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# ENGROSSED SENATE BILL No. 179

Proposed Changes to February 16, 2026 printing by AM017913

## DIGEST OF PROPOSED AMENDMENT

Local road and bridge matching grants. Specifies the amount that the consolidated city must appropriate each year in order to receive the annual distribution of \$50,000,000 from the local road and bridge matching grant fund for local streets.

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
- 17 plan approved by the Indiana department of transportation, the
- 18 adopting entity of the county may impose the surtax either:

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- 1 (1) at a rate of not less than two percent (2%) nor more than ten  
 2 percent (10%); or  
 3 (2) at a specific amount of at least seven dollars and fifty cents  
 4 (\$7.50) and not more than twenty-five dollars (\$25).  
 5 However, the surtax on a vehicle may not be less than seven dollars and  
 6 fifty cents (\$7.50). The adopting entity shall state the surtax rate or  
 7 amount in the ordinance which imposes the tax.
- 8 (c) Except as provided in subsection (i), if a county uses a  
 9 transportation asset management plan approved by the Indiana  
 10 department of transportation, the adopting entity of the county may  
 11 impose the surtax either:  
 12 (1) at a rate of at least two percent (2%) and not more than  
 13 twenty percent (20%); or  
 14 (2) at a specific amount of at least seven dollars and fifty cents  
 15 (\$7.50) and not more than fifty dollars (\$50).  
 16 However, the surtax on a vehicle may not be less than seven dollars and  
 17 fifty cents (\$7.50). The adopting entity shall state the surtax rate or  
 18 amount in the ordinance that imposes the tax.
- 19 (d) Subject to the limits and requirements of this section and  
 20 except as provided in IC 6-6-5-0.5(2), the adopting entity may do any  
 21 of the following:  
 22 (1) Impose the county vehicle excise tax at the same rate or  
 23 amount on each vehicle that is subject to the tax.  
 24 (2) Impose the county vehicle excise tax on vehicles subject to  
 25 the tax at one (1) or more different rates based on the class of  
 26 vehicle listed in IC 6-6-5-2(a).  
 27 (e) The adopting entity may not adopt an ordinance to impose the  
 28 surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to  
 29 impose the wheel tax.  
 30 (f) Notwithstanding any other provision of this chapter or  
 31 IC 6-3.5-5, ordinances adopted by a county council before June 1,  
 32 2013, to impose or change the county vehicle excise tax and the annual  
 33 wheel tax in the county remain in effect until the ordinances are  
 34 amended or repealed under this chapter or IC 6-3.5-5.  
 35 (g) Except as provided under section 7.5 of this chapter (before its  
 36 expiration on December 31, 2023) and subject to subsection (h), a  
 37 county vehicle excise tax imposed by this chapter for a vehicle is due  
 38 and shall be paid each year at the time the vehicle is registered.  
 39 (h) If the county vehicle excise tax imposed by this chapter was  
 40 not paid for one (1) or more preceding years, the bureau may collect  
 41 only the county vehicle excise tax imposed by this chapter for the:  
 42 (1) registration year immediately preceding the current

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- 1 registration year;
- 2 (2) current registration year; and
- 3 (3) registration year immediately following the current
- 4 registration year.
- 5 (i) Beginning July 1, 2025, if a county containing a consolidated
- 6 city uses a transportation asset management plan approved by the
- 7 Indiana department of transportation, the adopting entity of the county
- 8 may impose the surtax either:
- 9 (1) at a rate of at least two percent (2%) and not more than
- 10 twenty percent (20%); or
- 11 (2) at a specific amount of at least seven dollars and fifty cents
- 12 (\$7.50) and not more than one hundred fifty dollars (\$150).

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

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

- 19 **(1) for the distribution made in 2026, May 1, 2026; and**
- 20 **(2) for a distribution made in a subsequent year, September**  
 21 **1 of the prior calendar year.**

22 SECTION 3. IC 6-3.5-4-3, AS AMENDED BY P.L.178-2019,  
 23 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 UPON PASSAGE]: Sec. 3. (a) If an adopting entity adopts an  
 25 ordinance imposing the surtax after December 31 but before September  
 26 1 of the following year, a vehicle is subject to the tax if it is registered  
 27 in the county surtax applies after December 31 of the year in which  
 28 the ordinance is adopted. If an adopting entity adopts an ordinance  
 29 imposing the surtax after August 31 but before the following January  
 30 1, a vehicle is subject to the tax if it is registered in the county surtax  
 31 applies after December 31 of the year following the year in which the  
 32 ordinance is adopted. However, in the first year the surtax is effective,  
 33 the surtax does not apply to the registration of a vehicle for the  
 34 registration year that commenced in the calendar year preceding the  
 35 year the surtax is first effective.

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

40 SECTION 4. IC 6-3.5-4-4, AS AMENDED BY P.L.178-2019,  
 41 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 UPON PASSAGE]: Sec. 4. (a) After January 1 but before September

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1 of any year, the adopting entity may, subject to the limitations  
 2 imposed by subsection (b), adopt an ordinance to rescind the surtax. If  
 3 the adopting entity adopts such an ordinance, the surtax does not apply  
 4 to a vehicle registered after December 31 of the year the ordinance is  
 5 adopted.

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

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

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

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

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

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

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

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

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

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

37 **(2) for a distribution made in a subsequent year, September  
 38 1 of the prior calendar year.**

39 SECTION 6. IC 6-3.5-4-13, AS AMENDED BY P.L.146-2016,  
 40 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 UPON PASSAGE]: Sec. 13. (a) In the case of a county that does not  
 42 contain a consolidated city of the first class, the county treasurer shall

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1 deposit the surtax revenues in a fund to be known as the " \_\_\_\_\_  
2 County Surtax Fund".

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

- 11 (1) **the population of a city or town that is an adopting**
- 12 **municipality in which a municipal vehicle excise tax is in**
- 13 **effect is considered to be zero (0);**
- 14 (2) **the street mileage of a city or town that is an adopting**
- 15 **municipality in which a municipal vehicle excise tax is in**
- 16 **effect is considered to be zero (0) miles; and**
- 17 (3) **the allocation to a city or town that is an adopting**
- 18 **municipality in which a municipal vehicle excise tax is in**
- 19 **effect is zero dollars (\$0).**

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

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

- 27 (1) to construct, reconstruct, repair, or maintain streets and roads
- 28 under its jurisdiction; or
- 29 (2) for the county's, city's, or town's contribution to obtain a grant
- 30 from the local road and bridge matching grant fund under
- 31 IC 8-23-30.

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

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

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

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

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

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

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

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

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

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

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

34 (2) current registration year; and

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

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

42 SECTION 8. IC 6-3.5-5-5, AS AMENDED BY P.L.218-2017,

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

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

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

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

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

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

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

42 (d) A county, city, or town may only use the wheel tax revenues it

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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**

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1 **selected by an individual member of the county fiscal body.**

2 SECTION 11. IC 8-14-2-4, AS AMENDED BY P.L.9-2024,  
3 SECTION 292, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The state comptroller shall  
5 establish a special account to be called the "local road and street  
6 account" and credit this account monthly with thirty-seven percent  
7 (37%) of the money deposited in the highway, road and street fund.

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

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

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

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

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

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

41 (d) Each month the state comptroller shall inform the department  
42 of the amounts allocated to each unit of local government from the

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1 local road and street account.

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

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

14 (1) assume responsibility under 23 U.S.C. 326 and 23 U.S.C.  
15 327; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 42 (1) A project:

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- 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**
- 10 **plan" refers to a data driven asset management plan adopted by a**
- 11 **local unit that:**
  - 12 **(1) is designed to maximize the lifecycle performance and**
  - 13 **cost effective management of the entire network of**
  - 14 **transportation 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**
  - 21 **pavement condition rating methodology approved by the**
  - 22 **department;**
  - 23 **(4) incorporates measures of roadway deterioration,**
  - 24 **roughness, surface distress, or other physical characteristics**
  - 25 **approved by the department relevant to pavement**
  - 26 **performance and remaining service life;**
  - 27 **(5) concatenates geospatial data with the asset condition or**
  - 28 **rating data of each street or segment;**
  - 29 **(6) is used by the local unit to prioritize maintenance,**
  - 30 **preservation, rehabilitation, and reconstruction activities in**
  - 31 **a manner intended to extend asset service life and minimize**
  - 32 **long term lifecycle costs across the entire transportation**
  - 33 **network;**
  - 34 **(7) is updated at intervals established by the department to**
  - 35 **ensure the ongoing accuracy and usefulness of the data for**
  - 36 **lifecycle management purposes, but not less than once every**
  - 37 **year; and**
  - 38 **(8) makes the concatenated geospatial data and asset**
  - 39 **condition or rating data available for access and display on**
  - 40 **both the local unit's website, and the website maintained by**
  - 41 **the local technical assistance program.**
  - 42 **(b) (c) As used in this chapter, "fund" refers to the local road and**

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1 bridge matching grant fund established by section 2 of this chapter.  
 2 ~~(e)~~ (d) As used in this chapter, "local unit" means a county or  
 3 municipality.  
 4 ~~(d)~~ (e) As used in this chapter, "low water crossing" means a  
 5 public road waterway crossing:  
 6 (1) other than a bridge where construction improvements have  
 7 been made in the stream, river, or lake bed to provide a firm  
 8 surface for vehicles to travel across the water course; and  
 9 (2) that is designed and constructed to be passable to traffic most  
 10 of the year during periods of ordinary stream flow but is  
 11 impassable to traffic during periods of high water.  
 12 ~~(e)~~ (f) As used in this chapter, "transportation asset management  
 13 plan" includes planning for drainage systems and rights-of-way that  
 14 affect transportation assets.  
 15 ~~(f)~~ (g) As used in this chapter, "wheel tax" means the tax imposed  
 16 in an ordinance adopted under:  
 17 (1) IC 6-3.5-5, in the case of a county; and  
 18 (2) IC 6-3.5-11, in the case of a municipality.  
 19 SECTION 17. IC 8-23-30-2, AS AMENDED BY P.L.173-2025,  
 20 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 UPON PASSAGE]: Sec. 2. (a) The local road and bridge matching  
 22 grant fund is established to provide matching grants to local units for  
 23 eligible projects.  
 24 (b) The department shall administer the fund.  
 25 (c) The fund consists of the following:  
 26 (1) Appropriations by the general assembly.  
 27 (2) Interest deposited in the fund under subsection (d).  
 28 (3) Money deposited in or transferred to the fund from any other  
 29 source.  
 30 (d) The treasurer of state shall invest money in the fund not  
 31 currently needed to meet the obligations of the fund in the same  
 32 manner as other public money may be invested. Interest that accrues  
 33 from these investments shall be deposited in the fund.  
 34 (e) Money in the fund at the end of a state fiscal year does not  
 35 revert to the state general fund.  
 36 (f) Not later than June 1, 2025, the department shall report to the  
 37 state comptroller the amount of matching grants awarded by the  
 38 department from the fund in the state fiscal year beginning July 1,  
 39 2024, and ending June 30, 2025, that the department will not distribute  
 40 before July 1, 2025.  
 41 (g) The state comptroller shall determine the balance of the money  
 42 in the fund on June 15, 2025, and on June 15 of each year thereafter.

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1 After determining the balance of money in the fund under this  
2 subsection, the money in the fund must be allocated in accordance with  
3 subsection (h), transferred in accordance with subsections (i) and (j),  
4 and distributed in accordance with subsection (k).

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

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

18 (2) On June 30, 2026, and June 30 of each year thereafter, the  
19 department must allocate the first one hundred million dollars  
20 (\$100,000,000) of money in the fund to make matching grants in  
21 the next state fiscal year to all local units.

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

25 (1) On June 30, 2026, a transfer of:  
26 (A) to the state general fund, the total amount of the state  
27 tax credits certified for 2025 by the department of state  
28 revenue under IC 6-3.1-38.1-8(c); and

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

35 (2) On June 30, 2027, a transfer of:  
36 (A) to the state general fund, the total amount of the state  
37 tax credits certified for 2026 by the department of state  
38 revenue under IC 6-3.1-38.1-8(c); and

39 (B) to the department, an amount equal to twenty million  
40 dollars (\$20,000,000) minus the amount under clause (A)  
41 for deposit in the state highway road construction and  
42 improvement fund established under IC 8-14-10 for the

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

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1 (1) For the June 30, 2027, distribution, fifty million dollars  
 2 (\$50,000,000).

3 (2) For the June 30, 2028, distribution, seventy million  
 4 dollars (\$70,000,000).

5 (3) For the June 30, 2029, distribution, eighty million dollars  
 6 (\$80,000,000).

7 (4) For the June 30, 2030, distribution, ninety million dollars  
 8 (\$90,000,000).

9 (5) For the June 30, 2031, distribution, and for each  
 10 distribution thereafter, one hundred million dollars  
 11 (\$100,000,000).

12 **The** appropriation required under this subsection must be new revenue  
 13 **each year** and may not include revenue allocated to public safety  
 14 purposes under IC 6-3.6-6 **or revenue that was previously used for**  
 15 **a match under this subsection.**

16 (k) ~~Beginning~~ On June 30, ~~2027,~~ **2026,** after the state  
 17 **comptroller makes a transfer under subsection (i)**, and on June 30  
 18 of each year thereafter, after the state comptroller makes a transfer  
 19 under subsection (j), the state comptroller shall distribute the remainder  
 20 of the money in the fund, as follows:

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

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

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

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

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

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

40 (m) Money in the fund may not be transferred, assigned, or  
 41 otherwise removed from the fund by the state board of finance, the  
 42 budget agency, or any other agency until after budget committee

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1 review, except for either or both of the following purposes:

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

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

8 SECTION 18. IC 8-23-30-3.5, AS ADDED BY P.L.173-2025,  
9 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 UPON PASSAGE]: Sec. 3.5. In each state fiscal year beginning after  
11 June 30, ~~2027~~, **2026**, a local unit that receives a distribution under  
12 section 2(k) of this chapter may ~~not apply be eligible~~ for a grant **from**  
13 **the local road and bridge matching grant fund described in ~~under~~  
14 ~~section 2(h) of this chapter. The grant distribution amount may not~~  
15 ~~exceed the maximum amount in an amount that is greater than the~~  
16 ~~maximum grant amount set under section 8 of this chapter minus the~~  
17 ~~amount the local unit received from a distribution under section 2(k) of~~  
18 ~~this chapter. A distribution made under section 2(k) of this chapter~~  
19 ~~may limit the total amount a local unit is eligible to receive from~~  
20 ~~the local road and bridge grant matching grant under section 2(h)~~  
21 ~~of this chapter only for the calendar year in which the funds are~~  
22 ~~received.~~**

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

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

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

- 40 (1) For a county applicant, the following:  
41 (A) Fifty percent (50%), if the county has a population  
42 greater than or equal to fifty-five thousand (55,000).

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- 1 (B) Twenty percent (20%), if the county has a population of
- 2 less than fifty-five thousand (55,000).
- 3 (2) For a city or town applicant, the following:
- 4 (A) Fifty percent (50%), if the city or town has a population
- 5 greater than or equal to ~~ten thousand (10,000)~~; **twelve**
- 6 **thousand five hundred (12,500).**
- 7 (B) Twenty percent (20%), if the city or town has a
- 8 population of less than ~~ten thousand (10,000)~~; **twelve**
- 9 **thousand five hundred (12,500).**
- 10 SECTION 21. IC 9-20-4-1, AS AMENDED BY P.L.198-2016,
- 11 SECTION 339, IS AMENDED TO READ AS FOLLOWS
- 12 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) Except as provided in
- 13 subsections (b) and (c), a person may not operate or cause to be
- 14 operated upon a highway a vehicle or combination of vehicles having
- 15 weight in excess of one (1) or more of the following limitations:
- 16 (1) The total gross weight, with load, in pounds of any vehicle or
- 17 combination of vehicles may not exceed an overall gross weight
- 18 on a group of two (2) or more consecutive axles produced by
- 19 application of the following formula:
- 20 
$$W = 500 \{ [(LN) \div (N-1)] + 12N + 36 \}$$
- 21 where W equals the overall gross weight on any group of two (2)
- 22 or more consecutive axles to the nearest five hundred (500)
- 23 pounds, L equals the distance in feet between the extreme of any
- 24 group of two (2) or more consecutive axles, and N equals the
- 25 number of axles in the group under consideration, except that
- 26 two (2) consecutive sets of tandem axles may carry a gross load
- 27 of thirty-four thousand (34,000) pounds each, providing the
- 28 overall distance between the first and last axles of the
- 29 consecutive sets of tandem axles is thirty-six (36) feet or more.
- 30 The overall gross weight limit, calculated under this subdivision,
- 31 may not exceed eighty thousand (80,000) pounds.
- 32 (2) The weight concentrated on the roadway surface from any
- 33 tandem axle group may not exceed the following:
- 34 (A) Thirty-four thousand (34,000) pounds total weight.
- 35 (B) Twenty thousand (20,000) pounds on an individual axle
- 36 in a tandem group.
- 37 (3) A vehicle may not have a maximum wheel weight, unladen
- 38 or with load, in excess of eight hundred (800) pounds per inch
- 39 width of tire, measured between the flanges of the rim or an axle
- 40 weight in excess of twenty thousand (20,000) pounds.
- 41 (b) The enforcement of weight limits under this section is subject
- 42 to the following:

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- 1 (1) It is lawful to operate within the scope of a permit, under
- 2 weight limitations established by the Indiana department of
- 3 transportation and in effect on July 1, 1956, as provided in
- 4 IC 9-20-6.
- 5 (2) It is lawful to operate or cause to be operated a vehicle or
- 6 combination of vehicles on a heavy duty highway or an extra
- 7 heavy duty highway designated by the Indiana department of
- 8 transportation if operated within the imposed limitations.
- 9 (3) Subsection (a) does not apply to any highway, road, street, or
- 10 bridge for which a lesser weight limit is imposed by local
- 11 authorities under IC 9-20-1-3 or IC 9-20-7-2. However, the local
- 12 authority may by appropriate action establish and designate a
- 13 county or city highway, road, or street or part of a highway, road,
- 14 or street as a heavy duty highway subject to the weight
- 15 limitations established under IC 9-20-5.
- 16 (4) Vehicles operated on toll road facilities are subject to rules
- 17 of weight adopted for toll road facilities by the Indiana
- 18 department of transportation under IC 8-15-2 and are not subject
- 19 to subsection (a) when operated on a toll road facility.
- 20 (5) For purposes of a heavy duty vehicle that is equipped with an
- 21 auxiliary power unit, the weight limitations provided in
- 22 subsection (a) are increased by four hundred (400) pounds.
- 23 (6) For purposes of a vehicle that uses natural gas as a motor fuel
- 24 **or is powered primarily by means of electric battery power,**
- 25 the weight limitations provided in subsection (a) are increased
- 26 by two thousand (2,000) pounds.
- 27 (c) The greater of the weight limits imposed under subsection (a)
- 28 or this subsection applies to vehicles operated upon a highway. The
- 29 weight limits in effect on January 4, 1975, for any highway that is not
- 30 designated as a heavy duty highway under IC 9-20-5 are the following:
- 31 (1) The total gross weight, with load, in pounds of a vehicle or
- 32 combination of vehicles may not exceed seventy-three thousand
- 33 two hundred eighty (73,280) pounds.
- 34 (2) The total weight concentrated on the roadway surface from
- 35 a tandem axle group may not exceed sixteen thousand (16,000)
- 36 pounds for each axle of a tandem assembly.
- 37 (3) A vehicle may not have a maximum wheel weight, unladen
- 38 or with load, in excess of eight hundred (800) pounds per inch
- 39 width of tire, measured between the flanges of the rim, or an axle
- 40 weight greater than eighteen thousand (18,000) pounds.
- 41 (d) For purposes of this section, "auxiliary power unit" means an
- 42 integrated system that:

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- 1 (1) provides heat, air conditioning, engine warming, or
- 2 electricity to components on a heavy duty vehicle; and
- 3 (2) is certified by the administrator of the United States
- 4 Environmental Protection Agency under 40 CFR 89 as meeting
- 5 applicable emission standards.

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

- 8 (1) has a gross vehicle weight rating greater than eight thousand
- 9 five hundred (8,500) pounds; and
- 10 (2) is powered by a diesel engine.

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

- 15 (1) has jurisdiction over a highway or street; and
- 16 (2) is responsible for the repair and maintenance of the highway  
17 or street;

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

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

- 26 (1) exceeds the maximum length limitation under this chapter;  
27 and
- 28 (2) is subject to regulation under this chapter;

29 from one-half (1/2) hour before sunrise to one-half (1/2) hour after  
30 sunset.

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

- 32 (1) A single trip. **A permit issued under this subdivision is**  
33 **valid for five (5) days from the date it is issued. However, if**  
34 **a tractor-semitrailer and load require a law enforcement**  
35 **escort, a permit issued under this subdivision is valid for ten**  
36 **(10) days from the date it is issued.**
- 37 (2) A definite time not exceeding thirty (30) days.
- 38 (3) A ninety (90) day period.
- 39 (4) A one (1) year period.

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

- 42 (1) have been sealed at the place of origin and have not been

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1 opened except by an agent of the federal government that may  
 2 inspect the contents; and  
 3 (2) are being transported to or from a distribution facility.  
 4 The total gross weight, with load of a vehicle or combination of  
 5 vehicles transporting an ocean going container may not exceed  
 6 ninety-five thousand (95,000) pounds. A permit issued under this  
 7 section must be issued on an annual basis. A permit issued under this  
 8 subsection may not impose a limit on the number of movements  
 9 generated by the applicant or operator of a vehicle granted a permit  
 10 under this subsection.

11 SECTION 23. IC 9-20-9-1, AS AMENDED BY P.L.227-2025,  
 12 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2026]: Sec. 1. (a) As used in this section, "drive away or tow  
 14 away" means the delivery service performed by a transport operator by  
 15 which motor vehicles in transit are delivered by driving singly or in  
 16 combination by the towbar, saddlemount, or fullmount methods or any  
 17 lawful combination of those methods, including coupling equipment or  
 18 where a truck or tractor draws or tows a semitrailer or trailer in transit.

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

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

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

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

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

34 (5) Construction vehicles with a towbar connection used in  
 35 connection with a trailer used to haul heavy equipment **or**  
 36 **construction materials.**

37 SECTION 24. IC 9-28-4-6, AS AMENDED BY P.L.42-2007,  
 38 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 JULY 1, 2026]: Sec. 6. (a) The department of state revenue, on behalf  
 40 of the state, may enter into reciprocal agreements providing for the  
 41 registration of vehicles on an apportionment or allocation basis with the  
 42 proper authority of any state, any commonwealth, the District of

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1 Columbia, a state or province of a foreign country, or a territory or  
2 possession of either the United States or of a foreign country.

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

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

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

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

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

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

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

28 SECTION 25. IC 32-19.5 IS ADDED TO THE INDIANA CODE  
29 AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY  
30 1, 2026]:

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

33 **Chapter 1. Applicability and Definitions**

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

35 **(1) the most recent or a prior version of the SPCS established**  
36 **by the NGS; or**

37 **(2) the Indiana Coordinate System of 1983, as provided in**  
38 **IC 32-19;**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29           **(C)** emergency management and preparedness mapping;  
30 and

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

32           **(A)** original, retracement, or route surveys, as described  
33 in 865 IAC<>1-12;

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

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

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

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

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

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- 1 (A) original, retracement, or route surveys, as described
- 2 in 865 IAC<=>11-12;
- 3 (B) describing real property;
- 4 (C) the design and construction of large facilities or
- 5 massive civil infrastructure such as manufacturing
- 6 plants, bridges, and dams; and
- 7 (D) city or county geographic information systems.

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

12 Chapter 3. Coordinates; Geodetic Control; Recording  
 13 Requirements

14 Sec. 1. (a) The plane coordinates of a point to be used in  
 15 expressing the geographic position or location of the point in the  
 16 appropriate zone of the INPCS must consist of two (2) distances,  
 17 expressed in feet and decimals of a foot or meters and decimals of  
 18 a meter. When a value is expressed in feet, it must be expressed in  
 19 international feet (1 foot = 0.3048 meters).

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

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

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

35 Sec. 3. Coordinates based on the Indiana coordinate system of  
 36 1927 (as described in IC 32-19), the Indiana coordinate system of  
 37 1983 (as described in IC 32-19), the INPCS, or any other  
 38 coordinate system published by an agency of the federal  
 39 government or the state, including the Indiana Geospatial  
 40 Coordinate System, purporting to define the position of a point on  
 41 a land boundary map may not be presented to be recorded in any  
 42 public land records or deed records unless the recording document

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- 1 contains the following:
- 2 (1) The method used to relate the coordinates to the NSRS.
- 3 (2) The name and zone of the coordinate system, including
- 4 the following metadata:
- 5 (A) Reference frame or datum.
- 6 (B) Datum realization.
- 7 (C) Epoch.
- 8 (D) Units.
- 9 Sec. 4. The official geodetic datums to which geodetic
- 10 coordinates are referenced within Indiana must be as defined for
- 11 the NSRS.
- 12 Chapter 4. Descriptions of Land Using the Indiana Plane
- 13 Coordinate System
- 14 Sec. 1. As established for use in any of the zones within the
- 15 multizone layer, the INPCS:
- 16 (1) must be named; and
- 17 (2) in any land description in which it is used, must be
- 18 designated by the official name promulgated by the National
- 19 Oceanic and Atmospheric Administration's NGS.
- 20 Sec. 2. When a tract of land to be defined by a single
- 21 description extends from one (1) zone into other adjacent zones, the
- 22 positions of all points on the boundaries of the tract being defined
- 23 must be referred to by the zone that is specifically named in the
- 24 description.
- 25 Sec. 3. (a) Descriptions of tracts of land by reference to the
- 26 United States public land surveys, other original pertinent surveys,
- 27 or subdivisions are recognized as the basic and prevailing method
- 28 for describing such tracts.
- 29 (b) If coordinates of the INPCS are used to describe a tract of
- 30 land that, in the same document, is also described by reference to
- 31 any subdivision, line, or corner of the United States public land
- 32 surveys, other original pertinent surveys, or subdivisions:
- 33 (1) the description by coordinates must be construed as
- 34 supplemental to the basic description of the subdivision, line,
- 35 or corner contained in the official plats and field notes filed
- 36 of record; and
- 37 (2) in the event of any conflict, the description by reference
- 38 to the subdivision, line, or corner of the United States land
- 39 surveys, other original pertinent surveys, or subdivisions
- 40 prevails over the description by coordinates.
- 41 SECTION 26. IC 36-6-9-5, AS AMENDED BY P.L.173-2025,
- 42 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2026]: Sec. 5. (a) Before ~~July 1, 2025~~, **January 1, 2028**, this  
2 chapter applies to a township if the total amount of funds in a  
3 township's capital improvement funds exceeds:

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

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

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

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

15 (1) adopt a capital improvement plan not later than September  
16 30 of each calendar year; and

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

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

27 SECTION 29. IC 36-6-9-12, AS ADDED BY P.L.173-2025,  
28 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 2026]: Sec. 12. (a) Beginning ~~July 1, 2025~~, **January 1,**  
30 **2028,** ~~↔~~ **[ ]** a township must adopt a plan on an annual basis. The  
31 township must file the plan with the department of local government  
32 finance in the form and manner prescribed by the department of local  
33 government finance.

34 (b) A plan must include:

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

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

39 SECTION 30. IC 36-9-42.2-4.5, AS AMENDED BY  
40 P.L.173-2025, SECTION 40, IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.5. As used in this  
42 chapter, "transportation asset management plan" has the meaning set

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1       forth in ~~IC 8-23-30-1(e)~~ [ ] IC 8-23-30-1(f).  
2       SECTION 31. An emergency is declared for this act.

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