

# SENATE BILL No. 54

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-7-4-617.

**Synopsis:** Zoning overlay districts for solar projects. Provides that after December 31, 2025, a permit authority may not establish in a unit a zoning overlay district in which one or more commercial solar energy projects (CSE projects) will be located unless each underlying zoning district across which the proposed overlay district will extend is zoned for a use that, under the unit's existing zoning ordinance at the time the overlay district is proposed, permits the location of a CSE project within that underlying district. Provides that if one or more underlying zoning districts across which the proposed overlay district will extend is not zoned for a use that permits the location of a CSE project within that underlying district, each such underlying zoning district, or part of the zoning district, must be rezoned for a use that permits the location of a CSE project within all or part of the underlying zoning district.

**Effective:** January 1, 2026 (retroactive).

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

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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. 54

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

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

1       SECTION 1. IC 36-7-4-617 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2026 (RETROACTIVE)]: **Sec. 617. (a) This section**  
4 **does not apply to an overlay district that is established in a unit**  
5 **before January 1, 2026.**

6       **(b) As used in this section, "commercial solar energy project",**  
7 **or "CSE project", means a project involving the construction,**  
8 **installation, siting, modification, operation, or decommissioning of**  
9 **one (1) or more CSE systems in a unit.**

10       **(c) As used in this section, "commercial solar energy system",**  
11 **or "CSE system", means a system, however denominated in a**  
12 **zoning ordinance or by a permit authority, that captures and**  
13 **converts solar energy into electricity:**

14               **(1) for the purpose of selling the electricity at wholesale; and**

15               **(2) for use in locations other than where it is generated.**

16       **The term includes solar panels, collection and feeder lines,**  
17 **generation tie lines, substations, ancillary buildings, solar**



1 monitoring stations, and accessory equipment or structures. The  
 2 term does not include a solar energy device (as defined in  
 3 IC 32-23-4-3) that is installed on a property owner's premises for  
 4 the purpose of meeting or offsetting all or part of the need for  
 5 heating, cooling, or electrical power on the premises.

6 (d) As used in this section, "overlay district" means a  
 7 supplemental district, however denominated in a zoning ordinance  
 8 or by a permit authority, that:

9 (1) extends across one (1) or more:

10 (A) underlying zoning districts; or

11 (B) parts of one (1) or more underlying zoning districts;  
 12 and

13 (2) prescribes additional or alternative regulations to the  
 14 regulations applicable to each underlying zoning district with  
 15 respect to a specific critical feature or resource.

16 (e) As used in this section, "permit authority" refers to:

17 (1) a unit; or

18 (2) any applicable board, commission, or other governing  
 19 body of a unit;

20 that makes legislative or administrative decisions concerning the  
 21 permitting, construction, installation, siting, modification,  
 22 operation, or decommissioning of CSE systems in the unit.

23 (f) As used in this section, "unit" has the meaning set forth in  
 24 IC 8-1-42-8.

25 (g) After December 31, 2025, a permit authority may not  
 26 establish in a unit an overlay district in which one (1) or more CSE  
 27 projects will be located unless each underlying zoning district  
 28 across which the proposed overlay district will extend is zoned for  
 29 a use that, under the unit's existing zoning ordinance at the time  
 30 the overlay district is proposed, permits the location of a CSE  
 31 project within that underlying district. If one (1) or more  
 32 underlying zoning districts across which the proposed overlay  
 33 district will extend is not zoned for a use that, under the unit's  
 34 existing zoning ordinance at the time the overlay district is  
 35 proposed, permits the location of a CSE project within that  
 36 underlying district, each such underlying zoning district, or part of  
 37 the zoning district, must be rezoned, in accordance with this  
 38 chapter, for a use that permits the location of a CSE project within  
 39 all or part of the underlying zoning district.

40 SECTION 2. An emergency is declared for this act.

