 4. The county executive may adopt an ordinance to  
11 consolidate the functions of a former entity with respect to the  
12 administration of funds received from the county:

13 (1) innkeeper's tax imposed under IC 6-9-18; or

14 (2) food and beverage tax imposed under IC 6-9-21;

15 into a single consolidated entity as designated in the ordinance to  
16 administer funds received from both of those taxes.

17 Sec. 5. If an ordinance is adopted under section 4 of this chapter,  
18 each former entity is abolished on the date the ordinance is  
19 adopted and may not exercise any of the powers, duties, or  
20 responsibilities conferred on the former entity under IC 6-9-18 or  
21 IC 6-9-21. In addition, the term of any individual serving on each  
22 former entity ends on the date the ordinance is adopted. The  
23 consolidated entity designated in the ordinance shall exercise the  
24 functions of each abolished former entity.

25 Sec. 6. (a) If an ordinance is adopted under section 4 of this  
26 chapter, the county executive may determine the number of  
27 members to serve on the consolidated entity, which must be an odd  
28 number. All members appointed to the consolidated entity must  
29 reside in the county. The county executive shall determine:

30 (1) the qualifications to be appointed to the consolidated  
31 entity, which may not include consideration of political party  
32 affiliation;

33 (2) the term of a member, which may not exceed four (4)  
34 years, but may provide for:

35 (A) the staggering of the terms of members initially  
36 appointed to the consolidated entity;

37 (B) reappointment following the expiration of a member's  
38 term; and

- 1           (C) the filling of vacancies if a vacancy occurs;
- 2           (3) the grounds for removal;
- 3           (4) the number of members required for a quorum; and
- 4           (5) any other matters that the county executive determines
- 5           reasonably relate to the composition of the consolidated
- 6           entity.

7           A member of the consolidated entity may not receive a salary or  
 8           benefits. However, a member of the consolidated entity is entitled  
 9           to reimbursement for necessary expenses incurred in the  
 10          performance of the member's respective duties.

11          (b) Each member of the consolidated entity, before entering the  
 12          member's duties, shall take an oath of office in the usual form, to  
 13          be endorsed upon the member's certificate of appointment and  
 14          promptly filed with the clerk of the circuit court of the county.

15          Sec. 7. If an ordinance is adopted under section 4 of this chapter,  
 16          the ordinance is final and the county executive may not adopt a  
 17          subsequent ordinance to restore each former entity and transfer  
 18          the powers, duties, and responsibilities concerning the  
 19          administration of the innkeeper's tax imposed under IC 6-9-18 or  
 20          food and beverage tax imposed under IC 6-9-21 back to each  
 21          former entity.

22          Sec. 8. If an ordinance is adopted under section 4 of this chapter,  
 23          money in a fund established under a provision of IC 6-9-18 or  
 24          IC 6-9-21 on the date the ordinance is adopted remains in the fund  
 25          and is available to be administered and used by the consolidated  
 26          entity for the purposes allowed under IC 6-9-18 or IC 6-9-21.

27          Sec. 9. If an ordinance is adopted under section 4 of this chapter,  
 28          any bonds, leases, contractual agreements, or other obligations  
 29          issued, entered into, or in effect on or before the date the ordinance  
 30          is adopted are transferred to and assumed by the consolidated  
 31          entity.

32          Sec. 10. If an ordinance is adopted under section 4 of this  
 33          chapter, all records and property of each former entity are  
 34          transferred on the date the ordinance is adopted to the  
 35          consolidated entity.

36          Sec. 11. If an ordinance is adopted under section 4 of this  
 37          chapter, the county executive must immediately send a certified  
 38          copy of the ordinance to each of the following:

- 1           **(1) The commissioner of the department of state revenue.**
- 2           **(2) The treasurer of state.**
- 3           **(3) The state comptroller.**
- 4           **Sec. 12. If an ordinance is adopted under section 4 of this**
- 5           **chapter, a reference to a former entity in IC 6-9-18, IC 6-9-21,**
- 6           **another statute, a rule, or any other document is considered a**
- 7           **reference to the consolidated entity.**
- 8           SECTION 17. IC 6-9-79 IS ADDED TO THE INDIANA CODE AS
- 9           A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 10          1, 2026]:
- 11          **Chapter 79. Bedford Food and Beverage Tax**
- 12          **Sec. 1. This chapter applies to the city of Bedford.**
- 13          **Sec. 2. The definitions in IC 6-9-12-1 apply throughout this**
- 14          **chapter.**
- 15          **Sec. 3. (a) The fiscal body of the city may adopt an ordinance to**
- 16          **impose an excise tax, known as the city food and beverage tax, on**
- 17          **transactions described in section 4 of this chapter. The fiscal body**
- 18          **of the city may adopt an ordinance under this subsection only after**
- 19          **the fiscal body has previously held at least one (1) separate public**
- 20          **hearing in which a discussion of the proposed ordinance to impose**
- 21          **the city food and beverage tax is the only substantive issue on the**
- 22          **agenda for the public hearing.**
- 23          **(b) If the city fiscal body adopts an ordinance under subsection**
- 24          **(a), the city fiscal body shall immediately send a certified copy of**
- 25          **the ordinance to the department of state revenue.**
- 26          **(c) If the city fiscal body adopts an ordinance under subsection**
- 27          **(a), the city food and beverage tax applies to transactions that**
- 28          **occur after the later of the following:**
- 29               **(1) The day specified in the ordinance.**
- 30               **(2) The last day of the month that succeeds the month in**
- 31               **which the ordinance is adopted.**
- 32          **Sec. 4. (a) Except as provided in subsection (c), a tax imposed**
- 33          **under section 3 of this chapter applies to a transaction in which**
- 34          **food or beverage is furnished, prepared, or served:**
- 35               **(1) for consumption at a location or on equipment provided by**
- 36               **a retail merchant;**
- 37               **(2) in the city; and**
- 38               **(3) by a retail merchant for consideration.**

1           **(b) Transactions described in subsection (a)(1) include**  
2 **transactions in which food or beverage is:**

- 3           **(1) served by a retail merchant off the merchant's premises;**
- 4           **(2) sold in a heated state or heated by a retail merchant;**
- 5           **(3) made of two (2) or more food ingredients, mixed or**  
6 **combined by a retail merchant for sale as a single item (other**  
7 **than food that is only cut, repackaged, or pasteurized by the**  
8 **seller, and eggs, fish, meat, poultry, and foods containing these**  
9 **raw animal foods requiring cooking by the consumer as**  
10 **recommended by the federal Food and Drug Administration**  
11 **in chapter 3, subpart 3-401.11 of its Food Code so as to**  
12 **prevent food borne illnesses); or**
- 13           **(4) sold with eating utensils provided by a retail merchant,**  
14 **including plates, knives, forks, spoons, glasses, cups, napkins,**  
15 **or straws (for purposes of this subdivision, a plate does not**  
16 **include a container or package used to transport food).**

17           **(c) The city food and beverage tax does not apply to the**  
18 **furnishing, preparing, or serving of a food or beverage in a**  
19 **transaction that is exempt, or to the extent the transaction is**  
20 **exempt, from the state gross retail tax imposed by IC 6-2.5.**

21           **Sec. 5. The city food and beverage tax rate:**

- 22           **(1) must be imposed in an increment of twenty-five**  
23 **hundredths percent (0.25%); and**
- 24           **(2) may not exceed one percent (1%);**

25 **of the gross retail income received by the merchant from the food**  
26 **or beverage transaction described in section 4 of this chapter. For**  
27 **purposes of this chapter, the gross retail income received by the**  
28 **retail merchant from a transaction does not include the amount of**  
29 **tax imposed on the transaction under IC 6-2.5.**

30           **Sec. 6. A tax imposed under this chapter shall be imposed, paid,**  
31 **and collected in the same manner that the state gross retail tax is**  
32 **imposed, paid, and collected under IC 6-2.5. However, the return**  
33 **to be filed with the payment of the tax imposed under this chapter**  
34 **may be made on a separate return or may be combined with the**  
35 **return filed for the payment of the state gross retail tax, as**  
36 **prescribed by the department of state revenue.**

1           **Sec. 7. The amounts received from the tax imposed under this**  
2 **chapter shall be paid monthly by the treasurer of state to the city**  
3 **fiscal officer upon warrants issued by the state comptroller.**

4           **Sec. 8. (a) If a tax is imposed under section 3 of this chapter by**  
5 **the city, the city fiscal officer shall establish a food and beverage**  
6 **tax receipts fund.**

7           **(b) The city fiscal officer shall deposit in the fund all amounts**  
8 **received under this chapter.**

9           **(c) Money earned from the investment of money in the fund**  
10 **becomes a part of the fund.**

11           **Sec. 9. Money in the food and beverage tax receipts fund must**  
12 **be used by the city only for the following purposes:**

13           **(1) Economic development and tourism related purposes or**  
14 **facilities, including the purchase of land for economic**  
15 **development or tourism related purposes.**

16           **(2) The pledge of money under IC 5-1-14-4 for bonds, leases,**  
17 **or other obligations incurred for a purpose described in**  
18 **subdivision (1).**

19 **Revenue derived from the imposition of a tax under this chapter**  
20 **may be treated by the city as additional revenue for the purpose of**  
21 **fixing its budget for the budget year during which the revenues are**  
22 **to be distributed to the city.**

23           **Sec. 10. With respect to obligations for which a pledge has been**  
24 **made under section 9 of this chapter, the general assembly**  
25 **covenants with the holders of the obligations that this chapter will**  
26 **not be repealed or amended in a manner that will adversely affect**  
27 **the imposition or collection of the tax imposed under this chapter**  
28 **if the payment of any of the obligations is outstanding.**

29           **Sec. 11. (a) If the city imposes the tax authorized by this chapter,**  
30 **the tax terminates on January 1, 2049.**

31           **(b) This chapter expires January 1, 2049.**

32           **SECTION 18. IC 12-15-1.3-18.8 IS ADDED TO THE INDIANA**  
33 **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
34 **[EFFECTIVE JULY 1, 2026]: Sec. 18.8. (a) Before September 1,**  
35 **2026, the office of the secretary shall apply to the United States**  
36 **Department of Health and Human Services for an amendment to**  
37 **each home and community based services Medicaid waiver to,**  
38 **when determining an individual's eligibility for a home and**

1 community based services Medicaid waiver, use an asset limit  
2 threshold as follows:

- 3 (1) For a single individual, five thousand dollars (\$5,000).
- 4 (2) For a married individual, ten thousand dollars (\$10,000).
- 5 (b) The office of the secretary shall implement the changes in
- 6 determining eligibility for a home and community based services
- 7 Medicaid waiver specified in subsection (a) beginning on the date
- 8 on which the United States Department of Health and Human
- 9 Services approves the request for changes by the office of the
- 10 secretary under this section."

11 Page 8, line 6, strike "and" and insert "of each county located in  
12 the community mental health center's primary service area, the".

13 Page 8, line 6, after "commissioners of each county" insert "located  
14 in the community mental health center's primary service area, and  
15 the division of mental health and addiction".

16 Page 8, line 8, strike "all" and insert "the".

17 Page 8, line 9, strike "centers" and insert "center".

18 Page 8, strike line 10.

19 Page 8, line 11, strike "this chapter".

20 Page 8, line 11, delete "that includes".

21 Page 8, between lines 21 and 22, begin a new line double block  
22 indented and insert:

23 **"(E) The total amount of funding provided by the division**  
24 **for purposes of programs under this chapter."**

25 Page 8, line 23, strike "centers" and insert "center".

26 Page 8, line 34, strike "centers." and insert "center".

27 Page 8, line 35, after "by" insert "the".

28 Page 8, line 36, strike "centers" and insert "center".

29 Page 8, line 37, after "of" strike "the" and insert "any".

30 Page 8, line 38, strike "centers" and insert "center".

31 Page 8, line 40, strike "division's".

32 Page 9, between lines 2 and 3, begin a new paragraph and insert:

33 "SECTION 21. IC 20-43-4-6.5, AS AMENDED BY P.L.201-2023,  
34 SECTION 203, IS AMENDED TO READ AS FOLLOWS  
35 [EFFECTIVE JANUARY 1, 2026 (RETROACTIVE)]: Sec. 6.5. (a)  
36 Subject to subsection (b), for purposes of determining basic tuition  
37 support for a school corporation under IC 20-43-6-3, the department  
38 shall review the daily attendance of each student to determine whether,

1 of the instructional services that the student receives from a school  
 2 corporation, at least fifty percent (50%) is virtual instruction. The  
 3 department shall review the daily attendance of a student under this  
 4 subsection as follows:

5 (1) Except as provided in section 6.7 of this chapter, for purposes  
 6 of the fall count of ADM, the department shall review the  
 7 attendance for each student on each school day from the school  
 8 corporation's first day of school until the fall count day of ADM  
 9 established under section 3 of this chapter.

10 (2) For purposes of the spring count of ADM, the department  
 11 shall review the attendance for each student on each school day  
 12 from the first day after the date described in subdivision (1) until  
 13 the date fixed in February by the state board under section 3 of  
 14 this chapter.

15 (b) In reviewing daily attendance under this section, the department  
 16 shall take into consideration whether a student transferred to the school  
 17 corporation during the dates described in subsection (a)(1) and (a)(2)  
 18 that the department reviews daily attendance.

19 **(c) For purposes of determining the amount of virtual**  
 20 **instruction a student receives, if the student transferred to a school**  
 21 **corporation ten (10) or fewer days before the 2026 spring count**  
 22 **day of ADM established under section 3 of this chapter, the**  
 23 **department shall consider an additional seven (7) days of**  
 24 **instruction after that count date. This subsection expires July 1,**  
 25 **2027.**

26 SECTION 22. IC 32-21-14-0.5 IS ADDED TO THE INDIANA  
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 28 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. For purposes of this**  
 29 **chapter, transfer fee covenants are limited to only transactions that**  
 30 **involve the transfer of property for financial benefit to the owner.**

31 SECTION 23. IC 32-21-14-1, AS AMENDED BY P.L.6-2012,  
 32 SECTION 207, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,  
 34 "transfer" means the transfer of an interest in real property located in  
 35 Indiana by:

- 36 (1) sale;  
 37 ~~(2) gift;~~  
 38 ~~(3)~~ **(2)** conveyance;

- 1           ~~(4)~~ **(3)** assignment; or
- 2           ~~(5)~~ **inheritance; or**
- 3           ~~(6)~~ **(4)** other means of transfer;
- 4           **for financial benefit to the owner.**

5           SECTION 24. IC 36-4-3-19.1 IS ADDED TO THE INDIANA  
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 7 [EFFECTIVE JULY 1, 2026]: **Sec. 19.1. (a) This section applies only**  
 8 **to a town that:**

- 9           **(1) was incorporated after 1990; and**
- 10           **(2) is located in a county having a population of more than**  
 11 **four hundred thousand (400,000) and less than seven hundred**  
 12 **thousand (700,000).**

13           **(b) The owner or owners of real property meeting the following**  
 14 **requirements may file a petition to disannex the property:**

- 15           **(1) The property consists of:**
  - 16           **(A) at least thirty (30) acres; and**
  - 17           **(B) not more than four (4) individual parcels.**
- 18           **(2) The boundary of a portion of the property is contiguous to**  
 19 **the boundary of:**
  - 20           **(A) the unincorporated area of the county; or**
  - 21           **(B) another municipality.**

22           **(c) The petition to disannex must include the following:**

- 23           **(1) A legal description of the property that is the subject of the**  
 24 **petition.**
- 25           **(2) The signed and notarized signature of the property owner**  
 26 **or owners.**

27           **(d) The owner or owners shall:**

- 28           **(1) record the executed petition to disannex with the county**  
 29 **recorder of the county in which the disannexed territory is**  
 30 **located; and**
- 31           **(2) file a copy of the executed petition with the county auditor**  
 32 **of the county in which the disannexed territory is located.**

33           **(e) The disannexation is complete and effective upon recording**  
 34 **and filing the petition as provided in subsection (d). The county**  
 35 **auditor shall list the disannexed property appropriately for**  
 36 **taxation.**

37           **(f) The county auditor shall forward a list of parcels disannexed**  
 38 **under this section to the following:**

- 1           **(1) The town that lost jurisdiction over the disannexed**
- 2           **territory.**
- 3           **(2) The county highway department of each county in which**
- 4           **the parcels affected are located.**
- 5           **(3) The county surveyor of each county in which the parcels**
- 6           **affected are located.**
- 7           **(4) Each plan commission, if any, that lost or gained**
- 8           **jurisdiction over the disannexed territory.**
- 9           **(5) The township trustee of each township that lost or gained**
- 10          **jurisdiction over the disannexed territory.**
- 11          **(6) The sheriff of each county in which parcels affected are**
- 12          **located.**
- 13          **(7) The office of the secretary of state.**
- 14          **(8) The office of census data established by IC 2-5-1.1-12.2.**
- 15          **(9) The department of local government finance, not later**
- 16          **than August 1 following the disannexation, in the manner**
- 17          **prescribed by the department.**

18          **The county auditor may require the owner to furnish an adequate**  
 19          **number of copies of the list of disannexed parcels or may charge**  
 20          **the owner a fee for copies of the list.**

21          **(g) A person may not appeal a disannexation petition that has**  
 22          **been recorded and filed under this section.**

23          SECTION 25. IC 36-7-32-8.5, AS AMENDED BY P.L.154-2020,  
 24          SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25          JULY 1, 2026]: Sec. 8.5. As used in this chapter, "income tax  
 26          incremental amount" means the following:

- 27           (1) Except as provided in subdivision (2), the remainder of:
  - 28            (A) the total amount of state adjusted gross income taxes and
  - 29            local income taxes paid by employees employed in the
  - 30            territory comprising the certified technology park with respect
  - 31            to wages and salary earned for work in the territory comprising
  - 32            the certified technology park for a particular state fiscal year;
  - 33            minus
  - 34            (B) the sum of the:
    - 35            (i) income tax base period amount as defined in section 8 of
    - 36            this chapter; and
    - 37            (ii) tax credits awarded by the Indiana economic
    - 38            development corporation under IC 6-3.1-13 to businesses

1 operating in a certified technology park as the result of  
2 wages earned for work in the certified technology park for  
3 the state fiscal year;

4 as determined by the department of state revenue.

5 (2) In the case of a certified technology park for which the amount  
6 limit under section 22(c), ~~or~~ 22(d), **or 22(e)** of this chapter has  
7 been exceeded, the remainder of:

8 (A) the total amount of state adjusted gross income taxes and  
9 local income taxes paid by employees employed in the  
10 territory comprising the certified technology park with respect  
11 to wages and salary earned for work in the territory comprising  
12 the certified technology park for a particular state fiscal year;  
13 minus

14 (B) the sum of the:

15 (i) income tax base period amount as defined in section 8 of  
16 this chapter; and

17 (ii) tax credits awarded by the Indiana economic  
18 development corporation under IC 6-3.1-13 to businesses  
19 operating in a certified technology park as the result of  
20 wages earned for work in the certified technology park for  
21 the state fiscal year;

22 as determined by the department of state revenue.

23 SECTION 26. IC 36-7-32-22, AS AMENDED BY P.L.145-2025,  
24 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 JULY 1, 2026]: Sec. 22. (a) The treasurer of state shall establish an  
26 incremental tax financing fund for each certified technology park  
27 designated under this chapter. The fund shall be administered by the  
28 treasurer of state. Money in the fund does not revert to the state general  
29 fund at the end of a state fiscal year.

30 (b) Subject to subsection (c), the following amounts shall be  
31 deposited during each state fiscal year in the incremental tax financing  
32 fund established for a certified technology park under subsection (a):

33 (1) The aggregate amount of state gross retail and use taxes that  
34 are remitted under IC 6-2.5 by businesses operating in the  
35 certified technology park, until the amount of state gross retail  
36 and use taxes deposited equals the gross retail incremental  
37 amount for the certified technology park.

1 (2) Except as provided in subdivision (3), the aggregate amount  
2 of the following taxes paid by employees employed in the  
3 certified technology park with respect to wages earned for work  
4 in the certified technology park, until the amount deposited equals  
5 the income tax incremental amount as defined in section 8.5(1) of  
6 this chapter:

- 7 (A) The adjusted gross income tax.
- 8 (B) The local income tax (IC 6-3.6).

9 (3) In the case of a certified technology park to which subsection  
10 (e) **or (f)** applies, the amount determined under subsection (e) **or**  
11 **(f)**, if any **and as applicable**.

12 (c) Except as provided in subsections (d), ~~and (e)~~, **and (f)**, not more  
13 than a total of five million dollars (\$5,000,000) may be deposited in a  
14 particular incremental tax financing fund for a certified technology  
15 park over the life of the certified technology park.

16 (d) Except as provided in ~~subsection (e)~~; **subsections (e) and (f)**, in  
17 the case of a certified technology park that is operating under a written  
18 agreement entered into by two (2) or more redevelopment  
19 commissions, and subject to section 26(b)(4) of this chapter:

20 (1) not more than a total of five million dollars (\$5,000,000) may  
21 be deposited over the life of the certified technology park in the  
22 incremental tax financing fund of each redevelopment  
23 commission participating in the operation of the certified  
24 technology park; and

25 (2) the total amount that may be deposited in all incremental tax  
26 financing funds, over the life of the certified technology park, in  
27 aggregate, may not exceed the result of:

- 28 (A) five million dollars (\$5,000,000); multiplied by
- 29 (B) the number of redevelopment commissions that have  
30 entered into a written agreement for the operation of the  
31 certified technology park.

32 (e) If a certified technology park has reached the limit on deposits  
33 under subsection (c) or (d) and maintains its certification under section  
34 11(c) of this chapter, the certified technology park shall become a  
35 Level 2 certified technology park and an additional annual deposit  
36 amount shall be deposited in the incremental tax financing fund for the  
37 certified technology park equal to the following:

- 1 (1) For a certified technology park to which subsection (c)  
2 applies, the lesser of:
  - 3 (A) the income tax incremental amount as defined in section  
4 8.5(2) of this chapter; or
  - 5 (B) two hundred fifty thousand dollars (\$250,000).
- 6 (2) For a certified technology park to which subsection (d)  
7 applies, the lesser of:
  - 8 (A) the aggregate income tax incremental amounts as defined  
9 in section 8.5(2) of this chapter attributable to each  
10 redevelopment commission that has entered into a written  
11 agreement for the operation of the certified technology park;  
12 or
  - 13 (B) two hundred fifty thousand dollars (\$250,000) multiplied  
14 by the number of redevelopment commissions that have  
15 entered into a written agreement for the operation of the  
16 certified technology park.
- 17 (3) The following apply to deposits under this subsection:
  - 18 (A) If a certified technology park reached its limit on deposits  
19 based on a state fiscal year ending before July 1, 2020, the  
20 certified technology park shall receive deposits based on the  
21 income tax incremental amount as defined in section 8.5(2) of  
22 this chapter for each state fiscal year ending after June 30,  
23 2019.
  - 24 (B) If a certified technology park reached its limit on deposits  
25 based on a state fiscal year ending after June 30, 2020, the  
26 certified technology park shall receive deposits based on the  
27 income tax incremental amount as defined in section 8.5(2) of  
28 this chapter for the state fiscal year in which it reached its limit  
29 on deposits under subsection (c) or (d) and each state fiscal  
30 year thereafter.
  - 31 (C) If a certified technology park is permitted to receive  
32 deposits under this subsection during the state fiscal year in  
33 which it reached its limit on deposits under subsection (c) or  
34 (d), the income tax incremental amount for purposes of  
35 subdivision (1)(A) or (1)(B) for that state fiscal year shall be  
36 reduced by an amount equal to:

- 1 (i) the deposit amount for the state fiscal year under
- 2 subsection (b) required to reach the limit on deposits under
- 3 subsection (c) or (d); minus
- 4 (ii) the gross retail incremental amount determined under
- 5 section 6.5 of this chapter;
- 6 but not less than zero (0).

7 **(f) This subsection applies to a certified technology park that is**  
 8 **located within a qualified military base enhancement area under**  
 9 **IC 36-7-34. Subject to subsection (g), if a certified technology park**  
 10 **has reached the limit on deposits under subsection (e) and**  
 11 **maintains its certification under section 11(c) of this chapter, the**  
 12 **certified technology park shall become a Level 3 certified**  
 13 **technology park and an additional annual deposit amount shall be**  
 14 **deposited in the incremental tax financing fund for the certified**  
 15 **technology park equal to the lesser of:**

- 16 (1) the aggregate income tax incremental amounts as defined
- 17 in section 8.5(2) of this chapter attributable to each
- 18 redevelopment commission that has entered into a written
- 19 agreement for the operation of the certified technology park;
- 20 or
- 21 (2) two hundred fifty thousand dollars (\$250,000) multiplied
- 22 by the number of redevelopment commissions that have
- 23 entered into a written agreement for the operation of the
- 24 certified technology park.

25 **However, no amount of state gross retail and use taxes that are**  
 26 **remitted under IC 6-2.5 for transactions occurring after June 30,**  
 27 **2029, by businesses operating in the certified technology park and**  
 28 **no amount of adjusted gross income tax or local income tax paid by**  
 29 **employees employed in the certified technology park with respect**  
 30 **to wages and salary earned for work in the certified technology**  
 31 **park after June 30, 2029, may be deposited in the incremental tax**  
 32 **financing fund for the certified technology park, regardless of**  
 33 **whether the maximum annual amount under subdivision (1) or (2)**  
 34 **has been met.**

35 **(g) For purposes of calculating the income tax incremental**  
 36 **amount for the additional annual deposit amount under subsection**  
 37 **(f), only wages attributable to new employees hired on or after the**  
 38 **date the certified technology park becomes a Level 3 certified**

1 technology park shall be included in the calculation. The  
2 department of state revenue shall determine the incremental  
3 amount based only on the net payroll increase over the base payroll  
4 determined at the time of the Level 3 designation.

5 (h) Once a certified technology park meets the requirements of  
6 designation as a Level 3 certified technology park, the department  
7 of state revenue shall, not later than ninety (90) days after receipt  
8 of all information necessary to make the determination, issue a  
9 written determination establishing:

- 10 (1) the date on which the certified technology park became a
- 11 Level 3 certified technology park; and
- 12 (2) the base payroll amount to be used for purposes of
- 13 calculating the income tax incremental amount under section
- 14 8.5 of this chapter.

15 The department of state revenue may require the submission of  
16 documentation reasonably necessary to make the determination  
17 under this subsection.

18 ~~(f)~~ (i) This subsection applies to a Level 2 or Level 3 certified  
19 technology park designated in subsection (e) or (f). When the office  
20 recertifies a certified technology park as required under section 11 of  
21 this chapter, the office shall make a determination of whether the  
22 certified technology park shall continue to be designated as a Level 2  
23 or Level 3 certified technology park.

24 ~~(g)~~ (j) On or before the twentieth day of each month, all amounts  
25 held in the incremental tax financing fund established for a certified  
26 technology park shall be distributed to the redevelopment commission  
27 for deposit in the certified technology park fund established under  
28 section 23 of this chapter."

29 Page 9, between lines 32 and 33, begin a new paragraph and insert:

30 "SECTION 29. [EFFECTIVE UPON PASSAGE] (a) As used in  
31 this SECTION, "division" means the division of family resources  
32 established by IC 12-13-1-1.

33 (b) As used in this SECTION, "EBT card" refers to a magnetic  
34 stripe card issued by or on behalf of the division for distribution of  
35 SNAP assistance through an electronic benefits transfer program.

36 (c) As used in this SECTION, "SNAP" refers to the federal  
37 Supplemental Nutrition Assistance Program under 7 U.S.C. 2011  
38 et seq.

- 1           **(d) The office of the secretary of family and social services and**
- 2           **division shall, when issuing a request for proposals for vendors to**
- 3           **implement or maintain an electronic benefits transfer program in**
- 4           **Indiana for SNAP assistance, require that, as part of its services,**
- 5           **a vendor offer a mobile application that allows the division to**
- 6           **implement technology solutions to prevent theft of SNAP benefits**
- 7           **and allow for the following:**
- 8               **(1) EBT card locking and unlocking.**
- 9               **(2) Blocking use of an EBT card for out-of-state transactions.**
- 10              **(3) Blocking use of an EBT card for online transactions.**
- 11              **(4) Receiving alerts for suspicious transactions using an EBT**
- 12              **card.**
- 13           **(e) This SECTION expires July 1, 2029.**
- 14           SECTION 30. [EFFECTIVE JULY 1, 2026] **(a) IC 4-22-2-22.7, as**
- 15           **amended by this act, applies to a rulemaking action that**
- 16           **commences after June 30, 2026.**
- 17           **(b) This SECTION expires July 1, 2028."**
- 18           Renumber all SECTIONS consecutively.
- (Reference is to SB 4 as reprinted January 29, 2026.)

**and when so amended that said bill do pass.**

**Representative Thompson**