

SENATE BILL No. 17

DIGEST OF INTRODUCED BILL

Citations Affected: IC 13-11-2-47.8; IC 13-17.

Synopsis: Air quality. Authorizes a town, city, or county to establish or designate an agency to act for the town, city, or county as a local air pollution control agency (agency). Requires the commissioner of the department of environmental management (department) to enter into a contract with the agency of a town, city, or county if the agency is willing to enter into the contract. Provides that a contract between the department and the agency of a town, city, or county must: (1) require the department to advise, consult, cooperate with, and provide technical assistance to the agency; (2) authorize the agency to undertake air pollution control activities on behalf of the department or initiate enforcement of ordinances of the town, city, or county; and (3) provide for the payment of fair monetary compensation for the air pollution control activities performed by the agency. Provides that: (1) the compensation paid to an agency under a contract must be at least sufficient to cover the agency's staffing and operating costs; and (2) the rate of compensation must be adjusted each year according to changes in the Consumer Price Index.

Effective: July 1, 2026.

Randolph Lonnie M

December 8, 2025, read first time and referred to Committee on Environmental Affairs.



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

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

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

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

SENATE BILL No. 17

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

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

1 SECTION 1. IC 13-11-2-47.8 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: **Sec. 47.8. "CPI-U", for purposes of**
4 **IC 13-17-3-9.5, means the Consumer Price Index for All Urban**
5 **Consumers, all items, as published monthly by the United States**
6 **Bureau of Labor Statistics.**

7 SECTION 2. IC 13-17-3-9.5 IS ADDED TO THE INDIANA CODE
8 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9 1, 2026]: **Sec. 9.5. (a) The commissioner shall enter into a contract**
10 **described in subsection (b) with a local air pollution control agency**
11 **that is:**

12 (1) established or designated by a town, city, or county under
13 IC 13-17-12-1(b); and
14 (2) willing to enter into the contract.

15 (b) A contract entered into under this section must do the
16 following:

17 (1) Require the department to:



- 1 (A) advise, consult, and cooperate with; and
 2 (B) provide technical assistance to;
 3 the local air pollution control agency.
 4 (2) Either authorize the local air pollution control agency:
 5 (A) to undertake air pollution control activities, including:
 6 (i) monitoring regional ambient air quality; and
 7 (ii) within the local air pollution control agency's
 8 jurisdiction, issuing operating permits and operating
 9 permit revisions, performing compliance inspections,
 10 responding to complaints and emergencies, and initiating
 11 enforcement actions;
 12 on behalf of the department; or
 13 (B) to:
 14 (i) issue operating permits and operating permit
 15 revisions;
 16 (ii) perform compliance inspections;
 17 (iii) respond to complaints and emergencies; and
 18 (iv) initiate enforcement actions;
 19 as authorized by ordinances of the town, city, or county, as
 20 applicable, that are consistent with or more restrictive
 21 than air pollution control laws.
 22 (3) Provide that the local air pollution control agency must be
 23 paid fair monetary compensation for the activities described
 24 in subdivision (2) from funds available to the department for
 25 administration of the air pollution control laws, including the
 26 following:
 27 (A) United States Environmental Protection Agency
 28 federal grant funding for the purpose of air pollution
 29 control program support activities funded under Section
 30 105 of the federal Clean Air Act (42 U.S.C. 7405), as
 31 further described in Section 66.001 of the Catalog of
 32 Federal Domestic Assistance.
 33 (B) United States Environmental Protection Agency
 34 federal grant funding for the purpose of PM_{2.5} air
 35 monitoring activities funded under Section 103 of the
 36 federal Clean Air Act (42 U.S.C. 7403), as further
 37 described in Section 66.034 of the Catalog of Federal
 38 Domestic Assistance.
 39 (C) Revenue from annual operating fees established under
 40 326 IAC 2.
 41 (D) The environmental management special fund
 42 established under IC 13-14-12.



(E) Any other source of funds approved by the governor and the budget agency.

(c) The monetary compensation provided to a local air pollution control agency under a contract entered into under this section:

(1) must be at least sufficient to cover the staffing and operating costs incurred by the local air pollution control agency in performing activities described in subsection (b)(2); and

(2) shall be adjusted each year according to the CPI-U.

(d) An adjustment under subsection (c)(2):

(1) must take place each year not later than thirty (30) days after the release of the CPI-U for January of that year; and

(2) must adjust the rate of compensation to the local air pollution control agency in proportion to the difference between the CPI-U released for January of that year and the CPI-U released for January of the previous year.

SECTION 3. IC 13-17-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) Air pollution control laws do not prevent towns, cities, or counties from:

(1) enforcing local air pollution ordinances consistent with air pollution control laws; or

(2) adopting or enforcing more restrictive ordinances to further the expressed purposes of air pollution control laws.

(b) To enforce local air pollution ordinances under subsection (a), a town, city, or county must establish or designate an agency to act for the town, city, or county as a local air pollution control agency.

(c) A local air pollution control agency established or designated by a town, city, or county under subsection (b) may:

(1) enforce the air pollution ordinances of the town, city, or county;

(2) undertake air pollution control efforts on behalf of the department under a contract entered into under IC 13-17-3-9.5; and

(3) under section 3 of this chapter, administer the air pollution control program of the town, city, or county in cooperation with one (1) or more other towns, cities, or counties located within the same air quality basin.

SECTION 4. IC 13-17-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. ~~An~~ A local air pollution control agency of a town, city, or county that has entered into a contract with the commissioner under IC 13-17-3-9.5 shall



- 1 submit annual reports as requested by the department.

