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SENATE BILL No. 179

Proposed Changes to introduced printing by AM017901

DIGEST OF PROPOSED AMENDMENT

Negligence. Removes a provision concerning liability for a contractor's negligence.

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 5-35.7-5-1, AS ADDED BY P.L.182-2025,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 1. **(a)** This chapter applies to a contract between
4 a state agency and a contractor that is entered into, renewed, or
5 amended after June 30, 2025.

6 **(b) This chapter does not apply to a contract entered into by**
7 **the Indiana department of transportation for the construction,**
8 **repair, or maintenance of a highway, street, road, or bridge.**

9 SECTION 2. IC 5-35.7-7-1, AS ADDED BY P.L.182-2025,
10 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2026]: Sec. 1. This chapter does not apply to the following:

- 12 (1) A contract solely entered into for licensed legal counsel.
13 (2) A purchase subject to the small purchase policies established
14 by a state agency under IC 5-22-8.
15 (3) A contract for services provided by a bank holding company
16 or its subsidiaries or for investments, investment services, or
17 financial services entered into by the treasurer of state under
18 IC 4-8.1, IC 5-13, or IC 10-12.
19 (4) A contract entered into with a program established under
20 IC 11-10-7-2.
21 **(5) A contract entered into by the Indiana department of**

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1 **transportation for the construction, repair, or maintenance**
 2 **of a highway, street, road, or bridge.**

3 SECTION 3. IC 8-23-2-6.1 IS ADDED TO THE INDIANA CODE
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 5 1, 2026]: Sec. 6.1. (a) The department may assume the
 6 responsibilities of the United States Department of Transportation
 7 with respect to the United States Department of Transportation's
 8 duties under the federal National Environmental Policy Act of 1969
 9 (42 U.S.C. 4321 et seq.) and other federal environmental laws. The
 10 department may:

11 (1) assume responsibility under 23 U.S.C. 326 and 23 U.S.C.
 12 327; and

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

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

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

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

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

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

38 SECTION 4. IC 8-23-2-12.7 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2026]: Sec. 12.7. (a) As used in this section,
 41 "construction engineering inspection services" means services
 42 performed during the construction of a project to ensure the



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project is built in accordance with the plans and specifications for the project. The term does not include the design or engineering of a project.

(b) As used in this section, "contractor" means a person who provides construction engineering inspection services for a project under a contract with the department.

(c) As used in this section, "third party" means a person who is not an employee of a contractor.

(d) A contractor is not civilly or criminally liable for a claim made by a third party concerning:

- (1) death or bodily injury;
- (2) property damage;
- (3) design defects; or
- (4) any other loss, damage, or expense;

arising from a motor vehicle accident that occurs within a worksite (as defined in IC 9-13-2-200) of a project for which the contractor provided construction engineering inspection services ~~except for the contractor's negligence~~.

SECTION 5. IC 8-23-30-2, AS AMENDED BY P.L.173-2025, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The local road and bridge matching grant fund is established to provide matching grants to local units for eligible projects.

(b) The department shall administer the fund.

(c) The fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Interest deposited in the fund under subsection (d).
- (3) Money deposited in or transferred to the fund from any other source.

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

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

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

(g) The state comptroller shall determine the balance of the money in the fund on June 15, 2025, and on June 15 of each year thereafter.



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 project as described in IC 8-14.5-8.

(3) On June 30, 2028, a transfer of:

(A) to the state general fund, the total amount of the state tax credits certified for 2027 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.

(4) On June 30, 2029, a transfer of twenty million dollars (\$20,000,000) to the department 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.

(5) On June 30, 2030, a transfer of twenty million dollars (\$20,000,000) to the department 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.

(j) Beginning on June 30, 2027, and on June 30 of each year thereafter, after the department allocates the money under subsection (h) and the state comptroller makes a transfer under subsection (i), when applicable, the state comptroller shall transfer fifty million dollars (\$50,000,000) of money in the fund to the consolidated city in Marion County for the construction, reconstruction, and preservation of the consolidated city's local streets (as defined in IC 8-14-2-1(9)). The consolidated city in Marion County shall not use these revenues for:

- (1) reducing the capacity of existing roads and streets;
- (2) greenways;
- (3) bike lanes;
- (4) bike trails; and
- (5) sidewalks.

One hundred percent (100%) of the money distributed to the consolidated city under this subsection shall be matched with an appropriation by the consolidated city. The appropriation required under this subsection must be new revenue and may not include revenue allocated to public safety purposes under IC 6-3.6-6.

(k) ~~Beginning~~ On June 30, 2027; **2026, after the state**



comptroller makes a transfer under subsection (i), and on June 30 of each year thereafter, after the state comptroller makes a transfer under subsection (j), the state comptroller shall distribute the remainder of the money in the fund, as follows:

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

(A) adopted a wheel tax; and

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

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

A local unit may use a distribution made under this subsection only for eligible projects.

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

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

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

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

SECTION 6. 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 for a grant under section 2(h) of this chapter 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.

SECTION 7. IC 9-20-4-1, AS AMENDED BY P.L.198-2016, SECTION 339, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) Except as provided in



subsections (b) and (c), a person may not operate or cause to be operated upon a highway a vehicle or combination of vehicles having 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 8. 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.**
- (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 9. IC 32-19.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

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

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Chapter 1. Applicability and Definitions

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

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

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

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

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

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

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

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

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

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

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

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

(b) The statewide zone layer:

- (1) consists of a single zone, which is constituted by the total area included in Indiana;**
- (2) should generally be used for applications such as:**
 - (A) a statewide digital orthoimagery;**
 - (B) a statewide geographic information system; and**
 - (C) emergency management and preparedness mapping;**
 - and**
- (3) should generally not be used for applications such as:**



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

(B) describing real property; and

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

(c) The multizone layer:

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

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

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

(B) describing real property;

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

(D) city or county geographic information systems.

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

Chapter 3. Coordinates; Geodetic Control; Recording Requirements

Sec. 1. (a) The plane coordinates of a point to be used in 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



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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 10. IC 34-30-2.1-87.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTIONLS6725 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 87.2. IC 8-23-2-12.7 (Concerning contractors providing construction engineering inspection services to the Indiana department of transportation).**

SECTION 11. An emergency is declared for this act. [

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