

HOUSE BILL No. 1461

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-23-8-4; IC 5-28-6-2.5; IC 6-3.5; IC 6-8.1-3-1; IC 8-14; IC 8-14.5; IC 8-15-3-36; IC 8-15.5-1-2; IC 8-16-3-1; IC 8-17; IC 8-18-22-6; IC 8-23-30; IC 34-28-5-5; IC 36-6; IC 36-9; IC 36-9.5.

Synopsis: Road funding. Prohibits the Indiana economic development corporation from providing certain incentives to a person unless the terms of the incentive include a provision regarding the payment of costs for improvements to state or local transportation infrastructure. Increases the maximum rate a county containing a consolidated city (consolidated city) may impose for the county wheel tax and the county vehicle excise tax (county transportation taxes). Requires a consolidated city to appropriate money received from county transportation taxes for the construction, reconstruction, and preservation of the consolidated city's highways. Beginning in 2026, lowers the percentage of funds distributed to counties, cities, and towns (local units) from the motor vehicle highway account that must be used for construction, reconstruction, and preservation of a local unit's highways if certain conditions related to pavement quality are satisfied.
(Continued next page)

Effective: Upon passage; July 1, 2025.

Pressel

January 21, 2025, read first time and referred to Committee on Roads and Transportation.



Removes a limitation on the Indiana finance authority's (IFA) authorization to issue revenue bonds or notes to finance highway and road construction projects while retaining the \$10,000,000 limitation on annual payments on all the bonds and notes for railroad crossing upgrade projects. Reinstates a previously sunsetted provision to allow the IFA to issue grant anticipation revenue bonds or notes to finance highway and road construction projects. Allows the Indiana department of transportation (department) to submit a request to the Federal Highway Administration for a waiver to toll lanes on interstate highways. Provides that, if such a request for a waiver is granted, the general assembly is not required to enact a statute for the IFA to carry out certain activities related to the toll road project. Allocates responsibility for bridges in a county between that county and a municipality based on the size and location of the bridge. Allows a county fiscal body to pledge to levy ad valorem property taxes for certain transportation related purposes. (Current law provides that a county fiscal body may not pledge to levy ad valorem property taxes for such purposes unless the revenues are derived from the cumulative bridge fund or the major bridge fund.) Provides, on the basis of the balance of money in the local road and bridge matching grant fund (matching fund), beginning on June 30, 2025, and annually on June 30 thereafter, for the: (1) allocation of money in the matching fund among local units; and (2) transfer of money from the matching fund for specified transportation purposes. Provides for enhanced grant amounts for certain local units. Requires a local unit to adopt an ordinance to impose the: (1) county transportation taxes; and (2) municipal vehicle excise tax and municipal wheel tax (municipal transportation taxes), unless the municipality is not eligible to adopt an ordinance to impose municipal transportation taxes; to be eligible to apply for a grant from the matching fund. Reduces the required local matching amounts applicable to certain local units, if the department approves a grant from the matching fund. Subject to a condition regarding a township's total reserves relative to the township's annual budget estimate, provides that a township must transfer any excess amount to a fund established for the improvement and maintenance of the roads and infrastructure within the township's boundaries. Allows the city-county council of a consolidated city to adopt an ordinance to place a referendum on the ballot to impose a referendum tax levy (referendum levy) to pay debt service on bonds issued by the metropolitan thoroughfare district of Marion County (thoroughfare district). Sets forth the procedures for holding the referendum, including the referendum's impact to taxpayers within the thoroughfare district. Specifies that a referendum using the procedure added by the bill may be placed only on the ballot for a general election. Requires the thoroughfare district's board to establish a referendum tax levy fund (fund) if the voters approve the referendum levy. Specifies that money in the fund may be used only to pay debt service on bonds. Provides that a county fiscal body may adopt a county option retail delivery fee (fee) that is imposed on retail transactions that are subject to the state gross retail tax and are delivered by a motor vehicle owned or operated by specified persons. Sets forth provisions regarding the collection, administration, and enforcement of the fee. Provides for the deposit of fee revenue, the manner in which the revenue is distributed to local units, the purposes for which the money may be used, and the inclusion of estimated fee revenue in a local unit's budget estimate.



Introduced

First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in *this style type*, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1461

A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-23-8-4 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2025]: **Sec. 4. One (1) or more governmental bodies may enter**
4 **into a public-private agreement with respect to a transportation**
5 **project for the long term development, design, construction,**
6 **reconstruction, maintenance, repair, and financing of any shared**
7 **arterial roadways, including the costs associated with the**
8 **acquisition of right-of-way.**

9 SECTION 2. IC 5-28-6-2.5 IS ADDED TO THE INDIANA CODE
10 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2025]: **Sec. 2.5. (a) This section applies to any incentive provided**
12 **by the corporation after June 30, 2025.**

13 **(b) As used in this section, "incentive" means any:**
14 **(1) grant (as defined in IC 5-28-28-2);**
15 **(2) loan (as defined in IC 5-28-28-3); or**



1 **(3) tax credit (as defined in IC 5-28-28-4).**

2 **(c) As used in this section, "transportation infrastructure"**
 3 **means a highway, road, street, or bridge, including any related**
 4 **drainage structures.**

5 **(d) Notwithstanding any other law, the corporation may not**
 6 **provide an incentive to a person unless terms of the incentive**
 7 **include a provision that the person receiving the incentive shall pay**
 8 **the costs for any improvements to state or local transportation**
 9 **infrastructure, if the economic development project for which the**
 10 **corporation provides an incentive is reasonably expected to require**
 11 **a state or local expenditure to improve transportation**
 12 **infrastructure needed to serve the economic development project.**

13 SECTION 3. IC 6-3.5-4-2, AS AMENDED BY P.L.236-2023,
 14 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2025]: Sec. 2. (a) An adopting entity of any county may,
 16 subject to the limitation imposed by subsection (e), adopt an ordinance
 17 to impose a county vehicle excise tax in accordance with this chapter
 18 on each vehicle that is subject to the vehicle excise tax under IC 6-6-5
 19 and that is registered in the county.

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

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

25 (2) at a specific amount of at least seven dollars and fifty cents
 26 (\$7.50) and not more than twenty-five dollars (\$25).

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

30 (c) **Except as provided in subsection (i)**, if a county uses a
 31 transportation asset management plan approved by the Indiana
 32 department of transportation, the adopting entity of the county may
 33 impose the surtax either:

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

36 (2) at a specific amount of at least seven dollars and fifty cents
 37 (\$7.50) and not more than fifty dollars (\$50).

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

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



- 1 following:
- 2 (1) Impose the county vehicle excise tax at the same rate or
- 3 amount on each vehicle that is subject to the tax.
- 4 (2) Impose the county vehicle excise tax on vehicles subject to the
- 5 tax at one (1) or more different rates based on the class of vehicle
- 6 listed in IC 6-6-5-2(a).
- 7 (e) The adopting entity may not adopt an ordinance to impose the
- 8 surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to
- 9 impose the wheel tax.
- 10 (f) Notwithstanding any other provision of this chapter or
- 11 IC 6-3.5-5, ordinances adopted by a county council before June 1,
- 12 2013, to impose or change the county vehicle excise tax and the annual
- 13 wheel tax in the county remain in effect until the ordinances are
- 14 amended or repealed under this chapter or IC 6-3.5-5.
- 15 (g) Except as provided under section 7.5 of this chapter (before its
- 16 expiration on December 31, 2023) and subject to subsection (h), a
- 17 county vehicle excise tax imposed by this chapter for a vehicle is due
- 18 and shall be paid each year at the time the vehicle is registered.
- 19 (h) If the county vehicle excise tax imposed by this chapter was not
- 20 paid for one (1) or more preceding years, the bureau may collect only
- 21 the county vehicle excise tax imposed by this chapter for the:
- 22 (1) registration year immediately preceding the current
- 23 registration year;
- 24 (2) current registration year; and
- 25 (3) registration year immediately following the current
- 26 registration year.
- 27 **(i) Beginning July 1, 2025, if a county containing a consolidated**
- 28 **city uses a transportation asset management plan approved by the**
- 29 **Indiana department of transportation, the adopting entity of the**
- 30 **county may impose the surtax either:**
- 31 **(1) at a rate of at least two percent (2%) and not more than**
- 32 **twenty percent (20%); or**
- 33 **(2) at a specific amount of at least seven dollars and fifty cents**
- 34 **(\$7.50) and not more than one hundred fifty dollars (\$150).**
- 35 **However, the surtax on a vehicle may not be less than seven dollars**
- 36 **and fifty cents (\$7.50). The adopting entity shall state the surtax**
- 37 **rate or amount in the ordinance that imposes the tax.**
- 38 SECTION 4. IC 6-3.5-4-12 IS AMENDED TO READ AS
- 39 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. **(a) Except as**
- 40 **provided in subsection (b),** in the case of a county that contains a
- 41 consolidated city, the city-county council may appropriate money
- 42 derived from the surtax to the department of transportation established



1 by IC 36-3-5-4 for use by the department under law. The city-county
 2 council may not appropriate money derived from the surtax for any
 3 other purpose.

4 **(b) Beginning July 1, 2025, the city-county council must**
 5 **appropriate money derived from the surtax for the purposes**
 6 **allowed under IC 8-14-1-4(c).**

7 SECTION 5. IC 6-3.5-5-2, AS AMENDED BY P.L.178-2019,
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2025]: Sec. 2. (a) The adopting entity of any county may,
 10 subject to the limitation imposed by subsection (b), adopt an ordinance
 11 to impose a county wheel tax in accordance with this chapter on each
 12 vehicle that:

- 13 (1) is included in one (1) of the classes of vehicles listed in
 14 section 3 of this chapter;
 15 (2) is not exempt from the wheel tax under section 4 of this
 16 chapter; and
 17 (3) is registered in the county.

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

21 (c) The adopting entity may impose the wheel tax at a different rate
 22 for each of the classes of vehicles listed in section 3 of this chapter. In
 23 addition, the adopting entity may establish different rates within the
 24 classes of buses, semitrailers, trailers, tractors, and trucks based on
 25 weight classifications of those vehicles that are established by the
 26 bureau of motor vehicles for use throughout Indiana. **However, Except**
 27 **as otherwise provided in subsection (f),** the wheel tax rate for a
 28 particular class or weight classification of vehicles:

- 29 (1) may not be less than five dollars (\$5) and may not exceed
 30 forty dollars (\$40), if the county does not use a transportation
 31 asset management plan approved by the Indiana department of
 32 transportation; or
 33 (2) may not be less than five dollars (\$5) and may not exceed
 34 eighty dollars (\$80), if the county uses a transportation asset
 35 management plan approved by the Indiana department of
 36 transportation.

37 The adopting entity shall state the initial wheel tax rates in the
 38 ordinance that imposes the tax.

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

42 (e) If the county wheel tax imposed by this chapter was not paid for



1 one (1) or more preceding years, the bureau may collect only the
2 county wheel tax imposed by this chapter for the:

- 3 (1) registration year immediately preceding the current
4 registration year;
5 (2) current registration year; and
6 (3) registration year immediately following the current
7 registration year.

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

14 SECTION 6. IC 6-3.5-5-14 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. (a) **Except as**
16 **provided in subsection (b),** in the case of a county that contains a
17 consolidated city, the city-county council may appropriate money
18 derived from the wheel tax to:

- 19 (1) the department of transportation established by IC 36-3-5-4
20 for use by the department under law; or
21 (2) an authority established under IC 36-7-23.

22 **(b) Beginning July 1, 2025, the city-county council must**
23 **appropriate money derived from the wheel tax for the purposes**
24 **allowed under IC 8-14-1-4(c).**

25 ~~(b)~~ (c) The city-county council may not appropriate money derived
26 from the wheel tax for any other purpose.

27 SECTION 7. IC 6-8.1-3-1, AS AMENDED BY P.L.256-2017,
28 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2025]: Sec. 1. (a) The department has the primary
30 responsibility for the administration, collection, and enforcement of the
31 listed taxes. In carrying out that responsibility, the department may
32 exercise all the powers conferred on it under this article in respect to
33 any of those taxes.

34 (b) In the case of the vehicle excise tax, the department has the
35 responsibility to act only in the investigation, assessment, collection,
36 and enforcement of the tax in instances of delinquency or evasion.
37 Primary responsibility for the administration and collection of the tax
38 remains with the agencies named in IC 6-6-5.

39 (c) In the case of commercial vehicle excise taxes that are payable
40 to the bureau of motor vehicles and are not subject to apportionment
41 under the International Registration Plan, the department has the
42 responsibility to act only in the investigation, assessment, collection,



1 and enforcement of the tax in instances of delinquency or evasion.
 2 Primary responsibility for the administration and collection of the tax
 3 remains with the bureau of motor vehicles.

4 **(d) The department has the primary responsibility for the**
 5 **administration, collection, and enforcement of a county option**
 6 **retail delivery fee adopted under IC 36-9.5. In carrying out that**
 7 **responsibility for the administration, collection, and enforcement**
 8 **of a county option retail delivery fee, the department may exercise**
 9 **all the powers conferred on it under this article for a listed tax**
 10 **when carrying out its responsibility for the administration,**
 11 **collection, and enforcement of the county option retail delivery fee.**

12 SECTION 8. IC 8-14-1-1, AS AMENDED BY P.L.185-2018,
 13 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2025]: Sec. 1. As used in this chapter:

15 (1) "Motor vehicle highway account" means the account of the
 16 general fund of the state known as the "motor vehicle highway
 17 account" to which is credited collections from motor vehicle
 18 registration fees, licenses, driver's and chauffeur's license fees,
 19 gasoline taxes, auto transfer fees, certificate of title fees, weight
 20 taxes or excise taxes and all other similar special taxes, duties or
 21 excises of all kinds on motor vehicles, trailers, motor vehicle fuel,
 22 or motor vehicle owners or operators. The account also includes
 23 **the following:**

24 **(A)** Amounts distributed to the fund by the bureau of motor
 25 vehicles under IC 9.

26 **(B) Money transferred to the fund by the state comptroller**
 27 **under IC 8-23-30-2(i).**

28 (2) The term "department" refers to the Indiana department of
 29 transportation.

30 (3) The term "highways" includes roadway, rights of way, bridges,
 31 drainage structures, signs, guard rails, protective structures in
 32 connection with highways, drains, culverts, and bridges and the
 33 substructure and superstructure of bridges and approaches thereto
 34 and streets and alleys of cities or towns.

35 (4) The term "construction" means the planning, supervising,
 36 inspecting, actual building, draining, and all expenses incidental
 37 to the construction of a highway.

38 (5) The term "reconstruction" means a widening or a rebuilding
 39 of the highway or any portion thereof.

40 (6) The term "maintenance" when used in reference to cities,
 41 towns, and counties as applied to that part of the highway other
 42 than bridges, means the constant making of needed repairs, to



1 preserve a smooth surfaced highway, adequately drained, marked
2 and guarded by protective structures for public safety and, as to
3 bridges, means the constant making of needed repairs to preserve
4 a smooth surfaced highway thereon and the safety and
5 preservation of the bridge and its approaches, together with the
6 substructure and superstructure thereof; and such term also means
7 and includes the acquisition and use, in any manner, of all needed
8 equipment, fuel, materials, and supplies essential and incident
9 thereto.

10 (7) The term "preservation" means the preventative treatment,
11 nonstructural treatment, rehabilitation, or structural repairs made
12 to transportation infrastructure and related drainage that are
13 included in an asset management plan approved by the Indiana
14 department of transportation in collaboration with the local
15 technical assistance program at Purdue University.

16 (8) The term "vehicle registration" means the number of vehicles
17 subject to registration under IC 9-18 (before January 1, 2017) or
18 IC 9-18.1 (after December 31, 2016) which are registered
19 thereunder, and, when used with respect to the state, shall mean
20 the number of vehicles registered in the state and, when used in
21 respect to a county, city, or town, shall mean the number of
22 vehicles registered by owners resident in the county, city, or town.

23 SECTION 9. IC 8-14-1-4, AS AMENDED BY P.L.179-2023,
24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2025]: Sec. 4. (a) The funds allocated to the respective
26 counties of the state from the motor vehicle highway account shall
27 annually be budgeted as provided by law, and, when distributed shall
28 be used for construction, reconstruction, preservation, and maintenance
29 of the highways of the respective counties, including highways which
30 traverse the streets of incorporated towns, the cost of the repair and
31 maintenance of which prior to the tenth day of September, 1932, was
32 paid from the county gravel road repair fund excepting where the
33 department is charged by law with the maintenance or construction of
34 any such highway so traversing such streets. Subject to subsection (b),
35 any surplus existing in the funds at the end of the year shall thereafter
36 continue as a part of the highway funds of the said counties and shall
37 be rebudgeted and used as already provided in this chapter. The
38 purchase, rental and repair of highway equipment, painting of bridges
39 and acquisition of grounds for erection and construction of storage
40 buildings, acquisition of rights of way and the purchase of fuel oil, and
41 supplies necessary to the performance of construction, reconstruction,
42 preservation, and maintenance of highways, shall be paid out of the



1 highway account of the various counties.

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

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

12 SECTION 10. IC 8-14-1-4.1 IS ADDED TO THE INDIANA CODE
 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 14 1, 2025]: **Sec. 4.1. (a) This section applies:**

15 **(1) beginning after June 30, 2026; and**

16 **(2) to all counties except a county containing a consolidated**
 17 **city as described in section 4(c) of this chapter and only if the**
 18 **county uses the PASER rating system.**

19 **(b) As used in this section, "PASER" refers to the pavement**
 20 **surface evaluation and rating system used as part of a**
 21 **transportation asset management plan submitted to the local**
 22 **technical assistance program at Purdue University.**

23 **(c) If in the preceding calendar year:**

24 **(1) a county's highways have an average PASER rating of at**
 25 **least seven (7); and**

26 **(2) not more than fifteen percent (15%) of the county's**
 27 **highways are in failed condition, as represented by a PASER**
 28 **rating of one (1) or two (2);**

29 **the county shall use at least forty percent (40%) of the money**
 30 **distributed from the motor vehicle highway account for the**
 31 **construction, reconstruction, and preservation of the county's**
 32 **highways.**

33 SECTION 11. IC 8-14-1-5, AS AMENDED BY P.L.179-2023,
 34 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2025]: **Sec. 5. (a) Subject to subsection (c), all funds allocated**
 36 **to cities and towns from the motor vehicle highway account shall be**
 37 **used by the cities and towns for the construction, reconstruction,**
 38 **preservation, repair, maintenance, oiling, sprinkling, snow removal,**
 39 **weed and tree cutting and cleaning of their highways as herein defined,**
 40 **and including also any curbs, and the city's or town's share of the cost**
 41 **of the separation of the grades of crossing of public highways and**
 42 **railroads, the purchase or lease of highway construction, preservation,**



1 and maintenance equipment, the purchase, erection, operation and
 2 maintenance of traffic signs and signals, and safety zones and devices,
 3 and the painting of surfaces in highways for purposes of safety and
 4 traffic regulation. All of such funds shall be budgeted as provided by
 5 law.

6 (b) In addition to purposes for which funds may be expended under
 7 subsection (a), monies allocated to cities and towns under this chapter
 8 may be expended for the payment of principal and interest on bonds
 9 sold primarily to finance road, street, or thoroughfare projects.

10 (c) Except as provided in subsection (d) **and section 5.1 of this**
 11 **chapter**, for funds distributed to a city or town from the motor vehicle
 12 highway account, the city or town shall use at least fifty percent (50%)
 13 of the money for the construction, reconstruction, and preservation of
 14 the city's or town's highways.

15 (d) This subsection applies to a consolidated city. For funds
 16 distributed to a consolidated city from the motor vehicle highway
 17 account, the consolidated city shall use at least sixty-five percent (65%)
 18 of the money for the construction, reconstruction, and preservation of
 19 the consolidated city's highways.

20 SECTION 12. IC 8-14-1-5.1 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 22 1, 2025]: **Sec. 5.1. (a) This section applies:**

23 **(1) beginning after June 30, 2026; and**

24 **(2) to all cities and towns except a consolidated city as**
 25 **described in section 5(d) of this chapter and only if the city or**
 26 **town uses the PASER rating system.**

27 **(b) As used in this section, "PASER" refers to the pavement**
 28 **surface evaluation and rating system used as part of a**
 29 **transportation asset management plan submitted to the local**
 30 **technical assistance program at Purdue University.**

31 **(c) If in the preceding calendar year:**

32 **(1) a city or town's highways have an average PASER rating**
 33 **of at least seven (7); and**

34 **(2) not more than fifteen percent (15%) of the city or town's**
 35 **highways are in failed condition, as represented by a PASER**
 36 **rating of one (1) or two (2);**

37 **the city or town shall use at least forty percent (40%) of the money**
 38 **distributed from the motor vehicle highway account for the**
 39 **construction, reconstruction, and preservation of the city or town's**
 40 **highways.**

41 SECTION 13. IC 8-14-3-3, AS AMENDED BY P.L.10-2019,
 42 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2025]: Sec. 3. (a) **As used in this section, "PASER" refers**
 2 **to the pavement surface evaluation and rating system used as part**
 3 **of a transportation asset management plan submitted to the local**
 4 **technical assistance program at Purdue University.**

5 (b) There is annually appropriated two hundred fifty thousand
 6 dollars (\$250,000) from the motor vehicle highway account to the
 7 department to develop and maintain a centralized electronic statewide
 8 asset management data base that may be used to aggregate data on
 9 local road conditions. The data base shall be developed in cooperation
 10 with the department and the office of management and budget.

11 (c) **The department, in coordination with the local technical**
 12 **assistance program at Purdue University, shall administer:**

13 (1) **a PASER certification program for PASER raters**
 14 **submitting data to the statewide asset management data base;**
 15 **and**

16 (2) **a quality assurance program for PASER data, consisting**
 17 **of a team of certified PASER raters throughout the state.**

18 SECTION 14. IC 8-14.5-6-1, AS AMENDED BY P.L.218-2017,
 19 SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2025]: Sec. 1. Except as provided in sections 2 and 5 of this
 21 chapter, the authority may, by resolution, issue and sell bonds or notes
 22 of the authority for the purpose of providing funds to carry out the
 23 provisions of this article with respect to the construction of a project or
 24 projects or the refunding of any bonds or notes, together with any
 25 reasonable costs associated with a refunding. ~~However, except as~~
 26 ~~provided in IC 8-15.5-5-6.1, the authority may not issue any bonds or~~
 27 ~~notes for the construction of a project:~~

28 (1) ~~after July 1, 2007, for a project that is not a railroad crossing~~
 29 ~~upgrade project described in IC 8-14.5-8; and~~

30 (2) ~~after June 30, 2025, for a railroad crossing upgrade project~~
 31 ~~described in IC 8-14.5-8.~~

32 The amount of the bonds or notes issued for ~~purposes of subdivision~~
 33 ~~(2) a railroad crossing upgrade project described in IC 8-14.5-8~~
 34 may not cause the annual payments on all the bonds and notes for this
 35 purpose to exceed ten million dollars (\$10,000,000).

36 SECTION 15. IC 8-14.5-7-5, AS ADDED BY P.L.246-2005,
 37 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2025]: Sec. 5. The authority may, by resolution, ~~before July~~
 39 ~~1, 2009,~~ issue grant anticipation revenue bonds or notes for any
 40 purpose that is authorized by IC 8-14.5-6 and for which the department
 41 may use federal highway revenues.

42 SECTION 16. IC 8-15-3-36, AS ADDED BY P.L.218-2017,



1 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 36. (a) ~~Before July 1, 2017, the department~~
3 ~~shall submit a request to the Federal Highway Administration for a~~
4 ~~waiver to toll lanes on interstate highways. If~~

5 (1) ~~a waiver is granted under this subsection; and~~

6 (2) ~~the department, with the approval of the governor, decides to~~
7 ~~establish toll lanes, the department shall submit a request to~~
8 ~~the Federal Highway Administration for a waiver to toll lanes~~
9 ~~on interstate highways. If a waiver is granted under this~~
10 ~~section, toll lanes may be established in accordance with this~~
11 ~~title. under the waiver;~~

12 (b) ~~The first toll lanes established on an interstate highway must be~~
13 ~~located at least seventy-five (75) miles from an interstate highway or~~
14 ~~bridge on which travel is subject to tolling as of July 1, 2017. This~~
15 ~~subsection does not apply if a waiver is applied for under~~
16 ~~subsection (a) not later than July 1, 2025.~~

17 (b) ~~The department shall engage an outside consulting firm to~~
18 ~~conduct a feasibility study on tolling the interstate highways, including~~
19 ~~revenue projections based on an analysis of optimal tolling rates;~~
20 ~~vehicle counts and types by state of registration; and traffic diversion.~~

21 (c) ~~The feasibility study described in subsection (b) must consider~~
22 ~~the following:~~

23 (1) ~~The economic impact and feasibility of tolling particular~~
24 ~~interstate highways.~~

25 (2) ~~The ability to provide discounts, credits, or otherwise lessen~~
26 ~~the impact of tolling on local, commuter, and in-state operators.~~

27 (3) ~~Information related to the number and impact of out-of-state~~
28 ~~operators expected to use interstate highways in Indiana.~~

29 (4) ~~The rationale for the federal authorization of any tolling plan~~
30 ~~that may be submitted by the state to the United States~~
31 ~~Department of Transportation.~~

32 (5) ~~The optimal levels at which tolls may reasonably be expected~~
33 ~~to be set for passenger vehicles and other vehicles.~~

34 (6) ~~Appropriate tolling rules regarding population center local~~
35 ~~traffic.~~

36 (7) ~~The state's ability to enter into monetization agreements or~~
37 ~~long term contracts for initial construction, long term~~
38 ~~maintenance, installation, and operation of tolling facilities.~~

39 (8) ~~Any estimates of which highway facilities would be conducive~~
40 ~~to tolling operations.~~

41 (9) ~~Goals for participation by women-owned and minority owned~~
42 ~~business enterprises.~~



1 (10) Ways to maximize the use of Indiana workers and products
2 made in Indiana.

3 (d) A written report on the feasibility study shall be delivered before
4 November 1, 2017, to the governor, the legislative council, and the
5 budget committee. The report to the legislative council must be in an
6 electronic format under IC 5-14-6. This subsection expires December
7 31, 2017.

8 (e) If, after review of the feasibility study, the governor determines
9 that tolling is the best means of achieving major interstate system
10 improvements in Indiana, the governor shall create a strategic plan for
11 tolling interstate highways and submit the strategic plan to the budget
12 committee before December 1, 2018.

13 SECTION 17. IC 8-15.5-1-2, AS AMENDED BY P.L.19-2023,
14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2025]: Sec. 2. (a) This article contains full and complete
16 authority for public-private agreements between the authority, a private
17 entity, and, where applicable, a governmental entity. Except as
18 provided in this article, no law, procedure, proceeding, publication,
19 notice, consent, approval, order, or act by the authority or any other
20 officer, department, agency, or instrumentality of the state or any
21 political subdivision is required for the authority to enter into a
22 public-private agreement with a private entity under this article, or for
23 a project that is the subject of a public-private agreement to be
24 constructed, acquired, maintained, repaired, operated, financed,
25 transferred, or conveyed.

26 (b) Before the authority or the department may issue a request for
27 proposals for or enter into a public-private agreement under this article
28 that would authorize an operator to impose user fees for the operation
29 of motor vehicles on all or part of a toll road project, the general
30 assembly must adopt a statute authorizing the imposition of user fees.
31 However, during the period beginning July 1, 2011, and ending June
32 30, 2031, the general assembly is not required to enact a statute
33 authorizing the authority or the department to issue a request for
34 proposals or enter into a public-private agreement to authorize an
35 operator to impose user fees for the operation of motor vehicles on all
36 or part of the following projects:

37 (1) A project on which construction begins after June 30, 2011,
38 not including any part of Interstate Highway 69 other than a part
39 described in subdivision (3).

40 (2) The addition of toll lanes, including high occupancy toll lanes,
41 to a highway, roadway, or other facility in existence on July 1,
42 2011, if the number of nontolled lanes on the highway, roadway,



1 or facility as of July 1, 2011, does not decrease due to the addition
 2 of the toll lanes.
 3 ~~(3) A project that is located within a metropolitan planning area~~
 4 ~~(as defined by 23 U.S.C. 134) and that connects the state of~~
 5 ~~Indiana with the commonwealth of Kentucky.~~
 6 However, neither the authority nor the department may issue a request
 7 for proposals for a public-private agreement under this article that
 8 would authorize an operator to impose user fees unless the budget
 9 committee has reviewed the request for proposals.
 10 ~~(c) (b)~~ Except as provided in subsection ~~(b)~~; Before the authority or
 11 an operator may carry out any of the following activities under this
 12 article, the general assembly must enact a statute authorizing that
 13 activity:
 14 (1) Imposing user fees on motor vehicles for use of Interstate
 15 Highway 69.
 16 (2) **Except for a project for which a waiver is granted under**
 17 **IC 8-15-3-36**, imposing user fees on motor vehicles for use of a
 18 nontolled highway, roadway, or other facility in existence or
 19 under construction on July 1, 2011, including nontolled interstate
 20 highways, U.S. routes, and state routes.
 21 ~~(d) (c)~~ The general assembly is not required to enact a statute
 22 authorizing the authority or the department to issue a request for
 23 proposals or enter into a public-private agreement for a freeway
 24 project.
 25 ~~(e) (d)~~ The authority may enter into a public-private agreement for
 26 a facility project if the general assembly, by statute, authorizes the
 27 authority to enter into a public-private agreement for the facility
 28 project.
 29 ~~(f) (e)~~ As permitted by subsection ~~(e)~~; ~~(d)~~, the general assembly
 30 authorizes the authority to enter into public-private agreements for a
 31 state park inn and related improvements at Potato Creek State Park.
 32 SECTION 18. IC 8-16-3-1 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. Notwithstanding
 34 IC 8-18-8-5, all municipal corporations and county executives may
 35 provide a cumulative bridge fund to provide funds for the cost of
 36 construction, maintenance, and repair of bridges, approaches, and
 37 grade separations **under their jurisdiction**. ~~However, in those counties~~
 38 ~~in which a cumulative bridge fund has been established, the county~~
 39 ~~executive is responsible for providing funds for all bridges, including~~
 40 ~~those in municipalities, within the counties except those bridges on the~~
 41 ~~state highway system.~~ The county executive may use this fund for
 42 making county wide bridge inspection and safety ratings of all bridges



1 in a county not on the state highway system. The inspection and safety
 2 ratings shall meet all the criteria of the National Bridge Inspection
 3 Standards promulgated by the Federal Highway Administration, U.S.
 4 Department of Transportation and shall be supervised and approved by
 5 a competent, qualified engineer, registered in the state.

6 SECTION 19. IC 8-17-1-0.3 IS ADDED TO THE INDIANA CODE
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 8 1, 2025]: **Sec. 0.3. As used in this chapter, "bridge" means a**
 9 **structure, including supports, erected over a depression or an**
 10 **obstruction, such as water, a highway, or a railway that has:**

11 (1) a track or passageway for carrying traffic or moving
 12 loads; and

13 (2) an opening measured along the center of the roadway of
 14 more than twenty (20) feet between under copings of
 15 abutments or spring lines of arches or extreme ends of
 16 opening for multiple boxes.

17 **The term includes multiple pipes where the clear distance between**
 18 **openings is less than one-half (1/2) of the smaller contiguous**
 19 **opening.**

20 SECTION 20. IC 8-17-1-46 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 22 1, 2025]: **Sec. 46. (a) A county is responsible for the construction,**
 23 **reconstruction, maintenance, and inspection of a bridge that is:**

24 (1) located in the county; and

25 (2) has a span length of not less than twenty (20) feet;
 26 including a bridge that is located within the corporate limits of a
 27 municipality.

28 (b) A municipality is responsible for the construction,
 29 reconstruction, maintenance, and inspection of a bridge that is:

30 (1) located within the corporate limits of the municipality; and

31 (2) has a span length of less than twenty (20) feet.

32 SECTION 21. IC 8-17-4.1-1, AS AMENDED BY P.L.185-2018,
 33 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2025]: **Sec. 1. (a) This chapter applies to:**

35 (1) all counties; and

36 (2) municipalities with a population of at least ~~fifteen thousand~~
 37 ~~(15,000)~~ **five thousand (5,000).**

38 (b) As used in this chapter, "governing body" means the county
 39 executive, the city executive, or the town legislative body.

40 SECTION 22. IC 8-18-22-6, AS AMENDED BY P.L.256-2017,
 41 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2025]: **Sec. 6. (a) Except as provided in subsection (b), the**



1 county fiscal body may pledge revenues for the payment of principal
 2 and interest on the bonds and for other purposes under the ordinance
 3 as provided by IC 5-1-14-4, including revenues from the following
 4 sources:

- 5 (1) The motor vehicle highway account.
- 6 (2) The local road and street account.
- 7 (3) The county vehicle excise tax.
- 8 (4) The county wheel tax.
- 9 (5) The local income tax (IC 6-3.6).
- 10 (6) Assessments.
- 11 (7) Any other unappropriated or unencumbered money.

12 (b) The county fiscal body may ~~not~~ pledge to levy ad valorem
 13 property taxes for these purposes. ~~except for revenues from the~~
 14 ~~following:~~

- 15 ~~(1) IC 8-16-3.~~
- 16 ~~(2) IC 8-16-3.1.~~

17 (c) If the county fiscal body has pledged revenues from the local
 18 income tax as set forth in subsection (a), the local income tax council
 19 (as defined in IC 6-3.6-2-12) may covenant that the council will not
 20 repeal or modify the tax in a manner that would adversely affect owners
 21 of outstanding bonds issued under this chapter. The local income tax
 22 council may make the covenant by adopting an ordinance using
 23 procedures described in IC 6-3.6-3.

24 SECTION 23. IC 8-23-30-1, AS ADDED BY P.L.146-2016,
 25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2025]: Sec. 1. The following definitions apply throughout this
 27 chapter:

- 28 (1) "Eligible project" means a project:
 - 29 (A) that is undertaken by a local unit;
 - 30 (B) that repairs or increases the capacity of local roads and
 31 bridges; and
 - 32 (C) that is part of the local unit's transportation asset
 33 management plan.
- 34 (2) "Fund" refers to the local road and bridge matching grant fund
 35 established by section 2 of this chapter.
- 36 (3) "Local unit" means a county or municipality.
- 37 (4) "Surtax" means the tax imposed in an ordinance adopted
 38 under:
 - 39 (A) IC 6-3.5-4, in the case of a county; and
 - 40 (B) IC 6-3.5-10, in the case of a municipality.
- 41 ~~(4)~~ (5) "Transportation asset management plan" includes planning
 42 for drainage systems and rights-of-way that affect transportation



1 assets.

2 **(6) "Wheel tax" means the tax imposed in an ordinance**
3 **adopted under:**

4 **(A) IC 6-3.5-5, in the case of a county; and**

5 **(B) IC 6-3.5-11, in the case of a municipality.**

6 SECTION 24. IC 8-23-30-2, AS AMENDED BY P.L.165-2021,
7 SECTION 134, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The local road and bridge
9 matching grant fund is established to provide matching grants to local
10 units for eligible projects.

11 (b) The department shall administer the fund.

12 (c) The fund consists of the following:

13 (1) Appropriations by the general assembly.

14 (2) Interest deposited in the fund under subsection (d).

15 (3) Money deposited in or transferred to the fund from any other
16 source.

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

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

23 **(f) The state comptroller shall determine the balance of the**
24 **money in the fund on June 30, 2025, and on June 30 of each state**
25 **fiscal year thereafter. After determining the balance of money in**
26 **the fund under this subsection, the money in the fund must be**
27 **allocated in accordance with subsection (g) and transferred in**
28 **accordance with subsections (h) and (i).**

29 **(g) Beginning on June 30, 2025, and on June 30 of each state**
30 **fiscal year thereafter, of the first one hundred fifty million dollars**
31 **(\$150,000,000) in the fund, the department must allocate the**
32 **amount as follows:**

33 **(1) Ninety million dollars (\$90,000,000) must be set aside to**
34 **make matching grants in the next state fiscal year to all local**
35 **units other than local units described in subdivision (2).**

36 **(2) After making the allocation under subdivision (1), the next**
37 **sixty million dollars (\$60,000,000) must be set aside to make**
38 **matching grants in the next state fiscal year only for the**
39 **following local units:**

40 **(A) Counties with a population of at least one hundred**
41 **thousand (100,000).**

42 **(B) All cities.**



1 **(h) This subsection applies only to a state fiscal year ending on**
 2 **June 30, 2025. After the department allocates money in the fund**
 3 **under subsection (g), and only if the balance of money in the fund**
 4 **is more than one hundred fifty million dollars (\$150,000,000), the**
 5 **state comptroller shall transfer the amount of money in the fund**
 6 **that is more than one hundred fifty million dollars (\$150,000,000)**
 7 **to the department for deposit in the state highway road**
 8 **construction and improvement fund established under IC 8-14-10**
 9 **for the department's use in financing a railroad crossing upgrade**
 10 **project as described in IC 8-14.5-8. Money transferred to the**
 11 **department under this subsection is continuously appropriated.**

12 **(i) This subsection applies to a state fiscal year ending on June**
 13 **30, 2026, and on June 30 of each state fiscal year thereafter. After**
 14 **the department allocates money in the fund under subsection (g),**
 15 **and only if the balance of money in the fund is more than one**
 16 **hundred fifty million dollars (\$150,000,000), the state comptroller**
 17 **shall transfer the amount of money in the fund that is more than**
 18 **one hundred fifty million dollars (\$150,000,000) to the motor**
 19 **vehicle highway account established under IC 8-14-1 for**
 20 **distribution in accordance with IC 8-14-1.**

21 ~~(j)~~ **(j)** Money in the fund is continuously appropriated for the
 22 purpose of the fund.

23 ~~(g)~~ **(k)** Money in the fund may not be transferred, assigned, or
 24 otherwise removed from the fund by the state board of finance, the
 25 budget agency, or any other agency until after budget committee
 26 review, except that **for either or both of the following purposes:**

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

30 **(2) To transfer money in the fund at the end of a state fiscal**
 31 **year under subsections (h) and (i) without budget committee**
 32 **review.**

33 SECTION 25. IC 8-23-30-3, AS AMENDED BY P.L.218-2017,
 34 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2025]: Sec. 3. **(a)** A local unit may apply to the department for
 36 a grant from the fund for an eligible project if the local unit:

37 **(1)** uses a transportation asset management plan approved by the
 38 department; ~~and~~

39 **(2) adopts an ordinance to impose the surtax and the wheel**
 40 **tax, if the local unit does not already impose the surtax and**
 41 **the wheel tax; and**

42 ~~(2)~~ **(3)** commits to a local match by using one (1) or more of the



- 1 following:
- 2 (A) Any money the local unit is authorized to use for a local
- 3 road or bridge project.
- 4 (B) Money received by the local unit as a special distribution
- 5 of local income taxes under IC 6-3.6-9-17.
- 6 (C) Money in the local unit's rainy day fund under
- 7 IC 36-1-8-5.1.

8 The application must be in the form and manner prescribed by the
9 department.

10 **(b) Subsection (a)(2) does not apply to a municipality that is not**
11 **eligible to adopt an ordinance to impose the surtax and the wheel**
12 **tax.**

13 SECTION 26. IC 8-23-30-6, AS AMENDED BY P.L.218-2017,
14 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2025]: Sec. 6. If the department approves a grant to a local
16 unit under this chapter, the required local matching amount by the local
17 unit is equal to the following applicable percentage of the total cost of
18 the eligible project:

- 19 (1) For a county applicant, the following:
- 20 (A) Fifty percent (50%), if the county has a population greater
- 21 than or equal to fifty thousand (50,000).
- 22 (B) ~~Twenty-five~~ **Twenty** percent (~~25%~~), **(20%)**, if the county
- 23 has a population of less than fifty thousand (50,000).
- 24 (2) For a city or town applicant, the following:
- 25 (A) Fifty percent (50%), if the city or town has a population
- 26 greater than or equal to ten thousand (10,000).
- 27 (B) ~~Twenty-five~~ **Twenty** percent (~~25%~~), **(20%)**, if the city or
- 28 town has a population of less than ten thousand (10,000).

29 SECTION 27. IC 8-23-30-7.5 IS ADDED TO THE INDIANA
30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2025]: **Sec. 7.5. (a) A local unit that is eligible**
32 **to receive a grant from money allocated under section 2(g)(2) of**
33 **this chapter is not eligible to receive a grant from money allocated**
34 **under section 2(g)(1) of this chapter.**

35 **(b) A local unit that is approved for a grant under this chapter**
36 **from money allocated under section 2(g)(2) of this chapter is**
37 **entitled to a grant that is equal to three (3) times the amount of a**
38 **grant made to a local unit that is approved to receive a grant from**
39 **money allocated under section 2(g)(1) of this chapter.**

40 SECTION 28. IC 34-28-5-5, AS AMENDED BY P.L.19-2023,
41 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2025]: Sec. 5. (a) A defendant against whom a judgment is



1 entered is liable for costs. Costs are part of the judgment and may not
 2 be suspended except under IC 9-30-3-12. Whenever a judgment is
 3 entered against a person for the commission of two (2) or more civil
 4 violations (infractions or ordinance violations), the court may waive the
 5 person's liability for costs for all but one (1) of the violations. This
 6 subsection does not apply to judgments entered for violations
 7 constituting:

8 (1) Class D infractions; or

9 (2) Class C infractions for unlawfully parking in a space reserved
 10 for a person with a physical disability under IC 5-16-9-5 or
 11 IC 5-16-9-8.

12 (b) If a judgment is entered:

13 (1) for a violation constituting:

14 (A) a Class D infraction; or

15 (B) a Class C infraction for unlawfully parking in a space
 16 reserved for a person with a physical disability under
 17 IC 5-16-9-5 or IC 5-16-9-8; or

18 (2) in favor of the defendant in any case;

19 the defendant is not liable for costs.

20 (c) Except for costs, and except as provided in subsections (e) and
 21 (f) and IC 9-21-5-11(e), the funds collected as judgments for violations
 22 of statutes defining infractions shall be deposited in the state general
 23 fund.

24 (d) A judgment may be entered against a defendant under this
 25 section or section 4 of this chapter upon a finding by the court that the
 26 defendant:

27 (1) violated:

28 (A) a statute defining an infraction; or

29 (B) an ordinance; or

30 (2) consents to entry of judgment for the plaintiff upon a pleading
 31 of nolo contendere for a moving traffic violation.

32 (e) The funds collected for an infraction judgment described in
 33 section 4(h) of this chapter shall be transferred to a dedicated county
 34 fund. The money in the dedicated county fund does not revert to the
 35 county general fund or state general fund and may be used, after
 36 appropriation by the county fiscal body, only for the following
 37 purposes:

38 (1) To pay compensation of commissioners appointed under
 39 IC 33-33-49.

40 (2) To pay costs of the county's guardian ad litem program.

41 (f) The funds collected for an infraction judgment described in
 42 section 4(i) of this chapter shall be transferred to a dedicated toll



1 revenue fund created as part of a project ~~under IC 8-15.5-1-2(b)(3)~~.
 2 **that is located within a metropolitan planning area (as defined by**
 3 **23 U.S.C. 134) and that connects the state of Indiana with the**
 4 **commonwealth of Kentucky.** The money in the fund does not revert
 5 to the county general fund or state general fund and may be used only
 6 to pay the cost of operating, maintaining, and repairing the tolling
 7 system for a project ~~under IC 8-15.5-1-2(b)(3)~~, **that is located within**
 8 **a metropolitan planning area (as defined by 23 U.S.C. 134) and**
 9 **that connects the state of Indiana with the commonwealth of**
 10 **Kentucky,** including major repairs, replacements, and improvements.

11 SECTION 29. IC 36-6-9 IS REPEALED [EFFECTIVE JULY 1,
 12 2025]. (Township Capital Improvement Plan).

13 SECTION 30. IC 36-6-10 IS ADDED TO THE INDIANA CODE
 14 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2025]:

16 **Chapter 10. Township Roads and Infrastructure Fund**

17 **Sec. 1. If at the end of a calendar year a township's total**
 18 **reserves exceed fifteen percent (15%) of the township's total**
 19 **annual budget estimate prepared under IC 6-1.1-17-2 for the**
 20 **following calendar year, the township must transfer any excess**
 21 **amount to a township fund established for the improvement and**
 22 **maintenance of the roads and infrastructure within the township's**
 23 **boundaries.**

24 **Sec. 2. A township must enter into a written memorandum of**
 25 **understanding with a city, town, or county, as applicable, for the**
 26 **transfer of funds from a fund established under section 1 of this**
 27 **chapter to the city, town, or county for the purpose of bidding out**
 28 **projects that are:**

- 29 (1) **for the improvement of roads and infrastructure within**
 30 **the township's boundaries; and**
 31 (2) **approved by the township.**

32 SECTION 31. IC 36-9-6.5-13 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2025]: **Sec. 13. (a) This section applies if a**
 35 **referendum tax levy is imposed under IC 36-9-6.6 for the**
 36 **metropolitan thoroughfare district.**

37 **(b) The following definitions apply throughout this section:**

- 38 (1) **"Fund" refers to a referendum tax levy fund established**
 39 **under subsection (c).**
 40 (2) **"Levy" refers to a property tax levy imposed under**
 41 **IC 36-9-6.6 for the fund.**

42 **(c) The board of the metropolitan thoroughfare district for**



1 which a levy is approved under IC 36-9-6.6 shall establish a
2 referendum tax levy fund.

3 (d) Property tax collections from a levy shall be deposited in the
4 fund.

5 (e) Money in the fund may be used only to pay debt service on
6 bonds payable from the proceeds of a levy approved under
7 IC 36-9-6.6.

8 SECTION 32. IC 36-9-6.6 IS ADDED TO THE INDIANA CODE
9 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2025]:

11 **Chapter 6.6. Metropolitan Thoroughfare District Referendum**
12 **Tax Levy**

13 **Sec. 1. This chapter applies only to a county containing a**
14 **consolidated city.**

15 **Sec. 2. The definitions in IC 36-9-6.5 and the following**
16 **definitions apply throughout this chapter:**

17 (1) "District" refers to the metropolitan thoroughfare district
18 created by IC 36-3-1-6(c).

19 (2) "Fund" refers to the metropolitan thoroughfare district
20 referendum tax levy fund.

21 (3) "Levy" or "referendum tax levy" refers to the property
22 tax levy imposed under this chapter.

23 (4) "Referendum" refers to a referendum under this chapter.

24 **Sec. 3. The city-county council may adopt an ordinance to**
25 **impose a referendum tax levy for the district to pay debt service on**
26 **bonds issued by the district under IC 36-9-6.5-9, which must**
27 **include an estimate of the property tax rate needed to pay debt**
28 **service on the bonds. The term of the bonds may not exceed twenty**
29 **(20) years and must be in an amount approved by the city-county**
30 **council.**

31 **Sec. 4. (a) Subject to subsection (c) and this chapter, the**
32 **city-county council may adopt an ordinance to place a referendum**
33 **under this chapter on the ballot for either of the following**
34 **purposes:**

35 (1) The city-council, in consultation with the district's board,
36 determines that the department's capital budget requires it to
37 impose a referendum tax levy under this chapter.

38 (2) The city-county council, in consultation with the district's
39 board, determines that a referendum tax levy under this
40 chapter should be imposed to replace property tax revenue
41 that will not be received because of the application of the
42 credit under IC 6-1.1-20.6.



1 **(b) The city-county council shall certify a copy of the ordinance**
 2 **to place a referendum on the ballot to the following:**

- 3 **(1) The department of local government finance, including:**
 4 **(A) the language for the question required by section 6 of**
 5 **this chapter; and**
 6 **(B) a copy of the revenue spending plan adopted under**
 7 **subsection (c).**

8 **The language of the public question must include the**
 9 **estimated average percentage increases certified by the**
 10 **county auditor under section 6(d) of this chapter. The**
 11 **city-county council shall also provide the county auditor's**
 12 **certification described in section 6(d) of this chapter. The**
 13 **department of local government finance shall post the values**
 14 **certified by the county auditor to the department's website.**
 15 **The department of local government finance shall review the**
 16 **proposed language for compliance with section 6 of this**
 17 **chapter. If the language complies, the department of local**
 18 **government finance shall approve the language. If the**
 19 **language does not comply, the department of local**
 20 **government finance shall reject the language. The department**
 21 **of local government finance shall send its decision to the**
 22 **city-county council not more than ten (10) days after both the**
 23 **certification of the county auditor described in section 6(d) of**
 24 **this chapter, and the ordinance are submitted to the**
 25 **department. If the language is approved, the city-county**
 26 **council shall certify a copy of the ordinance, including the**
 27 **language for the question and the department of local**
 28 **government finance's approval.**

- 29 **(2) The circuit court clerk of the county containing a**
 30 **consolidated city.**

31 **(c) As part of the ordinance described in subsection (a), the**
 32 **city-county council in consultation with the district's board, shall**
 33 **adopt a revenue spending plan for the proposed referendum tax**
 34 **levy that includes:**

- 35 **(1) an estimate of the amount of annual revenue expected to**
 36 **be collected if a levy is imposed under this chapter;**
 37 **(2) the specific purposes for which the revenue collected from**
 38 **a levy imposed under this chapter will be used; and**
 39 **(3) an estimate of the annual dollar amounts that will be**
 40 **expended for each purpose described in subdivision (2).**

41 **(d) The board shall annually present the revenue spending plan**
 42 **adopted under subsection (c) at the public hearing on its proposed**



1 budget under IC 6-1.1-17-3 and submit the revenue spending plan
2 to the city-county council.

3 **Sec. 5.** A metropolitan thoroughfare referendum tax levy under
4 this chapter may be put into effect only if a majority of the
5 individuals who vote in a referendum that is conducted in
6 accordance with this section and sections 6 through 14 of this
7 chapter approves the city-county council's making a levy for the
8 district for the ensuing calendar year. A referendum tax levy, if
9 approved by the voters, may not be imposed for a duration that
10 exceeds the maximum term of the bonds.

11 **Sec. 6. (a)** The question to be submitted to the voters in the
12 referendum must read as follows:

13 "Shall the ____ (insert the name of the metropolitan
14 thoroughfare district) increase property taxes paid to the
15 district by homeowners and businesses for ____ (insert
16 number of years) years immediately following the holding of
17 the referendum for the purpose of funding ____ (insert
18 short description of purposes)? If this public question is
19 approved by the voters, the average property tax paid for
20 roads per year on a residence would increase by ____%
21 (insert the estimated average percentage of property tax
22 increase paid for roads on a residence within the district as
23 determined under subsection (b)) and the average property
24 tax paid for roads per year on a business property would
25 increase by ____% (insert the estimated average
26 percentage of property tax increase paid for roads on a
27 business property within the district as determined under
28 subsection (c)). The most recent property tax referendum
29 proposed by the city-county council for the district was held
30 in ____ (insert year) and ____ (insert whether the
31 measure passed or failed)."

32 **(b)** At the request of the city-county council that proposes to
33 impose property taxes for the district under this chapter, the
34 county auditor shall determine the estimated average percentage
35 of property tax increase on a homestead to be paid for roads that
36 must be included in the public question under subsection (a) as
37 follows:

38 **STEP ONE:** Determine the average assessed value of a
39 homestead located within the district.

40 **STEP TWO:** For purposes of determining the net assessed
41 value of the average homestead located within the district
42 subtract:



- 1 (A) an amount for the homestead standard deduction
 2 under IC 6-1.1-12-37 as if the homestead described in
 3 STEP ONE was eligible for the deduction; and
 4 (B) an amount for the supplemental homestead deduction
 5 under IC 6-1.1-12-37.5 as if the homestead described in
 6 STEP ONE was eligible for the deduction;
 7 from the result of STEP ONE.
 8 **STEP THREE:** Divide the result of STEP TWO by one
 9 hundred (100).
 10 **STEP FOUR:** Determine the overall average tax rate per one
 11 hundred dollars (\$100) of assessed valuation for the current
 12 year imposed on property located within the district.
 13 **STEP FIVE:** For purposes of determining net property tax
 14 liability of the average homestead located within the district:
 15 (A) multiply the result of STEP THREE by the result of
 16 STEP FOUR; and
 17 (B) as appropriate, apply any currently applicable county
 18 property tax credit rates and the credit for excessive
 19 property taxes under IC 6-1.1-20.6-7.5(a)(1).
 20 **STEP SIX:** Determine the amount of the district's part of the
 21 result determined in STEP FIVE.
 22 **STEP SEVEN:** Multiply:
 23 (A) the tax rate that will be imposed if the public question
 24 is approved by the voters; by
 25 (B) the result of STEP THREE.
 26 **STEP EIGHT:** Divide the result of STEP SEVEN by the result
 27 of STEP SIX, expressed as a percentage.
 28 (c) At the request of the city-county council that proposes to
 29 impose property taxes for the district under this chapter, the
 30 county auditor shall determine the estimated average percentage
 31 of property tax increase on a business property to be paid for roads
 32 that must be included in the public question under subsection (a)
 33 as follows:
 34 **STEP ONE:** Determine the average assessed value of business
 35 property located within the district.
 36 **STEP TWO:** Divide the result of STEP ONE by one hundred
 37 (100).
 38 **STEP THREE:** Determine the overall average tax rate per
 39 one hundred dollars (\$100) of assessed valuation for the
 40 current year imposed on property located within the district.
 41 **STEP FOUR:** For purposes of determining net property tax
 42 liability of the average business property located within the



- 1 district:
- 2 (A) multiply the result of STEP TWO by the result of
- 3 STEP THREE; and
- 4 (B) as appropriate, apply any currently applicable county
- 5 property tax credit rates and the credit for excessive
- 6 property taxes under IC 6-1.1-20.6-7.5 as if the applicable
- 7 percentage were three percent (3%).
- 8 **STEP FIVE: Determine the amount of the district's part of**
- 9 **the result determined in STEP FOUR.**
- 10 **STEP SIX: Multiply:**
- 11 (A) the result of STEP TWO; by
- 12 (B) the tax rate that will be imposed if the public question
- 13 is approved by the voters.
- 14 **STEP SEVEN: Divide the result of STEP SIX by the result of**
- 15 **STEP FIVE, expressed as a percentage.**
- 16 (d) The county auditor shall certify the estimated average
- 17 percentage of property tax increase on a homestead to be paid for
- 18 roads determined under subsection (b), and the estimated average
- 19 percentage of property tax increase on a business property to be
- 20 paid for roads determined under subsection (c), in a manner
- 21 prescribed by the department of local government finance, and
- 22 provide the certification to the city-county council.
- 23 **Sec. 7. The circuit court clerk shall, upon receiving the question**
- 24 **certified by the city-county council under this chapter, call a**
- 25 **meeting of the county election board to make arrangements for the**
- 26 **referendum.**
- 27 **Sec. 8. The county auditor shall distribute proceeds collected**
- 28 **from an allocation area (as defined in IC 6-1.1-21.2-3) that are**
- 29 **attributable to property taxes imposed after being approved by the**
- 30 **voters in a referendum to the district for which the referendum**
- 31 **was conducted. The amount to be distributed to the district shall be**
- 32 **treated as part of the referendum levy for purposes of setting the**
- 33 **district's tax rates.**
- 34 **Sec. 9. The referendum shall be held in the next general election**
- 35 **in which all the registered voters who are residents of the county**
- 36 **are entitled to vote after certification of the question under**
- 37 **IC 3-10-9-3. The certification of the question must occur not later**
- 38 **than noon on August 1 if the question is to be placed on the general**
- 39 **election ballot.**
- 40 **Sec. 10. The county election board shall cause:**
- 41 (1) the question certified to the circuit court clerk by the
- 42 city-county council to be placed on the ballot in the form



1 prescribed by IC 3-10-9-4; and
 2 (2) an adequate supply of ballots and voting equipment to be
 3 delivered to the precinct election board of each precinct in
 4 which the referendum is to be held.

5 **Sec. 11.** The individuals entitled to vote in the referendum are all
 6 of the registered voters resident in the county containing a
 7 consolidated city.

8 **Sec. 12.** Each precinct election board shall count the affirmative
 9 votes and the negative votes cast in the referendum and shall
 10 certify those two (2) totals to the county election board in which the
 11 referendum is held. The circuit court clerk shall, immediately after
 12 the votes cast in the referendum have been counted, certify the
 13 results of the referendum to the department of local government
 14 finance. If a majority of the individuals who voted in the
 15 referendum voted "yes" on the referendum question:

16 (1) the department of local government finance shall promptly
 17 notify the city-county council that the district is authorized to
 18 collect, for the calendar year that next follows the calendar
 19 year in which the referendum is held, a levy not greater than
 20 the amount approved in the referendum;

21 (2) subject to section 5 of this chapter, the levy may be
 22 imposed for the number of calendar years approved by the
 23 voters following the referendum for the district in which the
 24 referendum is held; and

25 (3) the board shall establish a fund under IC 36-9-6.5-13.

26 **Sec. 13.** Subject to section 5 of this chapter, a levy authorized
 27 under this chapter may not be considered in the determination of
 28 any other property tax levy imposed by the district.

29 **Sec. 14. (a)** If a majority of the persons who voted in the
 30 referendum did not vote "yes" on the referendum question:

31 (1) the city-county council may not make any levy for the
 32 district's fund; and

33 (2) another referendum under this chapter may not be held
 34 earlier than:

35 (A) except as provided in clause (B), seven hundred (700)
 36 days after the date of the referendum; or

37 (B) three hundred fifty (350) days after the date of the
 38 referendum, if a petition that meets the requirements of
 39 subsection (b) is submitted to the county auditor.

40 (b) If a majority of the persons who voted in the referendum did
 41 not vote "yes" on the referendum question, a petition may be
 42 submitted to the county auditor to request that the limit under



1 subsection (a)(2)(B) apply to the holding of a subsequent
 2 referendum by the city-county council for the district. If such a
 3 petition is submitted to the county auditor and is signed by the
 4 lesser of:

5 (1) five hundred (500) persons who are either owners of
 6 property within the district or registered voters residing
 7 within the district; or

8 (2) five percent (5%) of the registered voters residing within
 9 the county;

10 the limit under subsection (a)(2)(B) applies to the holding of a
 11 second referendum by the city-county council for the district, and
 12 the limit under subsection (a)(2)(A) does not apply to the holding
 13 of a second referendum by the city-county council for the district.

14 Sec. 15. (a) If a referendum is approved by the voters under this
 15 chapter in a calendar year, the city-county council may not place
 16 another referendum for the district on the ballot under this chapter
 17 in the following calendar year.

18 (b) Notwithstanding any other provision of this chapter and in
 19 addition to the restriction specified in subsection (a), if a district
 20 imposes in a calendar year a referendum levy approved in a
 21 referendum under this chapter, the city-county council may not
 22 simultaneously impose for the district in that calendar year more
 23 than one (1) additional referendum levy approved in a subsequent
 24 referendum under this chapter.

25 Sec. 16. (a) Except as otherwise provided in this section, during
 26 the period beginning with the adoption of an ordinance by the
 27 city-county council to place a referendum under this chapter on the
 28 ballot and continuing through the day on which the referendum is
 29 submitted to the voters, neither the city-county council nor the
 30 district's board may promote a position on the referendum by
 31 doing any of the following:

32 (1) Using facilities or equipment, including mail and
 33 messaging systems, owned by the county containing a
 34 consolidated city or district to promote a position on the
 35 referendum, unless equal access to the facilities or equipment
 36 is given to persons with a position opposite to that of the
 37 county containing a consolidated city or district.

38 (2) Making an expenditure of money from a fund controlled
 39 by the county containing a consolidated city or district to
 40 promote a position on the referendum.

41 (3) Using an employee to promote a position on the
 42 referendum during the employee's normal working hours or



1 paid overtime, or otherwise compelling an employee to
 2 promote a position on the referendum at any time. However,
 3 if a person described in subsection (b) is advocating for or
 4 against a position on the referendum or discussing the
 5 referendum as authorized under subsection (b), an employee
 6 of the county containing a consolidated city or district may
 7 assist the person in presenting information on the
 8 referendum, if requested to do so by the person described in
 9 subsection (b).

10 However, this section does not prohibit an official or employee of
 11 the county containing a consolidated city or district from carrying
 12 out duties with respect to a referendum that are part of the normal
 13 and regular conduct of the official's or employee's office or agency,
 14 including the furnishing of factual information regarding the
 15 referendum in response to inquiries from any person.

16 (b) Notwithstanding any other law, the mayor, a member of the
 17 city-county council, a board member, the department of public
 18 works director, or a fiscal officer for the consolidated city or
 19 district may at any time:

- 20 (1) personally advocate for or against a position on a
- 21 referendum; or
- 22 (2) discuss the referendum with any individual, group, or
- 23 organization or personally advocate for or against a position
- 24 on a referendum before any individual, group, or
- 25 organization;

26 so long as it is not done by using public funds. Advocacy or
 27 discussion allowed under this subsection is not considered a use of
 28 public funds.

29 SECTION 33. IC 36-9-42.2-4.5, AS ADDED BY P.L.218-2017,
 30 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2025]: Sec. 4.5. As used in this chapter, "transportation asset
 32 management plan" has the meaning set forth in ~~IC 8-23-30-1(4)~~.
 33 **IC 8-23-30-1(5).**

34 SECTION 34. IC 36-9.5 IS ADDED TO THE INDIANA CODE AS
 35 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 36 2025]:

37 **ARTICLE 9.5. COUNTY OPTION RETAIL DELIVERY FEE**
 38 **Chapter 1. Definitions**

39 **Sec. 1. The definitions in this chapter apply throughout this**
 40 **article.**

41 **Sec. 2. "County retail delivery fee" refers to a county option**
 42 **retail delivery fee imposed by a county fiscal body under**



- 1 **IC 36-9.5-2-1.**
- 2 **Sec. 3. "Delivery network company" or "DNC" has the meaning**
- 3 **set forth in IC 8-2.1-17-5.3.**
- 4 **Sec. 4. "Department" means the department of state revenue**
- 5 **established by IC 6-8.1-2-1.**
- 6 **Sec. 5. "DNC driver" has the meaning set forth in**
- 7 **IC 8-2.1-17-5.7.**
- 8 **Sec. 6. "Exempted entity" means any of the following:**
- 9 **(1) A retail merchant that made retail sales totaling less than**
- 10 **one million dollars (\$1,000,000) in the previous calendar year.**
- 11 **(2) A marketplace facilitator that facilitated the sale of**
- 12 **tangible personal property totaling less than one hundred**
- 13 **thousand dollars (\$100,000) in the previous calendar year**
- 14 **through the marketplace facilitator.**
- 15 **(3) A delivery network company that facilitated the delivery**
- 16 **of goods totaling less than one hundred thousand dollars**
- 17 **(\$100,000) in the previous calendar year through the delivery**
- 18 **network company.**
- 19 **(4) A transportation network company that facilitated rides**
- 20 **for riders totaling less than one hundred thousand dollars**
- 21 **(\$100,000) in the previous calendar year through the**
- 22 **transportation network company.**
- 23 **Sec. 7. "Exempted transaction" means a retail transaction**
- 24 **exempted under IC 6-2.5-5.**
- 25 **Sec. 8. "Marketplace facilitator" has the meaning set forth in**
- 26 **IC 6-2.5-1-21.9.**
- 27 **Sec. 9. (a) "Motor vehicle" has the meaning set forth in**
- 28 **IC 9-13-2-105(a).**
- 29 **(b) The term does not include a personal delivery device.**
- 30 **Sec. 10. "Personal delivery device" means an autonomously**
- 31 **operated robot that:**
- 32 **(1) is designed and manufactured for the purpose of**
- 33 **transporting tangible personal property primarily on**
- 34 **sidewalks, crosswalks, and other public rights-of-way that are**
- 35 **typically used by pedestrians;**
- 36 **(2) weighs not more than five hundred fifty (550) pounds,**
- 37 **excluding any tangible personal property being transported;**
- 38 **and**
- 39 **(3) operates at speeds of less than ten (10) miles per hour**
- 40 **when on sidewalks, crosswalks, and other public rights-of-way**
- 41 **that are typically used by pedestrians.**
- 42 **Sec. 11. "Qualified retail delivery" means:**



- 1 **(1) a retail transaction that:**
- 2 **(A) is subject to the gross retail tax under IC 6-2.5 and is**
- 3 **not an exempted transaction; and**
- 4 **(B) involves delivery by a motor vehicle owned or operated**
- 5 **by:**
- 6 **(i) the retail merchant;**
- 7 **(ii) the marketplace facilitator;**
- 8 **(iii) a DNC driver; or**
- 9 **(iv) any other person that is not an exempted entity;**
- 10 **to the purchaser; or**
- 11 **(2) a transaction facilitated by a transportation network**
- 12 **company to provide a ride to a TNC rider by a TNC driver.**

13 **Sec. 12. "Retail merchant" has the meaning set forth in**
 14 **IC 6-2.5-1-8.**

15 **Sec. 13. "Retail transaction" has the meaning set forth in**
 16 **IC 6-2.5-1-2.**

17 **Sec. 14. "TNC driver" has the meaning set forth in**
 18 **IC 8-2.1-17-19.**

19 **Sec. 15. "TNC rider" has the meaning set forth in**
 20 **IC 8-2.1-17-20.**

21 **Sec. 16. "Transportation network company" or "TNC" has the**
 22 **meaning set forth in IC 8-2.1-17-18.**

23 **Chapter 2. Adoption Procedures; Effective Date of County**
 24 **Option Retail Delivery Fee; Repeal Procedures**

25 **Sec. 1. (a) The fiscal body of a county may adopt an ordinance**
 26 **to impose a county option retail delivery fee, known as the county**
 27 **retail delivery fee, in an amount of at least fifty cents (\$0.50) and**
 28 **not more than one dollar (\$1), on qualified retail deliveries:**

- 29 **(1) to a purchaser located in the county; or**
- 30 **(2) in which the ride provided to the TNC rider by the TNC**
- 31 **driver originates in the county.**

32 **(b) If a fiscal body adopts an ordinance under subsection (a), the**
 33 **county retail delivery fee applies to retail transactions, transactions**
 34 **facilitated by a delivery network company, or transactions**
 35 **facilitated by a transportation network company, that occur the**
 36 **first day of the month specified in the ordinance, which must be at**
 37 **least one hundred twenty (120) days after the date the ordinance**
 38 **is adopted.**

39 **Sec. 2. If a fiscal body adopts an ordinance under section 1 of**
 40 **this chapter, the fiscal body must immediately send a certified copy**
 41 **of the ordinance to the commissioner of the department. The**
 42 **department shall collect the county retail delivery fee for periods**



1 beginning on the effective date specified in the ordinance.

2 **Sec. 3.** A fiscal body may repeal an ordinance adopted by the
3 fiscal body under section 1 of this chapter with an effective date on
4 the first day of the month which must be at least sixty (60) days
5 after the fiscal body votes to repeal the ordinance adopted under
6 section 1 of this chapter.

7 **Chapter 3. Imposition and Administration of County Option**
8 **Retail Delivery Fee**

9 **Sec. 1.** If the fiscal body adopts an ordinance to impose a county
10 retail delivery fee under IC 36-9.5-2-1, a county retail delivery fee
11 in the amount adopted by the county under IC 36-9.5-2-1, is
12 imposed on each qualified retail delivery:

- 13 (1) made to a purchaser located in the county; or
14 (2) in which the ride provided to the TNC rider by the TNC
15 driver originates in the county.

16 **Sec. 2. (a)** A qualified retail delivery that includes only tangible
17 personal property exempt from the gross retail tax under IC 6-2.5
18 is exempt from the county retail delivery fee imposed by section 1
19 of this chapter.

20 (b) The county retail delivery fee imposed by section 1 of this
21 chapter is imposed once per retail transaction regardless of the
22 number of shipments necessary to deliver the items of tangible
23 personal property purchased or of the number of items of tangible
24 personal property purchased.

25 **Sec. 3. (a)** A marketplace facilitator subject to the requirements
26 to collect gross retail tax on its own transactions or on behalf of its
27 sellers in accordance with IC 6-2.5-4-18, a transportation network
28 company, and a delivery network company are all required to
29 remit any county retail delivery fee imposed by this chapter on
30 transactions that it facilitates in accordance with section 4 or 5 of
31 this chapter.

32 (b) Regardless of whether a qualified retail delivery under this
33 chapter is made by the marketplace facilitator on its own behalf or
34 facilitated on behalf of a seller, a marketplace facilitator is
35 required to remit the county retail delivery fee imposed by this
36 chapter to the department in accordance with section 6 of this
37 chapter.

38 **Sec. 4. (a)** The retail merchant (if the retail merchant makes the
39 delivery), marketplace facilitator, transportation network
40 company, or delivery network company may, but is not required
41 to, collect the county retail delivery fee from the purchaser or TNC
42 rider. However, if the retail merchant, marketplace facilitator,



1 transportation network company, or delivery network company
2 does not collect the county retail delivery fee from the purchaser
3 or TNC rider, the retail merchant, marketplace facilitator,
4 transportation network company, or delivery network company is
5 required to remit the county retail delivery fee paid by the retail
6 merchant, marketplace facilitator, transportation network
7 company, or delivery network company under section 5 of this
8 chapter in lieu of collecting the county retail delivery fee.

9 (b) If the retail merchant (if the retail merchant makes the
10 delivery), marketplace facilitator, transportation network
11 company, or delivery network company collects the county retail
12 delivery fee from the purchaser:

13 (1) the county retail delivery fee must be charged in addition
14 to any other delivery fee;

15 (2) the retail merchant (if the retail merchant makes the
16 delivery), marketplace facilitator, transportation network
17 company, or delivery network company must show the total
18 of the county retail delivery fee and other delivery fees as
19 separate items and distinct from the sales price and any other
20 taxes or fees imposed on the retail delivery on the purchaser's
21 receipt, invoice, or other bill of sale. The receipt, invoice, or
22 other bill of sale must state the county retail delivery fee as
23 "county retail delivery fee"; and

24 (3) the county retail delivery fee is excluded from the gross
25 retail income for purposes of the gross retail tax imposed
26 under IC 6-2.5, if the county retail delivery fee is separately
27 stated on the invoice, the bill of sale, or a similar document
28 given to the purchaser.

29 (c) If a retail merchant or marketplace facilitator collects the
30 county retail delivery fee from the purchaser, the county retail
31 delivery fee imposed by section 1 of this chapter is nonrefundable
32 if any or all items purchased are returned to a retail merchant or
33 marketplace facilitator or if the retail merchant or marketplace
34 facilitator provides a refund or credit in an amount equal to or less
35 than the purchase price. However, the county retail delivery fee
36 must be refunded by the retail merchant or marketplace facilitator
37 to the purchaser if the qualified retail delivery is canceled by the
38 purchaser, retail merchant, or marketplace facilitator.

39 (d) A retail merchant (if the retail merchant makes the
40 delivery), marketplace facilitator, transportation network
41 company, or delivery network company that collects the county
42 retail delivery fee from the purchaser or TNC rider under this



1 section holds those county retail delivery fees in trust for the state
 2 and is personally liable for the payment of the county retail
 3 delivery fees, plus any penalties and interest attributable to the
 4 county retail delivery fees, to the state.

5 (e) Upon the request of the department, a marketplace
 6 facilitator shall provide information listing the county retail
 7 delivery fees collected from purchasers in accordance with this
 8 article by the marketplace facilitator on behalf of each of its sellers
 9 for the period specified by the department.

10 (f) The department may share the information with the county
 11 in which the qualified retail deliveries occurred for the county in
 12 accordance with IC 6-8.1-3-7.1.

13 **Sec. 5. If the retail merchant (if the retail merchant makes the**
 14 **delivery), marketplace facilitator, transportation network**
 15 **company, or delivery network company elects to pay the county**
 16 **retail delivery fee in lieu of collecting the county retail delivery fee**
 17 **from the purchaser or TNC rider under section 4 of this chapter:**

18 (1) the retail merchant (if the retail merchant makes the
 19 delivery), marketplace facilitator, transportation network
 20 company, or delivery network company may not add the
 21 county retail delivery fee to the price or charge for the
 22 qualified retail delivery showing the total of the fees as one (1)
 23 item called "retail delivery fee" that is separate and distinct
 24 from the price and any other taxes or fees imposed on the
 25 qualified retail delivery; and

26 (2) the purchaser or TNC rider is neither liable nor
 27 responsible for the payment of the county retail delivery fee.

28 **Sec. 6. (a) A retail merchant (if the retail merchant makes the**
 29 **delivery), marketplace facilitator, transportation network**
 30 **company, or delivery network company that makes a qualified**
 31 **retail delivery must file a return and remit the county retail**
 32 **delivery fees for each county that has adopted a county retail**
 33 **delivery fee. The county retail delivery fees must be reported on a**
 34 **return prescribed by the department.**

35 (b) The return and county retail delivery fee must be filed and
 36 paid using the reporting periods in the same manner as provided
 37 for the gross retail tax under IC 6-2.5-6-1.

38 (c) A retail merchant (if the retail merchant makes the delivery),
 39 marketplace facilitator, transportation network company, or
 40 delivery network company that collects the county retail delivery
 41 fee from the purchaser or TNC rider must collect the county retail
 42 delivery fee in the same manner as the gross retail tax is collected



1 under IC 6-2.5-6.

2 **Sec. 7.** The department may exercise all the powers conferred on
3 it under IC 6-8.1 for a listed tax when carrying out its
4 responsibility for the administration, collection, and enforcement
5 of the county retail delivery fee.

6 **Sec. 8.** A person may file a claim for a refund for a county retail
7 delivery fee in the same manner as provided for the gross retail tax
8 as described in IC 6-2.5-6-13 or IC 6-2.5-6-13.5.

9 **Sec. 9.** Not more than twenty-one (21) days after collecting the
10 county retail delivery fees, the department shall remit the county
11 retail delivery fees to the treasurer of the county that imposed the
12 county retail delivery fee. Concurrently with the remittance, the
13 department shall file a county retail delivery fee collections report
14 prepared on forms prescribed by the state board of accounts with
15 the county treasurer and the county auditor.

16 **Sec. 10. (a)** The county treasurer shall deposit the county retail
17 delivery fee revenue received from the department under section
18 9 of this chapter in a fund to be known as the "county retail
19 delivery fee fund".

20 **(b)** Before the twentieth day of each month, the county auditor
21 shall allocate the money deposited in the county retail delivery fee
22 fund during that month among the county and the cities and the
23 towns in the county. The county auditor shall allocate the money
24 to the county and cities and towns in the county as determined in
25 IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

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

32 **(d)** A county, city, or town may only use the county retail
33 delivery fee revenue it receives under this section for the purposes
34 described in IC 8-14-2-5.

35 **Sec. 11.** On or before October 1 of each year, the auditor of a
36 county that has adopted the county retail delivery fee shall provide
37 the county and each city and town in the county with an estimate
38 of the county retail delivery fee revenue to be distributed to that
39 unit during the next calendar year. The county, city, or town shall
40 include the estimated county retail delivery fee revenue in its
41 budget estimate for the calendar year.

42 SECTION 35. [EFFECTIVE JULY 1, 2025] (a) As used in this



1 SECTION, "department" means the Indiana department of
2 administration created by IC 4-13-1-2.

3 (b) As used in this SECTION, "Indiana road data" means
4 information, in any form, that:

5 (1) is controlled or readily accessible by the state of Indiana;
6 and

7 (2) can be used to provide information regarding:

8 (A) road and bridge conditions; and

9 (B) the deterioration or life cycle status of roads and
10 bridges.

11 (c) Not later than October 1, 2025, the department shall issue a
12 request for information regarding computer technology that can
13 be used to:

14 (1) enhance:

15 (A) the collection of Indiana road data;

16 (B) the evaluation of Indiana road data; and

17 (C) the display, visualization, and monitoring of data
18 concerning:

19 (i) the condition, maintenance, and repair of; or

20 (ii) other capital investment in;

21 Indiana roads based on Indiana road data; and

22 (2) allow members of the public to voluntarily submit data,
23 information, or other feedback regarding Indiana road
24 conditions for purposes of augmenting Indiana road data;
25 with the goal of better informing Indiana citizens and informing
26 decision making regarding road and bridge maintenance.

27 (d) The department shall report the results of the request for
28 information to:

29 (1) the legislative council (IC 2-5-1.1-1);

30 (2) the department; and

31 (3) the local technical assistance program at Purdue
32 University.

33 The information provided to the legislative council under this
34 subsection must be submitted in an electronic format under
35 IC 5-14-6.

36 (e) If the department receives no responses to the request for
37 information, the department shall report that result under
38 subsection (d).

39 (f) This SECTION expires December 31, 2026.

40 SECTION 36. An emergency is declared for this act.

