

FAEGRE BAKER DANIELS

2019 Indiana Legislative Update #9

BOMA Indianapolis



March 31, 2019

The second half of the 2019 General Assembly is drawing to a close, as lawmakers head into the last full week of committee hearings. Tuesday, April 9, is the final day for bills to clear committee in House, and Thursday, April 11, is the last day for Senate committees. The Senate will pass its version of the budget by mid-month, but the real budget wrangling will occur during the final week of session, as a bipartisan conference committee works to iron out differences between the House and Senate versions of the biennial spending bill. In addition, an updated revenue forecast is expected in early April, which will give lawmakers a clearer focus on exactly how much money they can spend over the next two years.

By law, the legislature must adopt a budget and adjourn no later than midnight on Monday, April 29. The odds are good, however, that the General Assembly will wrap up work a few days prior to the deadline, since many lawmakers are losing their hotel rooms on April 25 when the NRA comes to town for its annual convention.

While many of the most significant measures impacting economic development and taxation remain stalled in committee as state lawmakers await the revenue forecast, several bills on the tracking list have received action, including:

- **Senate Bill 94**, which would have required property owners that sign petitions in favor of annexation to also be property taxpayers, was gutted in committee. As amended, the bill now calls for a study committee on municipal annexation.
- **Senate Bill 99** passed the House 94-0. The bill allows a wage assignment to be made for the rental of uniforms and job-related clothing, as well as the purchase of equipment or tools necessary to fulfill the duties of employment.

Looking ahead, the following bills on the tracking list are set for hearing this week:

HB 1258	DEPARTMENT OF HOMELAND SECURITY (FRYE R)
HB 1266	SEDIMENT AND EROSION CONTROL IN CONSTRUCTION (MILLER D)
HB 1278	VARIOUS ENVIRONMENTAL MATTERS (WOLKINS D)
HB 1427	LOCAL GOVERNMENT MATTERS (LEONARD D)
SB 193	SEWER AND WATER CONNECTIONS THROUGH RIGHTS-OF-WAY (BOHACEK M)
SB 460	BROADBAND DEVELOPMENT (MESSMER M)
SB 472	UTILITY ACQUISITIONS, RATES, AND CONNECTION REQUIREMENTS (KOCH E)
SB 535	EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (BOOTS P)

Following are updated summaries of bills of potential interest to BOMA that have received a hearing in the second chamber or are scheduled for a hearing in the upcoming week.

TAX & FINANCIAL ISSUES

HB 1001 BIENNIAL BUDGET (HUSTON T)

Current Status: 3/4/2019 - Senate Appropriations, **Time & Location:** 9:00 AM, Rm. 431

State Bill Page: [HB 1001](#)

HB 1427 LOCAL GOVERNMENT MATTERS (LEONARD D) Among other things:

- Deletes obsolete language in the statutes exempting certain business personal property with an acquisition cost of less than \$20,000. Specifies that a taxpayer eligible for such an exemption must include on the taxpayer's personal property tax return: (1) information concerning whether the taxpayer's business personal property within the county is in one location or multiple locations; and (2) an address for the location of the property. Provides that if a local service fee is imposed on a taxpayer claiming such an exemption, the county shall include the local service fee on a property tax bill associated with the tax district in which the majority value of the taxpayer's business personal property within the county is located. Provides that a taxpayer may be charged only one local service fee per county board of tax adjustment.
- Provides that a civil taxing unit may not request permission to impose a property tax on account of revenue shortfalls, if the revenue shortfall preceded the most recent certified budget for the civil taxing unit by more than five years.
- Specifies that: (1) rules adopted by the DLGF for the appraisal of real property may not apply to any appraisal contemporaneously being conducted under a county's reassessment plan; and (2) rules adopted by the DLGF may first apply to the reassessment phase beginning in the following calendar year under a county's reassessment plan.
- Specifies that for purposes of attributing the amount of a property tax deduction or exemption to the gross assessed value of a property: (1) a deduction or exemption that is specific to an improvement shall be applied only to the assessed value allocation pertaining to that improvement; and (2) to the extent that a deduction or exemption is not specific to an improvement, the deduction or exemption shall be applied in the order that will maximize the benefit of the deduction or exemption to the taxpayer.

Current Status: 4/2/2019 - Senate Tax and Fiscal Policy, (Bill Scheduled for Hearing); **Time & Location:** 10:00 AM, Rm. 431

SB 7 MARION COUNTY CAPITAL IMPROVEMENT BOARD (MISHLER R)

- Allows the expansion of the professional sports development area (tax area) in Marion County.
- Provides for the capture of covered taxes in the expanded tax area.
- Authorizes the city-county council to adopt a resolution that continues imposition of the increase to the county supplemental auto rental excise tax through February 28, 2038. Authorizes the city-county council to adopt a resolution that continues imposition of the increase to the county admissions tax through February 28, 2038. Authorizes the city-county council to adopt a resolution that continues the capture of local income taxes attributable to the tax area until December 31, 2040.
- Provides that revenues available for deposit in the sports and convention facilities operating fund may be pledged to secure and provide for the payment of bond or lease obligations of the board. Provides that if restricted deposits are insufficient to fully repay the board's

obligations, revenues collected by the board from certain taxes must be used.

- Establishes an additional professional sports development area in Marion County to capture state and local revenue for capital improvements. Provides for the issuance of indebtedness to finance a multipurpose soccer stadium.

Current Status: 3/13/2019 - House Ways and Means, (Bill Scheduled for Hearing); **Time & Location:** 1:30 AM, Rm. 404

State Bill Page: [SB 7](#)

SB 233 BUSINESS PERSONAL PROPERTY TAX EXEMPTION (FREEMAN A)

- (NEW) Provides that not later than 30 days prior to the filing date, the appropriate assessor shall provide notification to each person whose personal property is subject to assessment.
- Increases, from \$20,000 to \$40,000, the acquisition cost threshold for the business personal property tax exemption. Specifies that a taxpayer who is eligible for a personal property tax exemption must include on the taxpayer's personal property tax return: (1) information concerning whether the taxpayer's business personal property within the county is in one location or multiple locations; and (2) an address for the location of the property.
- Provides that the appropriate county officer designated by the county executive (rather than the assessor, under current law) is responsible for: (1) maintaining data files of the geographic information system characteristics of each parcel in the county as of each assessment date; and (2) submitting those files to the geographic information office of the office of technology.
- Repeals provisions in current law that allow a county council to impose a local service fee on each person that has exempt business personal property because the business personal property does not exceed the acquisition threshold. Removes outdated provisions.

Current Status: 4/1/2019 - Senate Bills on Second Reading

State Bill Page: [SB 233](#)

SB 535 EXTRATERRITORIAL POWERS OF CITIES AND TOWNS (BOOTS P)

- Repeals the general authority of a city or town (municipality) to exercise the following powers outside of its corporate boundaries: (1) Regulating conduct or property use endangering public health, safety, and welfare. (2) Capturing and destroying animals. (3) Operating recreational parks and exercising eminent domain to acquire property for park purposes.
- Provides that an ordinance adopted before January 1, 2019 that regulates the public health, safety, and welfare outside the municipality's boundaries is not void upon repeal of the statute and is not legalized or validated if the ordinance violates the law.
- Provides that ordinances adopted exercising the other extraterritorial powers under (1) and (3) are void.
- Provides that a municipality may only exercise eminent domain within the municipality unless a statute expressly provides otherwise.
- Repeals a provision that allows a municipality to exercise powers regarding watercourses within 10 miles outside its corporate boundaries.
- Requires a municipality to obtain the approval of the county executive before exercising advisory planning and zoning jurisdiction in the two mile area outside its municipal boundaries.
- Allows a municipality to continue to exercise eminent domain to acquire property outside its boundaries, if it has reached a specified point in the eminent domain proceedings on January 1, 2019.

Current Status: 4/2/2019 - House Select Committee on Government Reduction, (Bill Scheduled for Hearing); **Time & Location:** 10:30 AM, Rm. 156-D
State Bill Page: [SB535](#)

SB 563 ECONOMIC DEVELOPMENT (HOLDMAN T) Among other things:

- Establishes the small business innovation voucher program (program) to provide vouchers to eligible small businesses to be used by the business to purchase research and development support or other forms of technical assistance and services from an Indiana institution of higher education or other authorized research provider.
- Amends the definition of "sales" and adds a definition of "telecommunication services" and "broadcast services" under the state adjusted gross income tax provisions. Amends the provisions for determining when sales, other than sales of tangible personal property, are derived from sources within Indiana for purposes of determining the state adjusted gross income of corporations and nonresident persons.
- Provides that a taxpayer (with certain exceptions) is not entitled to receive an industrial recovery tax credit for a qualified investment made after December 31, 2019.
- Amends the definition of "new employee" for purposes of the economic development for a growing economy tax credit to include employees that maintain their residence outside Indiana.
- Allows a taxpayer to assign all or part of a venture capital investment tax credit, subject to certain limitations.
- Amends the definition of "qualified investment" under the Hoosier business investment tax credit to include the purchase of: (1) retooled or refurbished machinery; (2) new energy conservation and pollution control equipment; and (3) new onsite digital manufacturing equipment. Adds state gross retail and use taxes to the types of taxes against which a taxpayer may claim a Hoosier business investment tax credit.
- Amends the headquarters relocation tax credit to extend the credit to an eligible business that: (1) acquired at least \$4,000,000 in venture capital within either six months prior to or six months after applying for the credit; and (2) commits to: (A) relocating its headquarters to Indiana; or (B) relocating the number of jobs that equal 80% of the business's payroll to Indiana. Provides that the total amount of headquarters relocation tax credits that may be approved in a state fiscal year for all eligible businesses that qualify for the tax credit under the new provision may not exceed \$5,000,000.
- Establishes the redevelopment tax credit (credit). Requires a taxpayer to apply to the IEDC for the credit. Provides that a taxpayer may claim a credit against state tax liability if: (1) the taxpayer makes a qualified investment for the redevelopment or rehabilitation of real property located within a qualified redevelopment site; and (2) the qualified investment is approved by the IEDC. Provides that the amount of the credit is equal to: (1) the qualified investment made by the taxpayer and approved by the IEDC in an agreement; multiplied by (2) the applicable credit percentage determined by the IEDC. Specifies the maximum applicable credit percentages that apply to qualified investments. Allows a taxpayer to assign all or part of a redevelopment tax credit, subject to certain limitations. Authorizes the IEDC to include in an agreement for the tax credit provisions that require the taxpayer to repay all or part of a credit awarded over a period of years. Provides that an agreement for the redevelopment tax credit must include a repayment provision for the amount of any credit award that exceeds \$10,000,000. Requires the IEDC to establish measurements for evaluating the performance of the redevelopment tax credit and evaluate the tax credit program on a biennial basis.
- Requires the IEDC to collect data on the effectiveness of an assignment of both the venture capital investment tax credit and the redevelopment tax credit and report its findings to the

legislative council before November 1, 2022.

- Urges the legislative council to assign to an appropriate interim study committee the task of studying the development of regional airports throughout Indiana.

Current Status: 3/13/2019 - House Ways and Means, (Bill Scheduled for Hearing); **Time & Location:** 1:30 AM, Rm. 404

State Bill Page: [SB 563](#)

UTILITIES & THE ENVIRONMENT

HB 1347 MUNICIPALLY OWNED UTILITIES (BURTON W)

- Provides that all rates, charges, and other fees for services rendered by a municipally owned utility (other than a municipally owned sewer utility) to property occupied by someone other than the owner are payable by the person occupying the property if the account or other customer or billing records maintained by the utility for the property indicate that: (1) the property is occupied by someone other than the owner; and (2) the person occupying the property is responsible for paying the rates, charges, and fees.
- Provides that rates, charges, and fees assessed by a municipally owned utility with respect to property occupied by someone other than the owner do not constitute a lien against the property.
- Specifies that these provisions do not: (1) prohibit a municipal legislative body from imposing any requirement to: (A) ensure payment by; or (B) the creditworthiness of; the person occupying the property; or (2) abrogate or limit the authority of the owner of a multi-unit building to engage in electrical submetering.
- Provides that in the case of real property: (1) that is occupied by someone other than the owner; and (2) for which municipal sewer fees become 60 days delinquent after June 30, 2019; a lien attaches to the real property only if the municipal utility provides notice of the delinquency to any first lien mortgage holder of record not later than 20 days after the time the fees become 60 days delinquent. (Current law requires that notice of the delinquency be provided only to the owner of the property.)

Current Status: 4/1/2019 - House Bills on Second Reading

State Bill Page: [HB 1347](#)

HB 1406 WATER INFRASTRUCTURE ASSISTANCE FUND AND PROGRAM (SOLIDAY E)

- Provides that money from certain sources in the water infrastructure assistance fund (fund) is continuously appropriated for the purposes of the law concerning the water infrastructure assistance program.
- Authorizes the authority to establish: (1) the interest rate; or (2) parameters for establishing the interest rate; on each loan made from the fund. Provides that a participant, to receive a loan, grant, or other financial assistance from the fund: (1) must have an asset management program; and (2) must demonstrate to the authority that it has a plan to participate with one or more other participants in cooperative activities.
- Provides that a participant, after receiving a loan or grant from the fund, must maintain its asset management program: (1) as long as the loan remains unpaid; or (2) during the useful life of the asset financed with the loan or grant. Requires a participant, if appropriate, to conduct or participate in efforts to determine and eliminate the causes of non-revenue water in its water distribution system.
- Requires the authority to establish a project prioritization system and project priority list for the purposes of awarding loans and grants from the fund. Requires the authority to set aside 40% of the fund for purposes of providing grants, loans, and other financial assistance

to or for the benefit of utilities serving less than 3,200 customers. Authorizes the authority to provide advisory services to participants in connection with loans from the fund. Provides that, if appropriate, the authority shall require a participant receiving a loan or other financial assistance from the fund to establish and maintain sufficient user charges, fees, taxes, special assessments, or revenues to: (1) operate and maintain; and (2) pay the obligations of; its water or wastewater collection and treatment system.

- Authorizes the authority to make loans or provide other financial assistance from the fund to or for the benefit of a participant to establish guaranties, reserves, or sinking funds or for other purposes. Authorizes the authority, as an alternative to making loans or providing other financial assistance to participants, to use the money in the fund to provide a leveraged loan program and other financial assistance programs to or for the benefit of participants.

Current Status: 3/21/2019 - Senate Utilities, (Bill Scheduled for Hearing); **Time & Location:** 9:00 AM, Rm. 233

State Bill Page: [HB 1406](#)

SB 4 WATER AND WASTEWATER UTILITIES AND RUNOFF (CHARBONNEAU E)

- Establishes a storm water management task force to study issues related to storm water management systems. Provides for the task force to consist of: (1) two members of the senate; (2) two members of the house; and (3) other members appointed by the governor. Requires the task force to issue a report setting forth its findings and recommendations not later than December 1, 2019.
- Requires the governor to appoint a water data officer. Requires the water data officer to: (1) serve as the executive branch coordinator of water related programs and activities of the state; (2) advise executive state agencies and political subdivisions regarding best practices concerning the coordination of funding streams and incentives to achieve comprehensive water related data collection and regional collaboration in water and wastewater service; and (3) coordinate data analytics and transparency master planning regarding investment, affordability, supply, and economic development related to water and wastewater service.
- Requires the Indiana finance authority (IFA) to divide the state of Indiana into study areas and to hold annual meetings with the officers and employees of the water and wastewater utilities located in each study area. Authorizes the utilities within a study area to meet voluntarily to determine area water and wastewater priorities, promote cooperation among the utilities, and consider other matters. Requires biennial reports from the utilities of each study area and from the IFA on the cooperative activities of the utilities. Provides that a utility applying to the IFA for a loan, a grant, or other financial assistance must demonstrate that its officers and employees have participated in study area activities.
- Requires every water utility, at least once in each calendar year, to perform an audit of its water distribution system to determine the causes of the water utility's "non-revenue water" (the difference between the amount of water entering the utility's distribution system and the amount of water received by the water utility's customers). In even-numbered years, requires the results of the annual audit to be verified by an independent evaluator and reported to the IFA and requires the IFA to issue a report concerning the audit results.
- Provides that, under certain circumstances, a permit may be issued for the operation of a public water system or for the discharge from a wastewater treatment plant without a certification that a life cycle cost-benefit analysis, a capital asset management plan, and a cybersecurity plan have been prepared. Provides that an applicant for or holder of a permit for the operation of a water or wastewater treatment plant may withhold information in a life cycle cost-benefit analysis or capital asset management plan from public disclosure if the information could be excepted from inspection and copying at the discretion of a public agency under the public records law.
- Amends the definition of "customer lead service line improvement".

Current Status: 3/26/2019 - Senate concurred in House amendments; Roll Call 336: yeas 48, nays 0

State Bill Page: [SB 4](#)

SB 193 SEWER AND WATER CONNECTIONS THROUGH RIGHTS-OF-WAY (BOHACEK M) Provides that a unit may not prohibit a property owner from installing a sewer line or other sewage works: (1) in or through a public right-of-way owned or controlled by the unit; and (2) for the purpose of connecting the owner's property to a sewer system owned or operated by another unit or entity; if the owner provides to the unit a written determination from a specified authority that the owner's existing sewage disposal system is failing, and if certain other conditions are met. Provides that a unit may not prohibit a property owner from installing a water service line or other water utility service infrastructure: (1) in or through a public right-of-way owned or controlled by the unit; and (2) for the purpose of connecting the owner's property to a waterworks owned or operated by a water utility other than a water utility owned or operated by the unit; if the property owner's property is served by a private water well, and if certain other conditions are met. Provides that the property owner may not install a sewer line or water line unless (1) the unit or entity that operates the sewer system or waterworks approves the connection to the sewer system or waterworks; (2) the sewer line or water service line does not extend outside the regulated territory, if any, that the property is located in; and (3) the property owner obtains all permits and approvals that are required for installation of the sewer line or water service line by the state and the unit in which the property is located.

Current Status: 4/3/2019 - House Utilities, Energy and Telecommunications, (Bill Scheduled for Hearing); **Time & Location:** 1:30 PM, Rm. 156-C

State Bill Page: [SB 193](#)

SB 460 BROADBAND DEVELOPMENT (MESSMER M) Provides that a communications service provider that holds a certificate of territorial authority shall be designated as a public utility solely as that term is used in federal law that allows a state to exempt a public utility from the federal law's requirement that the state must charge fair market value for the use of real property acquired by the state using federal transportation funding. Provides that the department of transportation (department) may not charge an access rate or any other charge or fee, on an annual basis or otherwise, for certain communications infrastructure that is located before March 14, 2019, in any rights-of-way that are owned or controlled by the department. Provides that, before July 1, 2020, the department shall adopt rules to provide that, as used throughout the department's administrative code regarding utility facility relocation for purposes of construction contracts, "utility" has the meaning set forth in federal law concerning utility relocations, adjustments, and reimbursement. Provides that the department may create a broadband corridor program.

Current Status: 4/3/2019 - House Utilities, Energy and Telecommunications, (Bill Scheduled for Hearing); **Time & Location:** 1:30 PM, Rm. 156-C

State Bill Page: [SB460](#)

SB 472 UTILITY ACQUISITIONS, RATES, AND CONNECTION REQUIREMENTS (KOCH E) Among other things:

- Provides that an order affecting rates of service may be entered by the utility regulatory commission (IURC) without a formal public hearing in the case of any public or municipally owned utility that either: (1) serves less than 5,000 customers; or (2) has initiated a rate case on behalf of a single division of the utility and that division: (A) serves less than 5,000 customers; and (B) has an IURC-approved schedule of rates and charges that is separate and independent from that of any other division of the utility. (Current law permits the IURC to enter a service rate order without a public hearing only in the case of a public or municipally owned utility that itself serves less than 5,000 customers.)
- Changes the term "distressed utility" to "offered utility" for purposes of provisions regarding acquisition of water or wastewater utilities.
- Makes the following changes for purposes of provisions under which a utility that acquires

property from another utility at a cost differential may petition the Indiana utility regulatory commission (commission) to include the cost differential in the acquiring utility's rate base: (1) Provides conditions for applicability of the rebuttable presumption that the cost differential is reasonable. (2) Amends the findings the commission must make in order to approve the petition. (3) Provides that notice of the filing of the petition may be provided to customers of the acquiring utility company in a billing insert.

- Urges the legislative council to assign to an appropriate interim study committee the task of studying the connection of unserved properties to sanitary sewer systems.

Current Status: 4/3/2019 - House Utilities, Energy and Telecommunications, (Bill Scheduled for Hearing); **Time & Location:** 1:30 PM, Rm. 156-C

State Bill Page: [SB472](#)

STANDARDS & CODES

HB 1113 TELECOIL (MILLER D) Requires the fire prevention and buildings safety commission to adopt rules requiring that a person performing new construction or any major alteration of an existing public address system in a Class 1 structure located in a first or second class city after June 30, 2020, must consider the installation of an audio frequency induction loop systems (AFIL). Requires that the person performing new construction or any major alteration of an existing facility's public address system must solicit at least one bid for the installation of an AFIL. Requires audiologists, individuals who hold a hearing aid dealer certificate of registration, and individuals who fit or dispense hearing aids while under the supervision and direction of an individual who holds a hearing aid dealer certificate of registration to provide information about telecoil and AFILs when fitting and dispensing hearing aids.

Current Status: 3/28/2019 - Senate Committee recommends passage, as amended Yeas: 8; Nays: 0

State Bill Page: [HB1113](#)

HB 1128 CONSTRUCTION PERMITS (MILLER D) Provides that a local unit may not require, as a condition precedent to granting, issuing, or approving certain permits for any Class 1 or Class 2 structures, completion of work upon which the performance bond or other surety was obtained prior to recording the secondary plat. Provides that a local unit may not require, as a condition precedent to granting, issuing, or approving a certificate of occupancy for any Class 1 or Class 2 structure, the completion of work upon which the performance bond or other surety was obtained prior to recording the secondary plat, unless required under certain state building laws or another law to meet a local unit's basic needs for public health and safety. Requires a local governmental agency to issue certain permits to a person not later than 12 business days after the person has filed a completed application and meets all required conditions, in certain instances.

Current Status: 4/1/2019 - House Bills on Second Reading

State Bill Page: [HB1128](#)

HB 1258 DEPARTMENT OF HOMELAND SECURITY (FRYE R) Provides that the fire prevention and building safety commission will adopt rules for regulated boiler and pressure vessels. (Current law provides that the boiler and pressure vessel rules board adopts rules for regulated boiler and pressure vessels.) Provides that: (1) the division of fire and building safety (division) shall conduct a program to audit inspection agencies and inspections conducted by inspection agencies; and (2) a boiler and pressure vessel inspector shall inspect and issue regulated boiler and pressure vessel operating permits to qualified applicants. (Current law provides that the division shall conduct a program of periodic inspections of regulated boiler and pressure vessels.) Sets forth insurance requirements needed to obtain a regulated boiler or pressure vessel operating permit. Allows a member of a fire department to reside within a county that is noncontiguous to the county where the fire department is located but is not more than 50 miles from the closest boundary of the city, town, or township where the fire department is located. Includes an emergency management worker

and a division fire investigator in the definition of "public safety officer" to qualify the person for the special death benefit for a public safety officer who dies in the line of duty.

Current Status: 4/2/2019 - Senate Homeland Security and Transportation, (Bill Scheduled for Hearing); **Time & Location:** 9:00 AM, Rm. 233

State Bill Page: [HB1258](#)

HB 1266 SEDIMENT AND EROSION CONTROL IN CONSTRUCTION (MILLER D) Prohibits an MS4 community (a county, city, or town that administers a program under which construction plans including erosion and sediment control measures are submitted for approval) from requiring erosion and sediment control measures that are more stringent than the erosion and sediment control measures required by the administrative rule of the environmental rules board concerning storm water runoff associated with construction activity.

Current Status: 4/1/2019 - Senate Environmental Affairs, (Bill Scheduled for Hearing); **Time & Location:** 9:00 AM, Rm. 130

State Bill Page: [HB 1266](#)

SB 142 BUILDING PERMITS (BOHACEK M) Prohibits a building commissioner, building code official, or inspector for a local unit of government (unit) from issuing a building permit when the building commissioner, building code official, or inspector has a direct or indirect financial interest in the issuance of the permit. Requires a unit to adopt an ordinance to establish a procedure to address instances where a building commissioner, building code official, or inspector has a direct or indirect financial interest in the issuance of a permit.

Current Status: 3/12/2019 - Third reading passed; Roll Call 308: yeas 91, nays 1

State Bill Page: [SB 142](#)

MISCELLANEOUS

HB 1015 UNLAWFUL INDEMNITY AGREEMENTS (TORR J) Provides that the law concerning indemnity agreements in construction or design contracts applies to certain design-build contracts. Specifies that a provision in a professional services contract that requires indemnification and defense of a promisee for certain liability is void. Specifies that "sole negligence" for purposes of liability under a construction or design contract does not include: (1) vicarious liability; (2) imputed negligence; or (3) assumption of a nondelegable duty.

Current Status: 3/28/2019 - Senate Committee recommends passage Yeas: 10; Nays: 0

State Bill Page: [HB1015](#)

HB 1411 EMINENT DOMAIN FOR NONPUBLIC USES (WOLKINS D) Amends the statute concerning the use of eminent domain to acquire real property for nonpublic uses to provide that the requirement that a condemnor compensate the owner of residential property acquired under the statute in the amount of 150% of the fair market value of the property applies: (1) only to residential property occupied by the owner as a residence, in the case of an eminent domain proceeding: (A) initiated before July 1, 2019; and (B) with respect to which the fair market value of the parcel has been determined before July 1, 2019; and (2) to all residential property, regardless of whether the property is occupied by the owner as a residence, in the case of an eminent domain proceeding initiated: (A) after June 30, 2019; or (B) before July 1, 2019, and with respect to which the fair market value of the parcel has not been determined before July 1, 2019. Defines "residential property" for purposes of the statute.

Current Status: 3/25/2019 - Third reading passed; Roll Call 312: yeas 41, nays 5

State Bill Page: [HB 1411](#)

SB 94 ANNEXATION (BOOTS P) Urges the legislative council to assign the topic of municipal annexation to the appropriate interim study committee during the 2019 interim.

Current Status: 4/1/2019 - Senate Bills on Second Reading

SB 99 **WAGE ASSIGNMENTS FOR CLOTHING AND TOOLS** (BOOTS P) Provides that a wage assignment for the purchase, rental, or use of uniforms, shirts, pants and other job-related clothing may not be an amount that exceeds the direct cost paid by the employer to an external vendor for those items. Provides that a wage assignment may be made for the rental of uniform shirts, pants, and job-related clothing. Provides that a wage assignment may be made for the purchase of equipment or tools necessary to fulfill the duties of employment. Provides that a wage assignment for the purchase of equipment or tools may not be an amount that exceeds the direct cost paid by the employer to an external vendor for those items. Provides that an employee shall not be charged or subject to a wage assignment for personal protective equipment except for those instances provided under federal rules. Provides that the total amount of wages subject to assignment for the purchase of uniforms and equipment or rental of uniform shirts, pants and job-related clothing may not exceed certain amounts.

Current Status: 3/26/2019 - Third reading passed; Roll Call 349: yeas 94, nays 0

State Bill Page: [SB99](#)

SB 230 **UNLAWFUL INDEMNITY AGREEMENTS** (MESSMER M) Provides that the law concerning indemnity agreements in construction or design contracts applies to certain design-build contracts. Specifies that "sole negligence" for purposes of liability under a construction or design contract does not include: (1) vicarious liability; (2) imputed negligence; or (3) assumption of a nondelegable duty. Specifies that provisions in certain professional services contracts requiring indemnification or defense of a promisee for liability are void.

Current Status: 4/1/2019 - Senate Bills on Third Reading

State Bill Page: [SB230](#)

SB 604 **VOIDING AND RELEASING CLAIMS IN LAND INTERESTS** (DORIOT B)

- Adds a provision to the statute concerning marketable title for real property to provide that after a person has filed a claim for an interest in land, the claim is void if: (1) the owner of the property subject to the claim (or any person having an interest in the property) provides written notice to the claimant to file an action to enforce the claim; and (2) the claimant fails to file, within 30 days after receiving the notice to enforce the claim, an action to enforce the claim in the county where the property is located.
- Provides that upon the claimant's failure to file an action to enforce the claim within the 30 day period, the person who provided the notice to the claimant may file with the recorder of the county where the property is located an affidavit stating that the person has served notice on the claimant to enforce the claim and that no action for enforcement of the claim is pending. Requires the county recorder to record the affidavit of service.
- Requires that an affidavit of service must also include a reference to the recording information of the recorded notice of claim. Requires that, when the recorder records the affidavit of service, the recorder must include a reference to the recorded notice of claim in the record book. Allows a recorder to certify certain records by cross reference in certain instances.

Current Status: 3/26/2019 - Third reading passed; Roll Call 357: yeas 91, nays 0

State Bill Page: [SB604](#)