



February 16, 2026

ENGROSSED

SENATE BILL No. 179

DIGEST OF SB 179 (Updated February 16, 2026 11:35 am - DI 137)

Citations Affected: IC 5-30; IC 6-3.5; IC 8-14; IC 8-23; IC 9-20; IC 9-28; IC 32-19.5; IC 36-6; IC 36-9.

Synopsis: Indiana department of transportation. Allows the Indiana department of transportation (department) to assume the responsibilities and duties of the United States Department of Transportation with respect to certain federal environmental laws. Provides that the department waives its civil immunity and consents to the jurisdiction of the federal courts for responsibilities and duties assumed under certain federal environmental laws. Amends language regarding a local unit's eligibility for: (1) a grant from the local road and bridge matching grant fund (fund); and (2) a distribution from the fund based on the local unit's share of total lane mileage. Provides limitations for an overweight truck permit that is issued for a single trip. Provides for the use of the Indiana Plane Coordinate System as a means to describe real property. Provides that the department may give preference in awarding grants from the fund to local units that have adopted an enhanced asset management plan. Amends certain requirements for township capital improvement plans.

Effective: Upon passage; July 1, 2023 (retroactive); July 1, 2026.

**Crider, Doriot, Randolph Lonnie M,
Holdman**

(HOUSE SPONSOR — PRESSEL)

January 5, 2026, read first time and referred to Committee on Homeland Security and Transportation.

January 15, 2026, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

January 22, 2026, amended, reported favorably — Do Pass.

January 26, 2026, read second time, amended, ordered engrossed.

January 27, 2026, engrossed. Read third time, passed. Yeas 41, nays 5.

HOUSE ACTION

January 29, 2026, read first time and referred to Committee on Roads and Transportation.

February 16, 2026, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 126.3.

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February 16, 2026

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.

ENGROSSED SENATE BILL No. 179

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

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

- 1 SECTION 1. IC 5-30-2-3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2023 (RETROACTIVE)]: **Sec. 3. A contract may not be awarded**
4 **under this article to a progressive design-builder (as defined in**
5 **IC 8-23-9.5-10).**
- 6 SECTION 2. IC 6-3.5-4-2, AS AMENDED BY P.L.173-2025,
7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 2. (a) An adopting entity of any county may,
9 subject to the limitation imposed by subsection (e), adopt an ordinance
10 to impose a county vehicle excise tax in accordance with this chapter
11 on each vehicle that is subject to the vehicle excise tax under IC 6-6-5
12 and that is registered in the county. **However, a county may not after**
13 **December 31, 2026, impose a county vehicle excise tax on a vehicle**
14 **that is registered in an adopting municipality (as defined in**
15 **IC 6-3.5-10-1) in which a municipal vehicle excise tax is in effect.**
- 16 (b) If a county does not use a transportation asset management plan
17 approved by the Indiana department of transportation, the adopting

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entity of the county may impose the surtax either:

- (1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than twenty-five dollars (\$25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(c) Except as provided in subsection (i), if a county uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than fifty dollars (\$50).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

(d) Subject to the limits and requirements of this section and except as provided in IC 6-6-5-0.5(2), the adopting entity may do any of the following:

- (1) Impose the county vehicle excise tax at the same rate or amount on each vehicle that is subject to the tax.
- (2) Impose the county vehicle excise tax on vehicles subject to the tax at one (1) or more different rates based on the class of vehicle listed in IC 6-6-5-2(a).

(e) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(f) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the county vehicle excise tax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

(g) Except as provided under section 7.5 of this chapter (before its expiration on December 31, 2023) and subject to subsection (h), a county vehicle excise tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(h) If the county vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county vehicle excise tax imposed by this chapter for the:



- (1) registration year immediately preceding the current registration year;
- (2) current registration year; and
- (3) registration year immediately following the current registration year.

(i) Beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than one hundred fifty dollars (\$150).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

(j) To be eligible for a distribution under IC 8-23-30-2(k), a county must adopt a county vehicle excise tax and a county wheel tax, as provided in IC 6-3.5-5-2, not later than:

- (1) for the distribution made in 2026, May 1, 2026; and**
- (2) for a distribution made in a subsequent year, September 1 of the prior calendar year.**

SECTION 3. IC 6-3.5-4-3, AS AMENDED BY P.L.178-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a)** If an adopting entity adopts an ordinance imposing the surtax after December 31 but before September 1 of the following year, a vehicle is subject to the tax if it is registered in the county surtax applies after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance imposing the surtax after August 31 but before the following January 1, a vehicle is subject to the tax if it is registered in the county surtax applies after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the surtax is effective, the surtax does not apply to the registration of a vehicle for the registration year that commenced in the calendar year preceding the year the surtax is first effective.

(b) If an adopting entity received a distribution under IC 8-23-30-2(k) in the prior calendar year, the adopting entity must provide a copy of the adopted ordinance to the bureau of motor vehicles not later than May 1 of the subsequent year.

SECTION 4. IC 6-3.5-4-4, AS AMENDED BY P.L.178-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



UPON PASSAGE]: Sec. 4. (a) After January 1 but before September 1 of any year, the adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to rescind the surtax. If the adopting entity adopts such an ordinance, the surtax does not apply to a vehicle registered after December 31 of the year the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to rescind the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to rescind the wheel tax. In addition, the adopting entity may not adopt an ordinance to rescind the surtax if:

(1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or

(2) any bonds issued by the county under IC 8-14-9 are outstanding.

(c) An adopting entity must provide the bureau of motor vehicles with an ordinance adopted under this section not later than:

(1) for an ordinance adopted before May 1, 2026, not later than May 1, 2026; and

(2) for an ordinance adopted after April 30, 2026, not later than September 1 of the year the ordinance is adopted.

SECTION 5. IC 6-3.5-4-6, AS AMENDED BY P.L.178-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) If an adopting entity adopts an ordinance to impose, rescind, or change the rate or amount of the surtax, the adopting entity shall send a copy of the ordinance, and, if applicable, a copy of the letter from the Indiana department of transportation approving the adopting entity's transportation asset management plan, to the bureau of motor vehicles on or before September 1, to be effective January 1 of the following calendar year.

(b) An adopting entity shall submit all copies under subsection (a) in a manner prescribed by the bureau of motor vehicles.

(c) To be eligible for a distribution under IC 8-23-30-2(k), an adopting entity must provide the bureau of motor vehicles with a copy of the adopting entity's approved transportation asset management plan not later than:

(1) for the distribution made in 2026, May 1, 2026; and

(2) for a distribution made in a subsequent year, September 1 of the prior calendar year.

SECTION 6. IC 6-3.5-4-13, AS AMENDED BY P.L.146-2016, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) In the case of a county that does not



1 contain a consolidated city of the first class, the county treasurer shall
 2 deposit the surtax revenues in a fund to be known as the " _____
 3 County Surtax Fund".

4 (b) Before the twentieth day of each month, the county auditor shall
 5 allocate the money deposited in the county surtax fund during that
 6 month among the county and the cities and the towns in the county **that**
 7 **are not adopting municipalities (as defined in IC 6-3.5-10-1) in**
 8 **which a municipal vehicle excise tax is in effect.** The county auditor
 9 shall allocate the money to counties, cities, and towns under
 10 IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3), **except that for purposes**
 11 **of making the allocations:**

12 (1) **the population of a city or town that is an adopting**
 13 **municipality in which a municipal vehicle excise tax is in**
 14 **effect is considered to be zero (0);**

15 (2) **the street mileage of a city or town that is an adopting**
 16 **municipality in which a municipal vehicle excise tax is in**
 17 **effect is considered to be zero (0) miles; and**

18 (3) **the allocation to a city or town that is an adopting**
 19 **municipality in which a municipal vehicle excise tax is in**
 20 **effect is zero dollars (\$0).**

21 (c) Before the twenty-fifth day of each month, the county treasurer
 22 shall distribute to the county and the cities and towns in the county the
 23 money deposited in the county surtax fund during that month. The
 24 county treasurer shall base the distribution on allocations made by the
 25 county auditor for that month under subsection (b).

26 (d) A county, city, or town may only use the surtax revenues it
 27 receives under this section:

28 (1) to construct, reconstruct, repair, or maintain streets and roads
 29 under its jurisdiction; or

30 (2) for the county's, city's, or town's contribution to obtain a grant
 31 from the local road and bridge matching grant fund under
 32 IC 8-23-30.

33 SECTION 7. IC 6-3.5-5-2, AS AMENDED BY P.L.173-2025,
 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 2. (a) The adopting entity of any county may,
 36 subject to the limitation imposed by subsection (b), adopt an ordinance
 37 to impose a county wheel tax in accordance with this chapter on each
 38 vehicle that:

39 (1) is included in one (1) of the classes of vehicles listed in
 40 section 3 of this chapter;

41 (2) is not exempt from the wheel tax under section 4 of this
 42 chapter; and



(3) is registered in the county.

However, a county may not after December 31, 2026, impose a county wheel tax on a vehicle that is registered in an adopting municipality (as defined in IC 6-3.5-11-1) in which a municipal wheel tax is in effect.

(b) The adopting entity of a county may not adopt an ordinance to impose the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to impose the county vehicle excise tax.

(c) The adopting entity may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the adopting entity may establish different rates within the classes of buses, semitrailers, trailers, tractors, and trucks based on weight classifications of those vehicles that are established by the bureau of motor vehicles for use throughout Indiana. Except as otherwise provided in subsection (f), the wheel tax rate for a particular class or weight classification of vehicles:

(1) may not be less than five dollars (\$5) and may not exceed forty dollars (\$40), if the county does not use a transportation asset management plan approved by the Indiana department of transportation; or

(2) may not be less than five dollars (\$5) and may not exceed eighty dollars (\$80), if the county uses a transportation asset management plan approved by the Indiana department of transportation.

The adopting entity shall state the initial wheel tax rates in the ordinance that imposes the tax.

(d) Subject to subsection (e), a wheel tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(e) If the county wheel tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county wheel tax imposed by this chapter for the:

(1) registration year immediately preceding the current registration year;

(2) current registration year; and

(3) registration year immediately following the current registration year.

(f) Beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the wheel tax rate for a particular class or weight classification of vehicles may not be less than five dollars (\$5) and may not exceed two hundred forty dollars (\$240).



SECTION 8. IC 6-3.5-5-5, AS AMENDED BY P.L.218-2017, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. If an adopting entity adopts an ordinance imposing the wheel tax after December 31 but before September 1 of the following year, ~~a vehicle described in section 2(a) of this chapter is subject to the wheel tax if it is registered in the county~~ **applies** after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance imposing the wheel tax after August 31 but before the following January 1, ~~a vehicle described in section 2(a) of this chapter is subject to the wheel tax if it is registered in the county~~ **applies** after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the tax is effective, the tax does not apply to the registration of a motor vehicle for the registration year that commenced in the calendar year preceding the year the tax is first effective.

SECTION 9. IC 6-3.5-5-15, AS AMENDED BY P.L.146-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) In the case of a county that does not contain a consolidated city, the county treasurer shall deposit the wheel tax revenues in a fund to be known as the "County Wheel Tax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county wheel tax fund during that month among the county and the cities and the towns in the county **that are not adopting municipalities (as defined in IC 6-3.5-11-1) in which a municipal wheel tax is in effect.** The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3), **except that for purposes of making the allocations:**

(1) **the population of a city or town that is an adopting municipality in which a municipal wheel tax is in effect is considered to be zero (0);**

(2) **the street mileage of a city or town that is an adopting municipality in which a municipal wheel tax is in effect is considered to be zero (0) miles; and**

(3) **the allocation to a city or town that is an adopting municipality in which a municipal wheel tax is in effect is zero dollars (\$0).**

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county wheel tax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).



(d) A county, city, or town may only use the wheel tax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction;

(2) as a contribution to an authority established under IC 36-7-23; or

(3) for the county's, city's, or town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

SECTION 10. IC 8-14-1-4, AS AMENDED BY P.L.173-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The funds allocated to the respective counties of the state from the motor vehicle highway account shall annually be budgeted as provided by law, and, when distributed shall be used for construction, reconstruction, preservation, and maintenance of the highways of the respective counties, including highways which traverse the streets of incorporated towns, the cost of the repair and maintenance of which prior to the tenth day of September, 1932, was paid from the county gravel road repair fund excepting where the department is charged by law with the maintenance or construction of any such highway so traversing such streets. Subject to subsection (b), any surplus existing in the funds at the end of the year shall thereafter continue as a part of the highway funds of the said counties and shall be rebudgeted and used as already provided in this chapter. The purchase, rental and repair of highway equipment, painting of bridges and acquisition of grounds for erection and construction of storage buildings, acquisition of rights of way and the purchase of fuel oil, and supplies necessary to the performance of construction, reconstruction, preservation, and maintenance of highways, shall be paid out of the highway account of the various counties.

(b) Except as provided in subsection (c) and section 4.1 of this chapter, for funds distributed to a county from the motor vehicle highway account, the county shall use at least fifty percent (50%) of the money for the construction, reconstruction, and preservation of the county's highways.

(c) This subsection applies to a county containing a consolidated city. For funds distributed to a county from the motor vehicle highway account, the county shall use at least sixty-five percent (65%) of the money for the construction, reconstruction, and preservation of the county's highways.

(d) A county, including a county containing a consolidated city, may not budget or designate any funds that are distributed to the



county from the motor vehicle highway account for a project to be selected by an individual member of the county fiscal body.

SECTION 11. IC 8-14-2-4, AS AMENDED BY P.L.9-2024, SECTION 292, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The state comptroller shall establish a special account to be called the "local road and street account" and credit this account monthly with thirty-seven percent (37%) of the money deposited in the highway, road and street fund.

(b) The state comptroller shall distribute to units of local government money from this account each month. Before making any other distributions under this chapter, the state comptroller shall distribute E85 incentive payments to all political subdivisions entitled to a payment under section 8 of this chapter.

(c) After distributing E85 incentive payments required under section 8 of this chapter, the state comptroller shall allocate to each county the remaining money in this account on the basis of the ratio of each county's passenger car registrations to the total passenger car registrations of the state. The state comptroller shall further determine the suballocation between the county and the cities within the county as follows:

(1) In counties having a population of more than fifty thousand (50,000), sixty percent (60%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and forty percent (40%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(2) In counties having a population of fifty thousand (50,000) or less, twenty percent (20%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and eighty percent (80%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(3) For the purposes of allocating funds as provided in this section, towns which become incorporated as a town between the effective dates of decennial censuses shall be eligible for allocations upon the effectiveness of a corrected population count for the town under IC 1-1-3.5.

(4) Money allocated under the provisions of this section to counties containing a consolidated city shall be credited or allocated to the department of transportation of the consolidated city.

(d) Each month the state comptroller shall inform the department of



the amounts allocated to each unit of local government from the local road and street account.

(e) A county, including a county containing a consolidated city, may not budget or designate any funds that are distributed to the county from the local road and street account for a project to be selected by an individual member of the county fiscal body.

SECTION 12. IC 8-23-2-6.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.1. (a) The department may assume the responsibilities of the United States Department of Transportation with respect to the United States Department of Transportation's duties under the federal National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other federal environmental laws. The department may:

(1) assume responsibility under 23 U.S.C. 326 and 23 U.S.C. 327; and

(2) enter into one (1) or more agreements, including memoranda of understanding, with the United States Department of Transportation related to:

(A) designating categorical exclusions from federally required environmental assessments or impact statements for highway projects, as provided in 23 U.S.C. 326; and

(B) the federal surface transportation project delivery program for the delivery of transportation projects, including highway, railroad, public transportation, and multimodal projects, as provided in 23 U.S.C. 327.

(b) Except as provided in subsection (c), the department waives its immunity from civil liability, including immunity from suit in federal court, and consents to the jurisdiction of the federal courts over its civil liability with regard to the compliance, discharge, or enforcement of the responsibilities assumed by the department under subsection (a).

(c) Subsection (b) applies only to those actions that are authorized under subsection (a) and does not create liability for the department that exceeds the liability created under 23 U.S.C. 326 and 23 U.S.C. 327.

(d) The department may adopt rules under IC 4-22-2 to implement this section. The department may adopt the relevant federal environmental standards as the standards for a program described in subsection (a)(2).

SECTION 13. IC 8-23-9.5-0.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2023 (RETROACTIVE)]: **Sec. 0.1. It is the intent of the general assembly that this chapter applies only to a contract for the delivery of a project of the department. This chapter does not apply to a contract for the delivery of a project of a public agency (as defined in IC 5-30-1-11).**

SECTION 14. IC 8-23-9.5-18, AS ADDED BY P.L.60-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 18. (a) Upon approval of the final scoring of the CMGCs or the PDBs by the commissioner, the department shall enter into negotiations with the CMGC or PDB with the highest score as determined under section 17 of this chapter for a contract.

(b) If the department is unable to negotiate a contract with the person with the highest score for an amount of compensation that the department and the person determine to be fair and reasonable, the department shall terminate negotiations with that person. The department or its authorized representative may then undertake negotiations with the person with the next highest score and continue in this manner until an agreement is reached or until a determination is made by the department to reject all proposals submitted under this chapter.

(c) If the department does not receive at least two (2) proposals, the department may not enter into a contract under this chapter.

(d) The department may only enter into a contract for services under this chapter for not more than ~~two (2)~~ **five (5)** projects each calendar year.

SECTION 15. IC 8-23-23-6, AS ADDED BY P.L.173-2025, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. The commissioner shall ensure that the department makes information available to county boards of commissioners and county highway departments about funding from federal and private sources that might be available to the counties for projects involving the reconstruction or replacement of low water crossings (as defined in ~~IC 8-23-30-1(d)~~, **IC 8-23-30-1(e)**), including the following:

(1) The federal Surface Transportation Block Grant Program (23 U.S.C. 133).

(2) The United States Fish and Wildlife Service.

SECTION 16. IC 8-23-30-1, AS AMENDED BY P.L.173-2025, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this chapter, "eligible project" means either of the following:

(1) A project:



- 1 (A) that is undertaken by a local unit;
 2 (B) that repairs or increases the capacity of local roads and
 3 bridges; and
 4 (C) that is part of the local unit's transportation asset
 5 management plan.
- 6 (2) A project that:
 7 (A) is undertaken by a local unit; and
 8 (B) reduces the risk to human life from low water crossings.
- 9 **(b) As used in this chapter, "enhanced asset management plan"**
 10 **refers to a data driven asset management plan adopted by a local**
 11 **unit that:**
- 12 **(1) is designed to maximize the lifecycle performance and cost**
 13 **effective management of the entire network of transportation**
 14 **assets for which the local unit is responsible;**
 15 **(2) inventories all streets or road segments within the local**
 16 **unit's transportation network, including sufficient detail to**
 17 **support network-level and segment-level analysis;**
 18 **(3) includes objective, repeatable condition assessments for**
 19 **each street or road segment using the Pavement Surface**
 20 **Evaluation and Rating (PASER) system or another pavement**
 21 **condition rating methodology approved by the department;**
 22 **(4) incorporates measures of roadway deterioration,**
 23 **roughness, surface distress, or other physical characteristics**
 24 **approved by the department relevant to pavement**
 25 **performance and remaining service life;**
 26 **(5) concatenates geospatial data with the asset condition or**
 27 **rating data of each street or segment;**
 28 **(6) is used by the local unit to prioritize maintenance,**
 29 **preservation, rehabilitation, and reconstruction activities in**
 30 **a manner intended to extend asset service life and minimize**
 31 **long term lifecycle costs across the entire transportation**
 32 **network;**
 33 **(7) is updated at intervals established by the department to**
 34 **ensure the ongoing accuracy and usefulness of the data for**
 35 **lifecycle management purposes, but not less than once every**
 36 **year; and**
 37 **(8) makes the concatenated geospatial data and asset**
 38 **condition or rating data available for access and display on**
 39 **both the local unit's website, and the website maintained by**
 40 **the local technical assistance program.**
- 41 ~~(b)~~ (c) As used in this chapter, "fund" refers to the local road and
 42 bridge matching grant fund established by section 2 of this chapter.



1 ~~(c)~~ (d) As used in this chapter, "local unit" means a county or
2 municipality.

3 ~~(d)~~ (e) As used in this chapter, "low water crossing" means a public
4 road waterway crossing:

5 (1) other than a bridge where construction improvements have
6 been made in the stream, river, or lake bed to provide a firm
7 surface for vehicles to travel across the water course; and

8 (2) that is designed and constructed to be passable to traffic most
9 of the year during periods of ordinary stream flow but is
10 impassable to traffic during periods of high water.

11 ~~(e)~~ (f) As used in this chapter, "transportation asset management
12 plan" includes planning for drainage systems and rights-of-way that
13 affect transportation assets.

14 ~~(f)~~ (g) As used in this chapter, "wheel tax" means the tax imposed
15 in an ordinance adopted under:

16 (1) IC 6-3.5-5, in the case of a county; and

17 (2) IC 6-3.5-11, in the case of a municipality.

18 SECTION 17. IC 8-23-30-2, AS AMENDED BY P.L.173-2025,
19 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 UPON PASSAGE]: Sec. 2. (a) The local road and bridge matching
21 grant fund is established to provide matching grants to local units for
22 eligible projects.

23 (b) The department shall administer the fund.

24 (c) The fund consists of the following:

25 (1) Appropriations by the general assembly.

26 (2) Interest deposited in the fund under subsection (d).

27 (3) Money deposited in or transferred to the fund from any other
28 source.

29 (d) The treasurer of state shall invest money in the fund not
30 currently needed to meet the obligations of the fund in the same
31 manner as other public money may be invested. Interest that accrues
32 from these investments shall be deposited in the fund.

33 (e) Money in the fund at the end of a state fiscal year does not revert
34 to the state general fund.

35 (f) Not later than June 1, 2025, the department shall report to the
36 state comptroller the amount of matching grants awarded by the
37 department from the fund in the state fiscal year beginning July 1,
38 2024, and ending June 30, 2025, that the department will not distribute
39 before July 1, 2025.

40 (g) The state comptroller shall determine the balance of the money
41 in the fund on June 15, 2025, and on June 15 of each year thereafter.
42 After determining the balance of money in the fund under this



subsection, the money in the fund must be allocated in accordance with subsection (h), transferred in accordance with subsections (i) and (j), and distributed in accordance with subsection (k).

(h) After determining the balance of the money in the fund under subsection (g), the money in the fund must first be allocated as follows:

(1) On June 30, 2025, the department must allocate the total of the amount determined under subsection (f) plus one hundred million dollars (\$100,000,000) of money in the fund to make matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026, to all local units. The department may not award more than ~~one hundred million dollars (\$100,000,000)~~ **one hundred seventy-five million dollars (\$175,000,000)** of matching grants in the state fiscal year beginning July 1, 2025, and ending June 30, 2026. **The department may not award a local unit more than one (1) matching grant in the state fiscal year beginning July 1, 2025, and ending June 30, 2026.**

(2) On June 30, 2026, and June 30 of each year thereafter, the department must allocate the first one hundred million dollars (\$100,000,000) of money in the fund to make matching grants in the next state fiscal year to all local units.

(i) After the department allocates the money in the fund under subsection (h), the state comptroller shall make the following five (5) transfers:

(1) On June 30, 2026, a transfer of:

(A) to the state general fund, the total amount of the state tax credits certified for 2025 by the department of state revenue under IC 6-3.1-38.1-8(c); and

(B) to the department, an amount equal to twenty million dollars (\$20,000,000) minus the amount under clause (A) for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for the department's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8.

(2) On June 30, 2027, a transfer of:

(A) to the state general fund, the total amount of the state tax credits certified for 2026 by the department of state revenue under IC 6-3.1-38.1-8(c); and

(B) to the department, an amount equal to twenty million dollars (\$20,000,000) minus the amount under clause (A) for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for the department's use in financing a railroad crossing upgrade



- 1 project as described in IC 8-14.5-8.
- 2 (3) On June 30, 2028, a transfer of:
- 3 (A) to the state general fund, the total amount of the state tax
- 4 credits certified for 2027 by the department of state revenue
- 5 under IC 6-3.1-38.1-8(c); and
- 6 (B) to the department, an amount equal to twenty million
- 7 dollars (\$20,000,000) minus the amount under clause (A) for
- 8 deposit in the state highway road construction and
- 9 improvement fund established under IC 8-14-10 for the
- 10 department's use in financing a railroad crossing upgrade
- 11 project as described in IC 8-14.5-8.
- 12 (4) On June 30, 2029, a transfer of twenty million dollars
- 13 (\$20,000,000) to the department for deposit in the state highway
- 14 road construction and improvement fund established under
- 15 IC 8-14-10 for the department's use in financing a railroad
- 16 crossing upgrade project as described in IC 8-14.5-8.
- 17 (5) On June 30, 2030, a transfer of twenty million dollars
- 18 (\$20,000,000) to the department for deposit in the state highway
- 19 road construction and improvement fund established under
- 20 IC 8-14-10 for the department's use in financing a railroad
- 21 crossing upgrade project as described in IC 8-14.5-8.
- 22 (j) Beginning on June 30, 2027, and on June 30 of each year
- 23 thereafter, **until the consolidated city is no longer able to match the**
- 24 **distribution as required under this subsection**, after the department
- 25 allocates the money under subsection (h) and the state comptroller
- 26 makes a transfer under subsection (i), when applicable, the state
- 27 comptroller shall transfer fifty million dollars (\$50,000,000) of money
- 28 in the fund to the consolidated city in Marion County for the
- 29 construction, reconstruction, and preservation of the consolidated city's
- 30 local streets (as defined in IC 8-14-2-1(9)). The consolidated city in
- 31 Marion County shall not use these revenues for:
- 32 (1) reducing the capacity of existing roads and streets;
- 33 (2) greenways;
- 34 (3) bike lanes;
- 35 (4) bike trails; and
- 36 (5) sidewalks.
- 37 One hundred percent (100%) of the money distributed to the
- 38 consolidated city under this subsection shall be matched with an
- 39 appropriation by the consolidated city. The appropriation required
- 40 under this subsection must be new revenue **each year** and may not
- 41 include revenue allocated to public safety purposes under IC 6-3.6-6 **or**
- 42 **revenue that was previously used for a match under this**



1 **subsection.**

2 (k) ~~Beginning~~ On June 30, ~~2027~~, **2026**, **after the state comptroller**
 3 **makes a transfer under subsection (i)**, and on June 30 of each year
 4 thereafter, after the state comptroller makes a transfer under subsection
 5 (j), the state comptroller shall distribute the remainder of the money in
 6 the fund, as follows:

7 (1) To be eligible to receive a distribution under this subsection,
 8 a local unit must have:

9 (A) adopted a wheel tax **and vehicle excise tax**; and

10 (B) provided the local technical assistance program at Purdue
 11 University with an updated transportation asset management
 12 plan within the last twelve (12) months.

13 (2) The distribution to a local unit eligible to receive a distribution
 14 under subdivision (1) must be proportional to the local unit's
 15 share of the total lane mileage for all local units eligible to receive
 16 a distribution under subdivision (1). The department shall provide
 17 to the state comptroller the total lane mileage for purposes of
 18 making the distribution under this subsection.

19 A local unit may use a distribution made under this subsection only for
 20 eligible projects. **A local unit that is eligible for a distribution under**
 21 **this subsection may receive a matching grant under this chapter,**
 22 **subject to the limits provided in section 3.5 of this chapter.**

23 (l) Money in the fund is continuously appropriated for the purpose
 24 of the fund.

25 (m) Money in the fund may not be transferred, assigned, or
 26 otherwise removed from the fund by the state board of finance, the
 27 budget agency, or any other agency until after budget committee
 28 review, except for either or both of the following purposes:

29 (1) The department may distribute funds to a local unit that has
 30 been approved for a grant under this chapter without budget
 31 committee review.

32 (2) To transfer money in the fund under subsections (i) and (j) and
 33 to make a distribution under subsection (k) without budget
 34 committee review.

35 SECTION 18. IC 8-23-30-3.5, AS ADDED BY P.L.173-2025,
 36 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 3.5. In each state fiscal year beginning after
 38 June 30, ~~2027~~, **2026**, a local unit that receives a distribution under
 39 section 2(k) of this chapter may ~~not apply be eligible~~ for a grant ~~from~~
 40 **the local road and bridge matching grant fund described in under**
 41 **section 2(h) of this chapter. The grant distribution amount may not**
 42 **exceed the maximum amount in an amount that is greater than the**



1 ~~maximum grant amount~~ set under section 8 of this chapter minus the
 2 amount the local unit received from a distribution under section 2(k) of
 3 this chapter. **A distribution made under section 2(k) of this chapter**
 4 **may limit the total amount a local unit is eligible to receive from**
 5 **the local road and bridge grant matching grant under section 2(h)**
 6 **of this chapter only for the calendar year in which the funds are**
 7 **received.**

8 SECTION 19. IC 8-23-30-5, AS AMENDED BY P.L.173-2025,
 9 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2026]: Sec. 5. **(a)** In the evaluation of applications for grants
 11 from the fund for projects described in section 1(a) of this chapter, the
 12 department shall give preference to projects that are anticipated by the
 13 department to have the greatest regional economic significance for the
 14 region in which the local unit is located.

15 **(b) Notwithstanding subsection (a), the department may give**
 16 **preference to projects submitted by local units that have submitted**
 17 **enhanced asset management plans to the department and the local**
 18 **technical assistance program at Purdue University.**

19 SECTION 20. IC 8-23-30-6, AS AMENDED BY P.L.173-2025,
 20 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2026]: Sec. 6. If the department approves a grant to a local
 22 unit under this chapter, the required local matching amount by the local
 23 unit is equal to the following applicable percentage of the total cost of
 24 the eligible project:

25 (1) For a county applicant, the following:

26 (A) Fifty percent (50%), if the county has a population greater
 27 than or equal to fifty-five thousand (55,000).

28 (B) Twenty percent (20%), if the county has a population of
 29 less than fifty-five thousand (55,000).

30 (2) For a city or town applicant, the following:

31 (A) Fifty percent (50%), if the city or town has a population
 32 greater than or equal to ~~ten thousand (10,000):~~ **twelve**
 33 **thousand five hundred (12,500).**

34 (B) Twenty percent (20%), if the city or town has a population
 35 of less than ~~ten thousand (10,000):~~ **twelve thousand five**
 36 **hundred (12,500).**

37 SECTION 21. IC 9-20-4-1, AS AMENDED BY P.L.198-2016,
 38 SECTION 339, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) Except as provided in
 40 subsections (b) and (c), a person may not operate or cause to be
 41 operated upon a highway a vehicle or combination of vehicles having
 42 weight in excess of one (1) or more of the following limitations:



(1) The total gross weight, with load, in pounds of any vehicle or combination of vehicles may not exceed an overall gross weight on a group of two (2) or more consecutive axles produced by application of the following formula:

$$W = 500 \{ [(LN) \div (N-1)] + 12N + 36 \}$$

where W equals the overall gross weight on any group of two (2) or more consecutive axles to the nearest five hundred (500) pounds, L equals the distance in feet between the extreme of any group of two (2) or more consecutive axles, and N equals the number of axles in the group under consideration, except that two (2) consecutive sets of tandem axles may carry a gross load of thirty-four thousand (34,000) pounds each, providing the overall distance between the first and last axles of the consecutive sets of tandem axles is thirty-six (36) feet or more. The overall gross weight limit, calculated under this subdivision, may not exceed eighty thousand (80,000) pounds.

(2) The weight concentrated on the roadway surface from any tandem axle group may not exceed the following:

(A) Thirty-four thousand (34,000) pounds total weight.

(B) Twenty thousand (20,000) pounds on an individual axle in a tandem group.

(3) A vehicle may not have a maximum wheel weight, unladen or with load, in excess of eight hundred (800) pounds per inch width of tire, measured between the flanges of the rim or an axle weight in excess of twenty thousand (20,000) pounds.

(b) The enforcement of weight limits under this section is subject to the following:

(1) It is lawful to operate within the scope of a permit, under weight limitations established by the Indiana department of transportation and in effect on July 1, 1956, as provided in IC 9-20-6.

(2) It is lawful to operate or cause to be operated a vehicle or combination of vehicles on a heavy duty highway or an extra heavy duty highway designated by the Indiana department of transportation if operated within the imposed limitations.

(3) Subsection (a) does not apply to any highway, road, street, or bridge for which a lesser weight limit is imposed by local authorities under IC 9-20-1-3 or IC 9-20-7-2. However, the local authority may by appropriate action establish and designate a county or city highway, road, or street or part of a highway, road, or street as a heavy duty highway subject to the weight limitations established under IC 9-20-5.



(4) Vehicles operated on toll road facilities are subject to rules of weight adopted for toll road facilities by the Indiana department of transportation under IC 8-15-2 and are not subject to subsection (a) when operated on a toll road facility.

(5) For purposes of a heavy duty vehicle that is equipped with an auxiliary power unit, the weight limitations provided in subsection (a) are increased by four hundred (400) pounds.

(6) For purposes of a vehicle that uses natural gas as a motor fuel **or is powered primarily by means of electric battery power**, the weight limitations provided in subsection (a) are increased by two thousand (2,000) pounds.

(c) The greater of the weight limits imposed under subsection (a) or this subsection applies to vehicles operated upon a highway. The weight limits in effect on January 4, 1975, for any highway that is not designated as a heavy duty highway under IC 9-20-5 are the following:

(1) The total gross weight, with load, in pounds of a vehicle or combination of vehicles may not exceed seventy-three thousand two hundred eighty (73,280) pounds.

(2) The total weight concentrated on the roadway surface from a tandem axle group may not exceed sixteen thousand (16,000) pounds for each axle of a tandem assembly.

(3) A vehicle may not have a maximum wheel weight, unladen or with load, in excess of eight hundred (800) pounds per inch width of tire, measured between the flanges of the rim, or an axle weight greater than eighteen thousand (18,000) pounds.

(d) For purposes of this section, "auxiliary power unit" means an integrated system that:

(1) provides heat, air conditioning, engine warming, or electricity to components on a heavy duty vehicle; and

(2) is certified by the administrator of the United States Environmental Protection Agency under 40 CFR 89 as meeting applicable emission standards.

(e) For purposes of this section, "heavy duty vehicle" means a vehicle that:

(1) has a gross vehicle weight rating greater than eight thousand five hundred (8,500) pounds; and

(2) is powered by a diesel engine.

SECTION 22. IC 9-20-6-2, AS AMENDED BY P.L.182-2009(ss), SECTION 290, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The Indiana department of transportation or local authority that:

(1) has jurisdiction over a highway or street; and



(2) is responsible for the repair and maintenance of the highway or street;

may, upon proper application in writing and upon good cause shown, grant a permit for transporting heavy vehicles and loads or other objects not conforming to this article, including a vehicle transporting an ocean going container, if the department or authority finds that other traffic will not be seriously affected and the highway or bridge will not be seriously damaged.

(b) The permit granted under subsection (a) must authorize the operation of a tractor-semitrailer and load that:

(1) exceeds the maximum length limitation under this chapter; and

(2) is subject to regulation under this chapter; from one-half (1/2) hour before sunrise to one-half (1/2) hour after sunset.

(c) A permit may be issued under this section for the following:

(1) A single trip. **A permit issued under this subdivision is valid for five (5) days from the date it is issued. However, if a tractor-semitrailer and load require a law enforcement escort, a permit issued under this subdivision is valid for ten (10) days from the date it is issued.**

(2) A definite time not exceeding thirty (30) days.

(3) A ninety (90) day period.

(4) A one (1) year period.

(d) This subsection applies to the transportation of ocean going containers that:

(1) have been sealed at the place of origin and have not been opened except by an agent of the federal government that may inspect the contents; and

(2) are being transported to or from a distribution facility.

The total gross weight, with load of a vehicle or combination of vehicles transporting an ocean going container may not exceed ninety-five thousand (95,000) pounds. A permit issued under this section must be issued on an annual basis. A permit issued under this subsection may not impose a limit on the number of movements generated by the applicant or operator of a vehicle granted a permit under this subsection.

SECTION 23. IC 9-20-9-1, AS AMENDED BY P.L.227-2025, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this section, "drive away or tow away" means the delivery service performed by a transport operator by which motor vehicles in transit are delivered by driving singly or in



1 combination by the towbar, saddlemount, or fullmount methods or any
 2 lawful combination of those methods, including coupling equipment or
 3 where a truck or tractor draws or tows a semitrailer or trailer in transit.

4 (b) A combination of two (2) vehicles coupled together, including
 5 load, may not exceed a total length of sixty (60) feet, except for the
 6 following:

7 (1) A combination of two (2) vehicles coupled together that are
 8 especially constructed to transport other vehicles or boats. This
 9 exception includes any combination of a truck, tractor,
 10 semitrailer, and trailer if the combination is used exclusively or
 11 primarily in connection with motorsports.

12 (2) A combination of two (2) vehicles coupled together being
 13 transported in a drive away or tow away service.

14 (3) A pole trailer owned by or operated for a public utility (as
 15 defined in IC 8-1-2-1), while the pole trailer is being used in
 16 connection with the utility services of the public utility.

17 (4) Trailers used in transporting oil field equipment or pipe for the
 18 transmission of oil or gas.

19 (5) Construction vehicles with a towbar connection used in
 20 connection with a trailer used to haul heavy equipment **or**
 21 **construction materials.**

22 SECTION 24. IC 9-28-4-6, AS AMENDED BY P.L.42-2007,
 23 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2026]: Sec. 6. (a) The department of state revenue, on behalf
 25 of the state, may enter into reciprocal agreements providing for the
 26 registration of vehicles on an apportionment or allocation basis with the
 27 proper authority of any state, any commonwealth, the District of
 28 Columbia, a state or province of a foreign country, or a territory or
 29 possession of either the United States or of a foreign country.

30 (b) To implement this chapter, the state may enter into and become
 31 a member of the International Registration Plan or other designation
 32 that may be given to a reciprocity plan developed by the American
 33 Association of Motor Vehicle Administrators.

34 (c) The department of state revenue may adopt rules under
 35 IC 4-22-2 to carry out and enforce the provisions of the International
 36 Registration Plan or any other agreement entered into under this
 37 chapter.

38 (d) If the state enters into the International Registration Plan or into
 39 any other agreement under this chapter, and if the provisions set forth
 40 in the plan or other agreements are different from provisions prescribed
 41 by law, then the agreement provisions prevail.

42 (e) All payments for the renewal of a fleet of vehicles previously



1 registered under the International Registration Plan are due on or
 2 before the ~~fifteenth~~ **last** day of the last month of the registration period
 3 preceding the period being renewed.

4 (f) All payments for billings, other than renewal, issued under the
 5 International Registration Plan are due within fifteen (15) days after the
 6 mailing date on the billing unless stated otherwise.

7 (g) This chapter constitutes complete authority for the registration
 8 of vehicles, including the registration of fleet vehicles, upon an
 9 apportionment or allocation basis without reference to or application
 10 of any other Indiana law.

11 (h) A person who fails to comply with subsections (e) and (f) is
 12 subject to the penalties and interest imposed under IC 6-8.1-10.

13 SECTION 25. IC 32-19.5 IS ADDED TO THE INDIANA CODE
 14 AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY
 15 1, 2026]:

16 **ARTICLE 19.5. DESCRIBING REAL PROPERTY; INDIANA**
 17 **PLANE COORDINATE SYSTEM**

18 **Chapter 1. Applicability and Definitions**

19 **Sec. 1. Nothing in this article prohibits a person from using:**

- 20 (1) the most recent or a prior version of the SPCS established
 21 by the NGS; or
 22 (2) the Indiana Coordinate System of 1983, as provided in
 23 IC 32-19;

24 to state the geographic positions or locations of points above, on, or
 25 below the surface of the earth within Indiana.

26 **Sec. 2. As used in this article, "INPCS" means the Indiana Plane**
 27 **Coordinate System, as described in IC 32-19.5-2-1.**

28 **Sec. 3. As used in this article, "LDP" means low distortion map**
 29 **projections and refers to a zone yielding minimized differences**
 30 **between ground-measured horizontal distances and the**
 31 **corresponding grid coordinate distances.**

32 **Sec. 4. As used in this article, "NGS" means the National**
 33 **Geodetic Survey or its successors.**

34 **Sec. 5. As used in this article, "NSRS" means the National**
 35 **Spatial Reference System or its successors.**

36 **Sec. 6. As used in this article, "SPCS" means the State Plane**
 37 **Coordinate System or its successors.**

38 **Sec. 7. As used in this article, "zone" means the area constituted**
 39 **in Indiana to be portrayed by a specified conformal map projection**
 40 **and its defining parameters.**

41 **Chapter 2. Designation of the Indiana Plane Coordinate System;**
 42 **Zones**



1 **Sec. 1. The most recent system of plane coordinates established**
 2 **by the NGS, based on the NSRS, and known as the SPCS, for**
 3 **defining and stating the geographic positions or locations of points**
 4 **on the surface of earth within Indiana shall be known as the**
 5 **"Indiana Plane Coordinate System".**

6 **Sec. 2. (a) For purposes of the use of the INPCS, Indiana is**
 7 **divided into a statewide zone layer and a multizone layer.**

8 **(b) The statewide zone layer:**

9 **(1) consists of a single zone, which is constituted by the total**
 10 **area included in Indiana;**

11 **(2) should generally be used for applications such as:**

12 **(A) a statewide digital orthoimagery;**

13 **(B) a statewide geographic information system; and**

14 **(C) emergency management and preparedness mapping;**
 15 **and**

16 **(3) should generally not be used for applications such as:**

17 **(A) original, retracement, or route surveys, as described in**
 18 **865 IAC 1-12;**

19 **(B) describing real property; and**

20 **(C) the design and construction of large facilities or**
 21 **massive civil infrastructure such as manufacturing plants,**
 22 **bridges, and dams.**

23 **(c) The multizone layer:**

24 **(1) consists of multiple LDP zones that are constituted by the**
 25 **areas included in individual counties or specified groups of**
 26 **counties; and**

27 **(2) should generally be used for applications such as:**

28 **(A) original, retracement, or route surveys, as described in**
 29 **865 IAC 1-12;**

30 **(B) describing real property;**

31 **(C) the design and construction of large facilities or**
 32 **massive civil infrastructure such as manufacturing plants,**
 33 **bridges, and dams; and**

34 **(D) city or county geographic information systems.**

35 **Sec. 3. The use of the term "Indiana Plane Coordinate System"**
 36 **or "INPCS" on any map, report of survey, or other document must**
 37 **be limited to coordinates based on the INPCS as described in this**
 38 **article.**

39 **Chapter 3. Coordinates; Geodetic Control; Recording**
 40 **Requirements**

41 **Sec. 1. (a) The plane coordinates of a point to be used in**
 42 **expressing the geographic position or location of the point in the**



appropriate zone of the INPCS must consist of two (2) distances, expressed in feet and decimals of a foot or meters and decimals of a meter. When a value is expressed in feet, it must be expressed in international feet (1 foot = 0.3048 meters).

(b) The distance described in subsection (a) that gives the distance east of the Y axis is the "east or x-coordinate". The distance described in subsection (a) that gives the distance north of the X axis is the "north or y-coordinate".

(c) The Y axis of any zone must be parallel with the central median of that zone. The X axis of any zone must be at right angles to the central median of that zone.

Sec. 2. To locate the position of the coordinate systems on the surface of the earth within Indiana, the position of the INPCS must be established by geodetic control points or positioning systems, such as the Continuously Operating Reference Stations (CORS) that are part of the National Oceanic and Atmospheric Administration CORS Network, or similar points and systems whose positions have been established from those points and systems.

Sec. 3. Coordinates based on the Indiana coordinate system of 1927 (as described in IC 32-19), the Indiana coordinate system of 1983 (as described in IC 32-19), the INPCS, or any other coordinate system published by an agency of the federal government or the state, including the Indiana Geospatial Coordinate System, purporting to define the position of a point on a land boundary map may not be presented to be recorded in any public land records or deed records unless the recording document contains the following:

- (1) The method used to relate the coordinates to the NSRS.
- (2) The name and zone of the coordinate system, including the following metadata:
 - (A) Reference frame or datum.
 - (B) Datum realization.
 - (C) Epoch.
 - (D) Units.

Sec. 4. The official geodetic datums to which geodetic coordinates are referenced within Indiana must be as defined for the NSRS.

Chapter 4. Descriptions of Land Using the Indiana Plane Coordinate System

Sec. 1. As established for use in any of the zones within the multizone layer, the INPCS:



(1) must be named; and

(2) in any land description in which it is used, must be designated by the official name promulgated by the National Oceanic and Atmospheric Administration's NGS.

Sec. 2. When a tract of land to be defined by a single description extends from one (1) zone into other adjacent zones, the positions of all points on the boundaries of the tract being defined must be referred to by the zone that is specifically named in the description.

Sec. 3. (a) Descriptions of tracts of land by reference to the United States public land surveys, other original pertinent surveys, or subdivisions are recognized as the basic and prevailing method for describing such tracts.

(b) If coordinates of the INPCS are used to describe a tract of land that, in the same document, is also described by reference to any subdivision, line, or corner of the United States public land surveys, other original pertinent surveys, or subdivisions:

(1) the description by coordinates must be construed as supplemental to the basic description of the subdivision, line, or corner contained in the official plats and field notes filed of record; and

(2) in the event of any conflict, the description by reference to the subdivision, line, or corner of the United States land surveys, other original pertinent surveys, or subdivisions prevails over the description by coordinates.

SECTION 26. IC 36-6-9-5, AS AMENDED BY P.L.173-2025, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) Before ~~July 1, 2025~~, **January 1, 2028**, this chapter applies to a township if the total amount of funds in a township's capital improvement funds exceeds:

(1) one hundred fifty percent (150%) of the township's total annual budget estimate prepared under IC 6-1.1-17-2 for the ensuing year; and

(2) two hundred thousand dollars (\$200,000).

(b) After ~~June 30, 2025~~, **December 31, 2027**, this chapter applies to all townships, **including those townships that have merged under IC 36-6-1.5 or reorganized under IC 36-1.5.**

SECTION 27. IC 36-6-9-7, AS AMENDED BY P.L.173-2025, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. A township that meets the requirements of section 5 of this chapter must:

(1) adopt a capital improvement plan not later than September 30 of each calendar year; and



(2) submit a copy of the adopted capital improvement plan to the department of local government finance **not later than five (5) business days after a budget is adopted under IC 6-1.1-17-5(a). The submission must be** in the manner prescribed by the department.

SECTION 28. IC 36-6-9-11, AS ADDED BY P.L.129-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. **A The plan adopted in the immediately preceding calendar year** shall be considered by the county fiscal body in reviewing the township budget under IC 6-1.1-17-3.6.

SECTION 29. IC 36-6-9-12, AS ADDED BY P.L.173-2025, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) Beginning ~~July 1, 2025~~, **January 1, 2028**, a township must adopt a plan on an annual basis. The township must file the plan with the department of local government finance in the form and manner prescribed by the department of local government finance.

(b) A plan must include:

(1) the balance of all unrestricted funds that exceed the township's budget for the following year; and

(2) the purpose for which all unrestricted funds are being retained.

SECTION 30. IC 36-9-42.2-4.5, AS AMENDED BY P.L.173-2025, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.5. As used in this chapter, "transportation asset management plan" has the meaning set forth in ~~IC 8-23-30-1(c)~~. **IC 8-23-30-1(f).**

SECTION 31. **An emergency is declared for this act.**



COMMITTEE REPORT

Mr. President: The Senate Committee on Homeland Security and Transportation, to which was referred Senate Bill No. 179, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, line 19, delete "services, except for" and insert "**services.**".

Page 3, delete line 20.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 179 as introduced.)

CRIDER, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Mr. President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 179, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 6.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 179 as printed January 16, 2026.)

GARTEN, Chairperson

Committee Vote: Yeas 12, Nays 0.



SENATE MOTION

Mr. President: I move that Senate Bill 179 be amended to read as follows:

Page 6, between lines 16 and 17, begin a new paragraph and insert:
 "SECTION 5. IC 8-23-30-6, AS AMENDED BY P.L.173-2025, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. If the department approves a grant to a local unit under this chapter, the required local matching amount by the local unit is equal to the following applicable percentage of the total cost of the eligible project:

- (1) For a county applicant, the following:
 - (A) Fifty percent (50%), if the county has a population greater than or equal to fifty-five thousand (55,000).
 - (B) Twenty percent (20%), if the county has a population of less than fifty-five thousand (55,000).
- (2) For a city or town applicant, the following:
 - (A) Fifty percent (50%), if the city or town has a population greater than or equal to ~~ten thousand (10,000):~~ **twelve thousand five hundred (12,500).**
 - (B) Twenty percent (20%), if the city or town has a population of less than ~~ten thousand (10,000):~~ **twelve thousand five hundred (12,500)."**

Renumber all SECTIONS consecutively.

(Reference is to SB 179 as printed January 23, 2026.)

HOLDMAN

 COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Senate Bill 179, 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:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-30-2-3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023 (RETROACTIVE)]: **Sec. 3. A contract may not be awarded under this article to a progressive design-builder (as defined in**

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IC 8-23-9.5-10).

SECTION 2. IC 6-3.5-4-2, AS AMENDED BY P.L.173-2025, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) An adopting entity of any county may, subject to the limitation imposed by subsection (e), adopt an ordinance to impose a county vehicle excise tax in accordance with this chapter on each vehicle that is subject to the vehicle excise tax under IC 6-6-5 and that is registered in the county. **However, a county may not after December 31, 2026, impose a county vehicle excise tax on a vehicle that is registered in an adopting municipality (as defined in IC 6-3.5-10-1) in which a municipal vehicle excise tax is in effect.**

(b) If a county does not use a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

- (1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than twenty-five dollars (\$25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(c) Except as provided in subsection (i), if a county uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than fifty dollars (\$50).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

(d) Subject to the limits and requirements of this section and except as provided in IC 6-6-5-0.5(2), the adopting entity may do any of the following:

- (1) Impose the county vehicle excise tax at the same rate or amount on each vehicle that is subject to the tax.
- (2) Impose the county vehicle excise tax on vehicles subject to the tax at one (1) or more different rates based on the class of vehicle listed in IC 6-6-5-2(a).

(e) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to



impose the wheel tax.

(f) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the county vehicle excise tax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

(g) Except as provided under section 7.5 of this chapter (before its expiration on December 31, 2023) and subject to subsection (h), a county vehicle excise tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

(h) If the county vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county vehicle excise tax imposed by this chapter for the:

- (1) registration year immediately preceding the current registration year;
- (2) current registration year; and
- (3) registration year immediately following the current registration year.

(i) Beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than one hundred fifty dollars (\$150).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

(j) To be eligible for a distribution under IC 8-23-30-2(k), a county must adopt a county vehicle excise tax and a county wheel tax, as provided in IC 6-3.5-5-2, not later than:

- (1) for the distribution made in 2026, May 1, 2026; and**
- (2) for a distribution made in a subsequent year, September 1 of the prior calendar year.**

SECTION 3. IC 6-3.5-4-3, AS AMENDED BY P.L.178-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a)** If an adopting entity adopts an ordinance imposing the surtax after December 31 but before September 1 of the following year, a vehicle is subject to the tax if it is registered in the county surtax applies after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance



imposing the surtax after August 31 but before the following January 1, ~~a vehicle is subject to the tax if it is registered in the county~~ **surtax applies** after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the surtax is effective, the surtax does not apply to the registration of a vehicle for the registration year that commenced in the calendar year preceding the year the surtax is first effective.

(b) If an adopting entity received a distribution under IC 8-23-30-2(k) in the prior calendar year, the adopting entity must provide a copy of the adopted ordinance to the bureau of motor vehicles not later than May 1 of the subsequent year.

SECTION 4. IC 6-3.5-4-4, AS AMENDED BY P.L.178-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) After January 1 but before September 1 of any year, the adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to rescind the surtax. If the adopting entity adopts such an ordinance, the surtax does not apply to a vehicle registered after December 31 of the year the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to rescind the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to rescind the wheel tax. In addition, the adopting entity may not adopt an ordinance to rescind the surtax if:

- (1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or
- (2) any bonds issued by the county under IC 8-14-9 are outstanding.

(c) An adopting entity must provide the bureau of motor vehicles with an ordinance adopted under this section not later than:

- (1) for an ordinance adopted before May 1, 2026, not later than May 1, 2026; and**
- (2) for an ordinance adopted after April 30, 2026, not later than September 1 of the year the ordinance is adopted.**

SECTION 5. IC 6-3.5-4-6, AS AMENDED BY P.L.178-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) If an adopting entity adopts an ordinance to impose, rescind, or change the rate or amount of the surtax, the adopting entity shall send a copy of the ordinance, and, if applicable, a copy of the letter from the Indiana department of transportation approving the adopting entity's transportation asset management plan, to the bureau of motor vehicles on or before September 1, to be



effective January 1 of the following calendar year.

(b) An adopting entity shall submit all copies under subsection (a) in a manner prescribed by the bureau of motor vehicles.

(c) To be eligible for a distribution under IC 8-23-30-2(k), an adopting entity must provide the bureau of motor vehicles with a copy of the adopting entity's approved transportation asset management plan not later than:

(1) for the distribution made in 2026, May 1, 2026; and

(2) for a distribution made in a subsequent year, September 1 of the prior calendar year.

SECTION 6. IC 6-3.5-4-13, AS AMENDED BY P.L.146-2016, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) In the case of a county that does not contain a consolidated city of the first class, the county treasurer shall deposit the surtax revenues in a fund to be known as the "_____ County Surtax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county surtax fund during that month among the county and the cities and the towns in the county **that are not adopting municipalities (as defined in IC 6-3.5-10-1) in which a municipal vehicle excise tax is in effect.** The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3), **except that for purposes of making the allocations:**

(1) the population of a city or town that is an adopting municipality in which a municipal vehicle excise tax is in effect is considered to be zero (0);

(2) the street mileage of a city or town that is an adopting municipality in which a municipal vehicle excise tax is in effect is considered to be zero (0) miles; and

(3) the allocation to a city or town that is an adopting municipality in which a municipal vehicle excise tax is in effect is zero dollars (\$0).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county surtax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the surtax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction; or



(2) for the county's, city's, or town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

SECTION 7. IC 6-3.5-5-2, AS AMENDED BY P.L.173-2025, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The adopting entity of any county may, subject to the limitation imposed by subsection (b), adopt an ordinance to impose a county wheel tax in accordance with this chapter on each vehicle that:

- (1) is included in one (1) of the classes of vehicles listed in section 3 of this chapter;
- (2) is not exempt from the wheel tax under section 4 of this chapter; and
- (3) is registered in the county.

However, a county may not after December 31, 2026, impose a county wheel tax on a vehicle that is registered in an adopting municipality (as defined in IC 6-3.5-11-1) in which a municipal wheel tax is in effect.

(b) The adopting entity of a county may not adopt an ordinance to impose the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to impose the county vehicle excise tax.

(c) The adopting entity may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the adopting entity may establish different rates within the classes of buses, semitrailers, trailers, tractors, and trucks based on weight classifications of those vehicles that are established by the bureau of motor vehicles for use throughout Indiana. Except as otherwise provided in subsection (f), the wheel tax rate for a particular class or weight classification of vehicles:

- (1) may not be less than five dollars (\$5) and may not exceed forty dollars (\$40), if the county does not use a transportation asset management plan approved by the Indiana department of transportation; or
- (2) may not be less than five dollars (\$5) and may not exceed eighty dollars (\$80), if the county uses a transportation asset management plan approved by the Indiana department of transportation.

The adopting entity shall state the initial wheel tax rates in the ordinance that imposes the tax.

(d) Subject to subsection (e), a wheel tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.



(e) If the county wheel tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county wheel tax imposed by this chapter for the:

- (1) registration year immediately preceding the current registration year;
- (2) current registration year; and
- (3) registration year immediately following the current registration year.

(f) Beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the wheel tax rate for a particular class or weight classification of vehicles may not be less than five dollars (\$5) and may not exceed two hundred forty dollars (\$240).

SECTION 8. IC 6-3.5-5-5, AS AMENDED BY P.L.218-2017, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. If an adopting entity adopts an ordinance imposing the wheel tax after December 31 but before September 1 of the following year, ~~a vehicle described in section 2(a) of this chapter is subject to the wheel tax if it is registered in the county applies~~ after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance imposing the wheel tax after August 31 but before the following January 1, ~~a vehicle described in section 2(a) of this chapter is subject to the wheel tax if it is registered in the county applies~~ after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the tax is effective, the tax does not apply to the registration of a motor vehicle for the registration year that commenced in the calendar year preceding the year the tax is first effective.

SECTION 9. IC 6-3.5-5-15, AS AMENDED BY P.L.146-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) In the case of a county that does not contain a consolidated city, the county treasurer shall deposit the wheel tax revenues in a fund to be known as the "County Wheel Tax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county wheel tax fund during that month among the county and the cities and the towns in the county **that are not adopting municipalities (as defined in IC 6-3.5-11-1) in which a municipal wheel tax is in effect.** The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3), **except that for purposes of making the allocations:**

- (1) the population of a city or town that is an adopting



municipality in which a municipal wheel tax is in effect is considered to be zero (0);

(2) the street mileage of a city or town that is an adopting municipality in which a municipal wheel tax is in effect is considered to be zero (0) miles; and

(3) the allocation to a city or town that is an adopting municipality in which a municipal wheel tax is in effect is zero dollars (\$0).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county wheel tax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the wheel tax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction;

(2) as a contribution to an authority established under IC 36-7-23; or

(3) for the county's, city's, or town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

SECTION 10. IC 8-14-1-4, AS AMENDED BY P.L.173-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The funds allocated to the respective counties of the state from the motor vehicle highway account shall annually be budgeted as provided by law, and, when distributed shall be used for construction, reconstruction, preservation, and maintenance of the highways of the respective counties, including highways which traverse the streets of incorporated towns, the cost of the repair and maintenance of which prior to the tenth day of September, 1932, was paid from the county gravel road repair fund excepting where the department is charged by law with the maintenance or construction of any such highway so traversing such streets. Subject to subsection (b), any surplus existing in the funds at the end of the year shall thereafter continue as a part of the highway funds of the said counties and shall be rebudgeted and used as already provided in this chapter. The purchase, rental and repair of highway equipment, painting of bridges and acquisition of grounds for erection and construction of storage buildings, acquisition of rights of way and the purchase of fuel oil, and supplies necessary to the performance of construction, reconstruction, preservation, and maintenance of highways, shall be paid out of the



highway account of the various counties.

(b) Except as provided in subsection (c) and section 4.1 of this chapter, for funds distributed to a county from the motor vehicle highway account, the county shall use at least fifty percent (50%) of the money for the construction, reconstruction, and preservation of the county's highways.

(c) This subsection applies to a county containing a consolidated city. For funds distributed to a county from the motor vehicle highway account, the county shall use at least sixty-five percent (65%) of the money for the construction, reconstruction, and preservation of the county's highways.

(d) A county, including a county containing a consolidated city, may not budget or designate any funds that are distributed to the county from the motor vehicle highway account for a project to be selected by an individual member of the county fiscal body.

SECTION 11. IC 8-14-2-4, AS AMENDED BY P.L.9-2024, SECTION 292, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The state comptroller shall establish a special account to be called the "local road and street account" and credit this account monthly with thirty-seven percent (37%) of the money deposited in the highway, road and street fund.

(b) The state comptroller shall distribute to units of local government money from this account each month. Before making any other distributions under this chapter, the state comptroller shall distribute E85 incentive payments to all political subdivisions entitled to a payment under section 8 of this chapter.

(c) After distributing E85 incentive payments required under section 8 of this chapter, the state comptroller shall allocate to each county the remaining money in this account on the basis of the ratio of each county's passenger car registrations to the total passenger car registrations of the state. The state comptroller shall further determine the suballocation between the county and the cities within the county as follows:

(1) In counties having a population of more than fifty thousand (50,000), sixty percent (60%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and forty percent (40%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(2) In counties having a population of fifty thousand (50,000) or less, twenty percent (20%) of the money shall be distributed on the basis of the population of the city or town as a percentage of



the total population of the county and eighty percent (80%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(3) For the purposes of allocating funds as provided in this section, towns which become incorporated as a town between the effective dates of decennial censuses shall be eligible for allocations upon the effectiveness of a corrected population count for the town under IC 1-1-3.5.

(4) Money allocated under the provisions of this section to counties containing a consolidated city shall be credited or allocated to the department of transportation of the consolidated city.

(d) Each month the state comptroller shall inform the department of the amounts allocated to each unit of local government from the local road and street account.

(e) A county, including a county containing a consolidated city, may not budget or designate any funds that are distributed to the county from the local road and street account for a project to be selected by an individual member of the county fiscal body."

Page 2, delete lines 18 through 38, begin a new paragraph and insert:

"SECTION 12. IC 8-23-9.5-0.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023 (RETROACTIVE)]: Sec. 0.1. It is the intent of the general assembly that this chapter applies only to a contract for the delivery of a project of the department. This chapter does not apply to a contract for the delivery of a project of a public agency (as defined in IC 5-30-1-11).

SECTION 13. IC 8-23-9.5-18, AS ADDED BY P.L.60-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 18. (a) Upon approval of the final scoring of the CMGCs or the PDBs by the commissioner, the department shall enter into negotiations with the CMGC or PDB with the highest score as determined under section 17 of this chapter for a contract.

(b) If the department is unable to negotiate a contract with the person with the highest score for an amount of compensation that the department and the person determine to be fair and reasonable, the department shall terminate negotiations with that person. The department or its authorized representative may then undertake negotiations with the person with the next highest score and continue in this manner until an agreement is reached or until a determination is made by the department to reject all proposals submitted under this



chapter.

(c) If the department does not receive at least two (2) proposals, the department may not enter into a contract under this chapter.

(d) The department may only enter into a contract for services under this chapter for not more than ~~two (2)~~ **five (5)** projects each calendar year.

SECTION 14. IC 8-23-23-6, AS ADDED BY P.L.173-2025, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. The commissioner shall ensure that the department makes information available to county boards of commissioners and county highway departments about funding from federal and private sources that might be available to the counties for projects involving the reconstruction or replacement of low water crossings (as defined in ~~IC 8-23-30-1(d)~~, **IC 8-23-30-1(e)**), including the following:

- (1) The federal Surface Transportation Block Grant Program (23 U.S.C. 133).
- (2) The United States Fish and Wildlife Service.

SECTION 15. IC 8-23-30-1, AS AMENDED BY P.L.173-2025, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this chapter, "eligible project" means either of the following:

- (1) A project:
 - (A) that is undertaken by a local unit;
 - (B) that repairs or increases the capacity of local roads and bridges; and
 - (C) that is part of the local unit's transportation asset management plan.
- (2) A project that:
 - (A) is undertaken by a local unit; and
 - (B) reduces the risk to human life from low water crossings.

(b) As used in this chapter, "enhanced asset management plan" refers to a data driven asset management plan adopted by a local unit that:

- (1) is designed to maximize the lifecycle performance and cost effective management of the entire network of transportation assets for which the local unit is responsible;**
- (2) inventories all streets or road segments within the local unit's transportation network, including sufficient detail to support network-level and segment-level analysis;**
- (3) includes objective, repeatable condition assessments for each street or road segment using the Pavement Surface**



Evaluation and Rating (PASER) system or another pavement condition rating methodology approved by the department;
 (4) incorporates measures of roadway deterioration, roughness, surface distress, or other physical characteristics approved by the department relevant to pavement performance and remaining service life;
 (5) concatenates geospatial data with the asset condition or rating data of each street or segment;
 (6) is used by the local unit to prioritize maintenance, preservation, rehabilitation, and reconstruction activities in a manner intended to extend asset service life and minimize long term lifecycle costs across the entire transportation network;
 (7) is updated at intervals established by the department to ensure the ongoing accuracy and usefulness of the data for lifecycle management purposes, but not less than once every year; and
 (8) makes the concatenated geospatial data and asset condition or rating data available for access and display on both the local unit's website, and the website maintained by the local technical assistance program.

(b) (c) As used in this chapter, "fund" refers to the local road and bridge matching grant fund established by section 2 of this chapter.

(c) (d) As used in this chapter, "local unit" means a county or municipality.

(d) (e) As used in this chapter, "low water crossing" means a public road waterway crossing:

- (1) other than a bridge where construction improvements have been made in the stream, river, or lake bed to provide a firm surface for vehicles to travel across the water course; and
- (2) that is designed and constructed to be passable to traffic most of the year during periods of ordinary stream flow but is impassable to traffic during periods of high water.

(e) (f) As used in this chapter, "transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.

(f) (g) As used in this chapter, "wheel tax" means the tax imposed in an ordinance adopted under:

- (1) IC 6-3.5-5, in the case of a county; and
- (2) IC 6-3.5-11, in the case of a municipality."

Page 5, line 2, after "thereafter," insert "**until the consolidated city is no longer able to match the distribution as required under this**



subsection,".

Page 5, line 18, after "revenue" insert "**each year**".

Page 5, line 19, after "IC 6-3.6-6" delete "." and insert "**or revenue that was previously used for a match under this subsection.**".

Page 5, line 27, delete "tax;" and insert "**tax and vehicle excise tax;**".

Page 5, line 38, after "projects." insert "**A local unit that is eligible for a distribution under this subsection may receive a matching grant under this chapter, subject to the limits provided in section 3.5 of this chapter.**".

Page 6, delete lines 9 through 16, begin a new paragraph and insert:
 "SECTION 17. IC 8-23-30-3.5, AS ADDED BY P.L.173-2025, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. In each state fiscal year beginning after June 30, ~~2027~~, **2026**, a local unit that receives a distribution under section 2(k) of this chapter may ~~not apply~~ **be eligible** for a grant ~~from the local road and bridge matching grant fund described in under~~ section 2(h) of this chapter. **The grant distribution amount may not exceed the maximum amount in an amount that is greater than the maximum grant amount** set under section 8 of this chapter minus the amount the local unit received from a distribution under section 2(k) of this chapter. **A distribution made under section 2(k) of this chapter may limit the total amount a local unit is eligible to receive from the local road and bridge grant matching grant under section 2(h) of this chapter only for the calendar year in which the funds are received.**

SECTION 19. IC 8-23-30-5, AS AMENDED BY P.L.173-2025, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. **(a)** In the evaluation of applications for grants from the fund for projects described in section 1(a) of this chapter, the department shall give preference to projects that are anticipated by the department to have the greatest regional economic significance for the region in which the local unit is located.

(b) Notwithstanding subsection (a), the department may give preference to projects submitted by local units that have submitted enhanced asset management plans to the department and the local technical assistance program at Purdue University."

Page 9, line 16, after "issued." insert "**However, if a tractor-semitrailer and load require a law enforcement escort, a permit issued under this subdivision is valid for ten (10) days from the date it is issued.**".

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

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"SECTION 22. IC 9-20-9-1, AS AMENDED BY P.L.227-2025, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this section, "drive away or tow away" means the delivery service performed by a transport operator by which motor vehicles in transit are delivered by driving singly or in combination by the towbar, saddlemount, or fullmount methods or any lawful combination of those methods, including coupling equipment or where a truck or tractor draws or tows a semitrailer or trailer in transit.

(b) A combination of two (2) vehicles coupled together, including load, may not exceed a total length of sixty (60) feet, except for the following:

- (1) A combination of two (2) vehicles coupled together that are especially constructed to transport other vehicles or boats. This exception includes any combination of a truck, tractor, semitrailer, and trailer if the combination is used exclusively or primarily in connection with motorsports.
- (2) A combination of two (2) vehicles coupled together being transported in a drive away or tow away service.
- (3) A pole trailer owned by or operated for a public utility (as defined in IC 8-1-2-1), while the pole trailer is being used in connection with the utility services of the public utility.
- (4) Trailers used in transporting oil field equipment or pipe for the transmission of oil or gas.
- (5) Construction vehicles with a towbar connection used in connection with a trailer used to haul heavy equipment **or construction materials.**

SECTION 22. IC 9-28-4-6, AS AMENDED BY P.L.42-2007, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) The department of state revenue, on behalf of the state, may enter into reciprocal agreements providing for the registration of vehicles on an apportionment or allocation basis with the proper authority of any state, any commonwealth, the District of Columbia, a state or province of a foreign country, or a territory or possession of either the United States or of a foreign country.

(b) To implement this chapter, the state may enter into and become a member of the International Registration Plan or other designation that may be given to a reciprocity plan developed by the American Association of Motor Vehicle Administrators.

(c) The department of state revenue may adopt rules under IC 4-22-2 to carry out and enforce the provisions of the International Registration Plan or any other agreement entered into under this chapter.



(d) If the state enters into the International Registration Plan or into any other agreement under this chapter, and if the provisions set forth in the plan or other agreements are different from provisions prescribed by law, then the agreement provisions prevail.

(e) All payments for the renewal of a fleet of vehicles previously registered under the International Registration Plan are due on or before the ~~fifteenth last~~ day of the last month of the registration period preceding the period being renewed.

(f) All payments for billings, other than renewal, issued under the International Registration Plan are due within fifteen (15) days after the mailing date on the billing unless stated otherwise.

(g) This chapter constitutes complete authority for the registration of vehicles, including the registration of fleet vehicles, upon an apportionment or allocation basis without reference to or application of any other Indiana law.

(h) A person who fails to comply with subsections (e) and (f) is subject to the penalties and interest imposed under IC 6-8.1-10."

Page 10, line 26, delete "the state of".

Page 11, line 15, delete "INPCS" and insert ""INPCS"".

Page 13, delete lines 4 through 8, begin a new paragraph and insert:

"SECTION 25. IC 36-6-9-5, AS AMENDED BY P.L.173-2025, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) Before ~~July 1, 2025~~, **January 1, 2028**, this chapter applies to a township if the total amount of funds in a township's capital improvement funds exceeds:

- (1) one hundred fifty percent (150%) of the township's total annual budget estimate prepared under IC 6-1.1-17-2 for the ensuing year; and
- (2) two hundred thousand dollars (\$200,000).

(b) After ~~June 30, 2025~~, **December 31, 2027**, this chapter applies to all townships, **including those townships that have merged under IC 36-6-1.5 or reorganized under IC 36-1.5.**

SECTION 26. IC 36-6-9-7, AS AMENDED BY P.L.173-2025, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. A township that meets the requirements of section 5 of this chapter must:

- (1) adopt a capital improvement plan not later than September 30 of each calendar year; and
- (2) submit a copy of the adopted capital improvement plan to the department of local government finance **not later than five (5) business days after a budget is adopted under IC 6-1.1-17-5(a). The submission must be** in the manner



prescribed by the department.

SECTION 27. IC 36-6-9-11, AS ADDED BY P.L.129-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. ~~A~~ **The plan adopted in the immediately preceding calendar year** shall be considered by the county fiscal body in reviewing the township budget under IC 6-1.1-17-3.6.

SECTION 28. IC 36-6-9-12, AS ADDED BY P.L.173-2025, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) Beginning ~~July 1, 2025~~, **January 1, 2028**, a township must adopt a plan on an annual basis. The township must file the plan with the department of local government finance in the form and manner prescribed by the department of local government finance.

(b) A plan must include:

- (1) the balance of all unrestricted funds that exceed the township's budget for the following year; and
- (2) the purpose for which all unrestricted funds are being retained.

SECTION 28. IC 36-9-42.2-4.5, AS AMENDED BY P.L.173-2025, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.5. As used in this chapter, "transportation asset management plan" has the meaning set forth in ~~IC 8-23-30-1(c)~~. **IC 8-23-30-1(f).**"

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 179 as reprinted January 27, 2026.)

PRESSEL

Committee Vote: yeas 7, nays 4.

