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# MEMORANDUM

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TO: Members of BOMA  
DATE: January 23, 2012  
RE: 2012 Indiana General Assembly

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Eight hundred fifteen (815) Bills have been introduced in the 2012 session of the Indiana General Assembly. This session is a so-called short session and must adjourn by March 14, 2012.

Thirty-two (32) bills have been identified as potentially having an impact on or of interest to BOMA members and are being monitored. Many of the 32 bills relate to property taxation and environmental issues and one of the bills relates to both.

With the adoption of the Constitutional amendment imposing the 3-2-1 Property Tax cap, Legislators' attention has turned to assessment issues and in particular the method of assessing and appealing assessments. The most significant of the property tax bills and the bill on which we have spent the most time is SB 142 which is intended to ease an Assessor's job and impose greater responsibility on an owner to appeal an assessment. Some parts of the bill are directed toward apartments, but other significant parts of the bill would affect all commercial properties. Changes suggested by us and other business groups are being considered by Senator Kenley, the bill's author.

Many of the environmental bills are similar to bills introduced during the past several years and would make incremental changes to existing statutes or align Indiana with federal law requirements. An example of this type of bill is SB 131 which would add additional triggers for when a purchaser must receive a Real Property Transfer Notice. What is different this year with the environmental bills is that several of them would reduce the State's role in environmental issues.

There is a bill that deals with trimming the authority of Redevelopment Commissions in response to issues that some Legislators have with the Carmel Redevelopment Commission. Another bill would eliminate the real estate salesperson license and require that all real estate salespersons be upgraded to real estate brokers within two (2) years, and another bill would make it more difficult to subdivide a tax lot.

All of the 32 bills and the action taken to date are outlined below.

**SB 25          Redevelopment commissions and authorities. Provides that a redevelopment commission may not enter into any obligation payable from public funds without first obtaining the approval of the legislative or fiscal body of the unit and imposes other limits on commission's authority.** Authors: Senators Kenley, Boots and Walker

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/19/12				

**SB 85          Mandates that the nonprevailing party reimburse the prevailing party for reasonable attorney's fees in cases of frivolous, unreasonable or groundless litigation.**

Authors: Senators Banks, Yoder and Kruse  
01/04/12: Referred to Committee on Judiciary

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 105        Redevelopment commission members. Provides that after December 31, 2012, in counties other than Marion County, at least one of the members appointed to a redevelopment commission by the municipal executive or county executive must also be a voting rather than non-voting member of the school board of a school corporation within the territory served by the redevelopment commission.** Author: Senator Boots

01/04/12: Referred to Committee on Local Government

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/19/12				

**SB 123        Sewer district boards. Requires that the board of trustees of a regional sewer district must be elected. Provides for the transition from an appointed to an elected board.**

Author: Senator Leising  
01/04/12: Referred to Committee on Local Government

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 130 Environmental matters. Consolidates soil, water and solid waste boards.**

Authors: Senators Gard, Charbonneau and Tallian

01/04/12: Referred to Committee on Energy and Environmental Affairs

01/17/12: Committee Report, amend do pass, adopted

01/19/12: Amendment 1 (Gard), prevailed

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/19/12				

**SB 131 Environmental matters. Provides, among other things that the definition of "environmental defect", for purposes of the responsible property transfer law: (1) a commission, omission, activity, or condition for which a restrictive covenant is required or in effect under state environmental law; and (2) a condition that is the subject of a voluntary remediation that received a certificate of completion from the department of environmental management (department) if a restrictive covenant remains in effect for the condition. Defines "program year" as a calendar year for certain electronic waste programs.** Authors: Senators Gard and Charbonneau

01/04/12: Referred to Committee on Energy and Environmental Affairs

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/23/12				

**SB 133 Underground storage tanks. Allows the solid waste management board to adopt rules and establish requirements for underground storage tanks in conformance with the delivery prohibition program under 42 U.S.C. 6991k.** Authors: Senators Gard, Charbonneau and Breaux.

01/04/12: Referred to Committee on Energy and Environmental Affairs

01/09/12: Committee report: amend, do pass, adopted

01/17/12: Amendment 1 (Gard): prevailed

01/19/12: Referred to House; Rep. Wolkins, House Sponsor

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/17/12	01/19/12			

**SB 142** Property tax issues. Provides that if a taxpayer wishes to have the income capitalization method or the gross rent multiplier method used in the initial assessment of the taxpayer's property, the taxpayer may submit the necessary information to the assessor before the March 1 assessment date. Specifies among other things that in the case of an assessment that is decreased by the Indiana board of tax review or the Indiana tax court, the taxpayer is not entitled to interest on the excess taxes paid by the taxpayer unless the taxpayer affirms, under penalty of perjury, that substantive evidence had been presented to the assessor or introduced by the taxpayer at a hearing before the county property tax assessment board of appeals. Authors: Senators Kenley and Hershman  
 01/04/12: Referred to Committee on Appropriations

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/19/12				

**SB 161** Maximum property tax levies in Lake County. Eliminates the law that freezes the maximum property tax levies for civil taxing units in Lake County unless a local option income tax for property tax relief is in effect in the county. Authors: Senators Randolph and Rogers  
 01/04/12: Referred to Committee on Appropriations

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 163** Economic development incentive accountability. Adds various job and employee definitions to the Indiana Economic Development Corporation laws. Requires all records related to taxpayer funded economic development incentives to be disclosed under the open records law. . Authors: Senators Randolph, Arnold, Breaux, Broden, Hume, Lanane, Mrvan, Rogers, Simpson, Skinner, Tallian, Taylor and R. Young.  
 01/04/12: Referred to Committee on Commerce & Economic Development

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 165 County options for delinquent property taxes. Provides that the fiscal body of a county may adopt an ordinance authorizing the county treasurer to accept a minimum bid on real property subject to sale for delinquent taxes equal to the lesser of: (1) the delinquent taxes, penalties, and other related costs; or (2) 75% of the gross assessed value of the real property.** Authors: Senators Kenley and Randolph

01/04/12: Referred to Committee on Appropriations

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 168 Environmental Matters. Authorizes a lien for unpaid tank fees.** Authors: Gard, Randolph, Buck, Bray, Charbonneau, Eckerty, Holdman, Schneider, Tallian and Breaux

01/04/12: Referred to Committee on Energy and Environmental Affairs

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/23/12				

**SB 194 (1) Requires an insurer to notify the state fire marshal of the existence of a policy covering a structure damaged by fire or explosion and to withhold payment of a claim for the damage for a certain period. (2) Requires the state fire marshal to maintain a list of municipalities requesting notice of the existence of such a policy and to notify a listed municipality upon notice from the insurer. Makes conforming amendments to the current law by repealing a definition and other provisions made obsolete by the bill.** Author; Senator Arnold

01/04/12: Referred to Committee on Insurance and Financial Institutions

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 210 Property Taxes. Eliminates ability of Solid Waste Management District to impose property taxes.** Author: Senator Gard

01/04/12: Referred to Committee on Appropriations

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 229 Exemption of business personal property. Provides that business personal property located in a county may be exempted from property taxation: (1) through the adoption of an ordinance by majority vote of the county fiscal body; or (2) if the county fiscal body has not adopted such an ordinance, through the passage of a local public question by county voters.** Authors: Senators Smith, Jr. and Eckerty  
 01/04/12: Referred to Committee on Tax and Fiscal Policy.

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 239 Property and casualty insurance claim payment. Prohibits an insurer from denying coverage for damage to an insured under a property and casualty insurance policy caused by the intentional acts of another insured if the original insured was unaware of the intentional acts.** Author: Senator Randolph  
 01/04/12: Referred to Committee on Insurance and Financial Institutions

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 275 Real estate brokers. Eliminates the license for real estate salesperson and the certification for principal real estate brokers.** Author: Senator Merritt, Jr.  
 01/04/12: Referred to Committee on Public Policy

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 292 Timely payment of contractors and subcontractors. Requires that any subcontract entered into by a person with whom the state has a contract must include a provision for prompt payment by the subcontractor to employees of the subcontractor and to any party to whom the subcontractor must make payments under the subcontract.**  
 Author: Senator Young, Jr.  
 01/05/12: Referred to Committee on Public Policy

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 311 Environmental Matters. Request Office of Management and Budget to do a cost-benefit analysis of environmental matters.** Authors: Gard, Hershman, Schneider, Buck, Randolph and Tomes

01/05/12: Referred to Committee on Energy and Environmental Affairs

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor
01/17/12				

**SB 343 Executive session regarding real estate. Provides that a governing body may conduct an executive session to discuss strategy with respect to: (1) the sale of real property; or (2) the lease of property, as lessor or lessee.** Author: Senator Broden

01/09/12: Referred to Committee on Local Government

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 344 State taxation. Repeals the prohibition against using the value of federal income tax credits awarded under Section 42 of the Internal Revenue Code for purposes of determining the assessed value of low income housing tax credit property. Permits the fiscal body to annually appropriate money for the grant program from the property tax increment resulting from any additional property taxes collected as a result of repealing the prohibition against using the value of federal income tax credits in determining the assessed value of low income housing tax credit property.** Author: Senator Hershman

01/09/12: Referred to Committee on Tax and Fiscal Policy

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**SB 352 Redevelopment commissions and authorities. Specifies, among other things, that a redevelopment commission, a department of redevelopment, and a redevelopment authority are subject to audit by the state board of accounts and covered by the public meeting, public records, and public works laws.** Author: Senator Walker

01/09/12: Referred to Committee on Tax and Fiscal Policy

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1042** Recording of new lots. Provides that if an instrument dividing land requires issuance of a new tax identification number: (1) the county auditor may not endorse the instrument; and (2) the recorder may not record the instrument; unless the plan commission executes a written confirmation that the property division complies with local regulations concerning minimum lot frontage, width, and area, and the subdivision and platting of land. Provides that the plan commission may not charge a fee for issuing a written confirmation. Requires that the confirmation must be recorded as an attachment to the instrument. Author: Rep. Rhoads  
 01/09/12: Referred to Committee on Local Government

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1062** Assessment of real property. Provides that the assessed value of property determined in an appraisal submitted by a taxpayer shall be substituted in an appeal for the assessed value determined by any other method. Limits for four years the amount by which the assessed value of property can increase after the assessed value is determined in an appeal. Author: Rep. Culver  
 01/09/12: Referred to Committee on Ways and Means

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1090** Payment plan to remove property from tax sale. Allows the county auditor to remove real property from a tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes. Authors: Reps. Friend and Culver  
 01/09/12: Referred to Committee on Ways and Means

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1096 Plumbing matters. Requires, among other things, the water pollution control board to adopt rules establishing procedures for keeping testing and maintenance records of backflow prevention devices in a customer water system.** Authors: Reps. Niezgodski and Stemler

01/09/12: Referred to Committee on Employment, Labor and Pensions

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1102 Real estate brokers. Provides for the licensure of real estate brokers and managing real estate brokers. Eliminates the license for real estate salesperson and the certification for principal real estate brokers. Provides that licenses issued under this article are issued for three years. (Currently licenses are issued for two years.) Revises continuing education requirements. Makes conforming changes.** Authors: Reps. Davis, Burton and Clere

01/09/12: Referred to Committee on Employment, Labor and Pensions

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1111 Historic preservation tax credit. Addresses a number of historic tax credit issues, including the historic rehabilitation income tax credit may be assigned.** Authors: Reps. Clere, Soliday, Sullivan and Speedy

01/09/12: Referred to Committee on Ways and Means

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1137 Legal costs and attorney's fees. Provides that a court shall award costs and attorney's fees to a prevailing party if the court grants a motion to dismiss due to a claim not having a basis in law or fact.** Authors: Reps. Wesco and Noe

01/09/12: Referred to Committee on Judiciary

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1153** Tenant's right to terminate lease. Expands the list of crimes in the law authorizing a residential tenant of a dwelling to terminate the rental agreement if the tenant becomes a victim of one of the crimes. Authorizes a victim of burglary, residential entry, or criminal trespass to terminate the victim's dwelling rental agreement if the crime was committed at the dwelling. Provides that a tenant, to terminate a rental agreement, must provide the landlord with a written notice of termination that includes a copy of a police report filed in connection with the crime. Author: Rep. C. Fry  
 01/09/12: Referred to Committee on Judiciary

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1190** Real property reassessment. Requires the county assessor of each county to, before 2014, prepare and submit to the department of local government finance (DLGF) a reassessment plan for the county that first applies for the assessment date in 2016. and specifies requirements for the plan. Authors: Reps. Crouch, Welch and Thompson  
 01/09/12: Referred to Committee on Ways and Means

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor

**HB 1195** Property tax appeals. Establishes standards of review for property tax assessment appeals. Authors: Reps. Smith, Clere and Cheatham  
 01/09/12: Referred to Committee on Ways and Means

Passed by Committee in First Chamber	Passed by First Chamber	Passed by Committee in Second Chamber	Passed by Second Chamber	Signed by Governor