



Adopted	Rejected
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COMMITTEE REPORT

YES:	7
NO:	4

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:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-30-2-3 IS ADDED TO THE INDIANA CODE
- 4 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 5 1, 2023 (RETROACTIVE)]: **Sec. 3. A contract may not be awarded**
- 6 **under this article to a progressive design-builder (as defined in**
- 7 **IC 8-23-9.5-10).**
- 8 SECTION 2. IC 6-3.5-4-2, AS AMENDED BY P.L.173-2025,
- 9 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 10 UPON PASSAGE]: Sec. 2. (a) An adopting entity of any county may,
- 11 subject to the limitation imposed by subsection (e), adopt an ordinance
- 12 to impose a county vehicle excise tax in accordance with this chapter
- 13 on each vehicle that is subject to the vehicle excise tax under IC 6-6-5

1 and that is registered in the county. **However, a county may not after**
 2 **December 31, 2026, impose a county vehicle excise tax on a vehicle**
 3 **that is registered in an adopting municipality (as defined in**
 4 **IC 6-3.5-10-1) in which a municipal vehicle excise tax is in effect.**

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

8 (1) at a rate of not less than two percent (2%) nor more than ten
 9 percent (10%); or

10 (2) at a specific amount of at least seven dollars and fifty cents
 11 (\$7.50) and not more than twenty-five dollars (\$25).

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

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

19 (1) at a rate of at least two percent (2%) and not more than twenty
 20 percent (20%); or

21 (2) at a specific amount of at least seven dollars and fifty cents
 22 (\$7.50) and not more than fifty dollars (\$50).

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

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

29 (1) Impose the county vehicle excise tax at the same rate or
 30 amount on each vehicle that is subject to the tax.

31 (2) Impose the county vehicle excise tax on vehicles subject to the
 32 tax at one (1) or more different rates based on the class of vehicle
 33 listed in IC 6-6-5-2(a).

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

37 (f) Notwithstanding any other provision of this chapter or
 38 IC 6-3.5-5, ordinances adopted by a county council before June 1,

1 2013, to impose or change the county vehicle excise tax and the annual
2 wheel tax in the county remain in effect until the ordinances are
3 amended or repealed under this chapter or IC 6-3.5-5.

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

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

- 11 (1) registration year immediately preceding the current
- 12 registration year;
- 13 (2) current registration year; and
- 14 (3) registration year immediately following the current
- 15 registration year.

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

- 20 (1) at a rate of at least two percent (2%) and not more than twenty
- 21 percent (20%); or
- 22 (2) at a specific amount of at least seven dollars and fifty cents
- 23 (\$7.50) and not more than one hundred fifty dollars (\$150).

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

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

- 30 **(1) for the distribution made in 2026, May 1, 2026; and**
- 31 **(2) for a distribution made in a subsequent year, September**
- 32 **1 of the prior calendar year.**

33 SECTION 3. IC 6-3.5-4-3, AS AMENDED BY P.L.178-2019,
34 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 UPON PASSAGE]: Sec. 3. **(a)** If an adopting entity adopts an
36 ordinance imposing the surtax after December 31 but before September
37 1 of the following year, ~~a vehicle is subject to the tax if it is registered~~
38 ~~in the county~~ **surtax applies** after December 31 of the year in which

1 the ordinance is adopted. If an adopting entity adopts an ordinance
 2 imposing the surtax after August 31 but before the following January
 3 1, a vehicle is subject to the tax if it is registered in the county surtax
 4 **applies** after December 31 of the year following the year in which the
 5 ordinance is adopted. However, in the first year the surtax is effective,
 6 the surtax does not apply to the registration of a vehicle for the
 7 registration year that commenced in the calendar year preceding the
 8 year the surtax is first effective.

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

13 SECTION 4. IC 6-3.5-4-4, AS AMENDED BY P.L.178-2019,
 14 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 4. (a) After January 1 but before September
 16 1 of any year, the adopting entity may, subject to the limitations
 17 imposed by subsection (b), adopt an ordinance to rescind the surtax. If
 18 the adopting entity adopts such an ordinance, the surtax does not apply
 19 to a vehicle registered after December 31 of the year the ordinance is
 20 adopted.

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

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

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

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

36 SECTION 5. IC 6-3.5-4-6, AS AMENDED BY P.L.178-2019,
 37 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2026]: Sec. 6. (a) If an adopting entity adopts an ordinance to

1 impose, rescind, or change the rate or amount of the surtax, the
 2 adopting entity shall send a copy of the ordinance, and, if applicable,
 3 a copy of the letter from the Indiana department of transportation
 4 approving the adopting entity's transportation asset management plan,
 5 to the bureau of motor vehicles on or before September 1, to be
 6 effective January 1 of the following calendar year.

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

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

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

14 **(2) for a distribution made in a subsequent year, September**
 15 **1 of the prior calendar year.**

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

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

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

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

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

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

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

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

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

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

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

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

23 (3) is registered in the county.

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

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

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

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

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

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

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

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

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

19 (2) current registration year; and

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

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

27 SECTION 8. IC 6-3.5-5-5, AS AMENDED BY P.L.218-2017,
 28 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 5. If an adopting entity adopts an ordinance
 30 imposing the wheel tax after December 31 but before September 1 of
 31 the following year, a ~~vehicle described in section 2(a) of this chapter~~
 32 ~~is subject to the wheel tax if it is registered in the county~~ **applies** after
 33 December 31 of the year in which the ordinance is adopted. If an
 34 adopting entity adopts an ordinance imposing the wheel tax after
 35 August 31 but before the following January 1, a ~~vehicle described in~~
 36 ~~section 2(a) of this chapter~~ ~~is subject to the wheel tax if it is registered~~
 37 ~~in the county~~ **applies** after December 31 of the year following the year
 38 in which the ordinance is adopted. However, in the first year the tax is

1 effective, the tax does not apply to the registration of a motor vehicle
 2 for the registration year that commenced in the calendar year preceding
 3 the year the tax is first effective.

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

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

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

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

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

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

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

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

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

37 (3) for the county's, city's, or town's contribution to obtain a grant
 38 from the local road and bridge matching grant fund under

1 IC 8-23-30.

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

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

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

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

37 SECTION 11. IC 8-14-2-4, AS AMENDED BY P.L.9-2024,
38 SECTION 292, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The state comptroller shall
2 establish a special account to be called the "local road and street
3 account" and credit this account monthly with thirty-seven percent
4 (37%) of the money deposited in the highway, road and street fund.

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

10 (c) After distributing E85 incentive payments required under section
11 8 of this chapter, the state comptroller shall allocate to each county the
12 remaining money in this account on the basis of the ratio of each
13 county's passenger car registrations to the total passenger car
14 registrations of the state. The state comptroller shall further determine
15 the suballocation between the county and the cities within the county
16 as follows:

17 (1) In counties having a population of more than fifty thousand
18 (50,000), sixty percent (60%) of the money shall be distributed on
19 the basis of the population of the city or town as a percentage of
20 the total population of the county and forty percent (40%)
21 distributed on the basis of the ratio of city and town street mileage
22 to county road mileage.

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

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

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

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

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

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

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

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

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

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

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

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

36 SECTION 14. IC 8-23-23-6, AS ADDED BY P.L.173-2025,
37 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2026]: Sec. 6. The commissioner shall ensure that the

1 department makes information available to county boards of
2 commissioners and county highway departments about funding from
3 federal and private sources that might be available to the counties for
4 projects involving the reconstruction or replacement of low water
5 crossings (as defined in ~~IC 8-23-30-1(d)~~, **IC 8-23-30-1(e)**), including
6 the following:

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

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

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

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

- 26 **(1) is designed to maximize the lifecycle performance and cost**
- 27 **effective management of the entire network of transportation**
- 28 **assets for which the local unit is responsible;**
- 29 **(2) inventories all streets or road segments within the local**
- 30 **unit's transportation network, including sufficient detail to**
- 31 **support network-level and segment-level analysis;**
- 32 **(3) includes objective, repeatable condition assessments for**
- 33 **each street or road segment using the Pavement Surface**
- 34 **Evaluation and Rating (PASER) system or another pavement**
- 35 **condition rating methodology approved by the department;**
- 36 **(4) incorporates measures of roadway deterioration,**
- 37 **roughness, surface distress, or other physical characteristics**
- 38 **approved by the department relevant to pavement**

- 1 performance and remaining service life;
- 2 (5) concatenates geospatial data with the asset condition or
- 3 rating data of each street or segment;
- 4 (6) is used by the local unit to prioritize maintenance,
- 5 preservation, rehabilitation, and reconstruction activities in
- 6 a manner intended to extend asset service life and minimize
- 7 long term lifecycle costs across the entire transportation
- 8 network;
- 9 (7) is updated at intervals established by the department to
- 10 ensure the ongoing accuracy and usefulness of the data for
- 11 lifecycle management purposes, but not less than once every
- 12 year; and
- 13 (8) makes the concatenated geospatial data and asset
- 14 condition or rating data available for access and display on
- 15 both the local unit's website, and the website maintained by
- 16 the local technical assistance program.

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

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

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

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

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

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

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

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

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

- 1 Page 5, line 18, after "revenue" insert "**each year**".
- 2 Page 5, line 19, after "IC 6-3.6-6" delete "." and insert "**or revenue**
- 3 **that was previously used for a match under this subsection.**".
- 4 Page 5, line 27, delete "tax;" and insert "**tax and vehicle excise**
- 5 **tax;**".
- 6 Page 5, line 38, after "projects." insert "**A local unit that is eligible**
- 7 **for a distribution under this subsection may receive a matching**
- 8 **grant under this chapter, subject to the limits provided in section**
- 9 **3.5 of this chapter.**".
- 10 Page 6, delete lines 9 through 16, begin a new paragraph and insert:
- 11 "SECTION 17. IC 8-23-30-3.5, AS ADDED BY P.L.173-2025,
- 12 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 13 UPON PASSAGE]: Sec. 3.5. In each state fiscal year beginning after
- 14 June 30, ~~2027~~, **2026**, a local unit that receives a distribution under
- 15 section 2(k) of this chapter may ~~not apply~~ **be eligible** for a grant ~~from~~
- 16 **the local road and bridge matching grant fund described in** ~~under~~
- 17 section 2(h) of this chapter. **The grant distribution amount may not**
- 18 **exceed the maximum amount** ~~in an amount that is greater than the~~
- 19 ~~maximum grant amount~~ set under section 8 of this chapter minus the
- 20 amount the local unit received from a distribution under section 2(k) of
- 21 this chapter. **A distribution made under section 2(k) of this chapter**
- 22 **may limit the total amount a local unit is eligible to receive from**
- 23 **the local road and bridge grant matching grant under section 2(h)**
- 24 **of this chapter only for the calendar year in which the funds are**
- 25 **received.**
- 26 SECTION 19. IC 8-23-30-5, AS AMENDED BY P.L.173-2025,
- 27 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 JULY 1, 2026]: Sec. 5. **(a)** In the evaluation of applications for grants
- 29 from the fund for projects described in section 1(a) of this chapter, the
- 30 department shall give preference to projects that are anticipated by the
- 31 department to have the greatest regional economic significance for the
- 32 region in which the local unit is located.
- 33 **(b) Notwithstanding subsection (a), the department may give**
- 34 **preference to projects submitted by local units that have submitted**
- 35 **enhanced asset management plans to the department and the local**
- 36 **technical assistance program at Purdue University.**".
- 37 Page 9, line 16, after "issued." insert "**However, if a**
- 38 **tractor-semitrailer and load require a law enforcement escort, a**

1 **permit issued under this subdivision is valid for ten (10) days from**
2 **the date it is issued."**

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

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

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

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

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

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

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

27 (5) Construction vehicles with a towbar connection used in
28 connection with a trailer used to haul heavy equipment **or**
29 **construction materials.**

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

38 (b) To implement this chapter, the state may enter into and become

1 a member of the International Registration Plan or other designation
2 that may be given to a reciprocity plan developed by the American
3 Association of Motor Vehicle Administrators.

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

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

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

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

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

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

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

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

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

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

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

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

37 (b) After ~~June 30, 2025~~, **December 31, 2027**, this chapter applies
38 to all townships, **including those townships that have merged under**

1 **IC 36-6-1.5 or reorganized under IC 36-1.5.**

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

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

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

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

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

25 (b) A plan must include:

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

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

29 SECTION 28. IC 36-9-42.2-4.5, AS AMENDED BY P.L.173-2025,
30 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2026]: Sec. 4.5. As used in this chapter, "transportation asset

- 1 management plan" has the meaning set forth in ~~IC 8-23-30-1(e)~~:
- 2 **IC 8-23-30-1(f)**."
- 3 Renumber all SECTIONS consecutively.
(Reference is to SB 179 as reprinted January 27, 2026.)

and when so amended that said bill do pass.

Representative Pressel