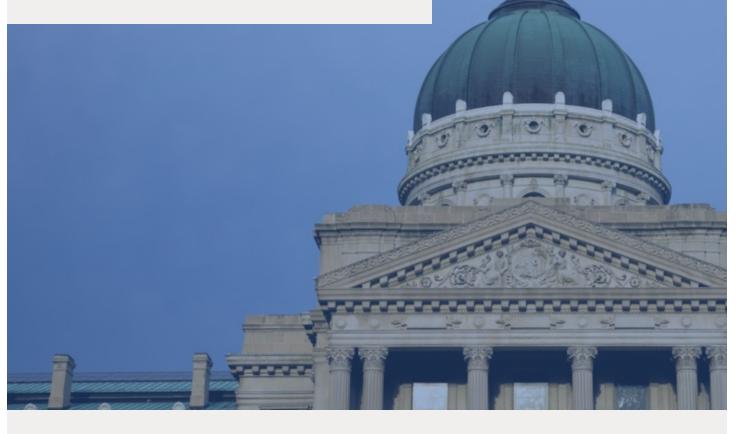
2024 GENERAL ASSEMBLY RECAP





A note to our digital readers: You may click the hyperlinks for more detailed information.



Our Mission

Aspire Economic Development + Chamber Alliance's mission is to drive economic development and business success in Johnson County and southern Indianapolis. As the local economic development organization for Johnson County, Aspire leverages community development opportunities to attract, retain, and expand businesses in the county. As a chamber of commerce, Aspire leads the area's business community by advancing progrowth policy and providing comprehensive member services to entrepreneurs, small businesses, and large corporations.

Why Public Policy Matters to Business

A healthy business environment is essential to growing the economy, creating jobs, and improving our quality of life. Decisions made by elected officials have a direct impact on business. Aspire's role is to advocate for business interest. We do this by convening forums with business leaders and elected officials and working directly with legislators on specific bills and issues. Our Business Advocacy Council monitors issues, recommends positions, and develops annual legislative priorities for the board of directors. Aspire is represented at the Statehouse by Torchbearer Public Affairs.

2024 LEGISLATIVE SESSION

After significant discussion that the 2024 General Assembly session was to be a "do nothing / emergency issues only" session, legislators debated and passed major pieces of policy with lots of fireworks until the very end.

It was another very productive and positive session for Aspire. We successfully advocated for our priorities to support workforce development. We supported other bills we believed to be good for business that did not pass, and we opposed some language we believed would stunt economic growth.

Nearly 175 pieces of legislation passed through both chambers. Governor Eric Holcomb vetoed just one. Here is a rundown of the 2024 session results, starting with Aspire's main efforts.

2024 ASPIRE PRIORITY: AVAILABILITY OF AFFORDABLE, QUALITY EARLY CHILDHOOD EDUCATION

Aspire's first priority issue continues to challenge working parents and plague employers. Aspire lobbied again this session to support other programmatic and regulatory opportunities to increase available seats. We supported three key bills.

As introduced, <u>HEA 1102</u> would address the high costs and lack of availability of childcare by easing regulations on home-based providers. The final compromise version, signed by the Governor, increases the maximum number of children allowed in an unlicensed home setting from five to seven and increases the time between license renewals for some childcare centers from two to three years. It includes limitations on the ability of local governments to use zoning ordinances to prohibit home-based childcare. School-based programs would be exempt from licensure if they meet health and safety regulations.

Meanwhile, <u>SEA 2</u> specifically addressed regulations hindering operations and accessibility. Most of what is in the bill comes from recommendations from last year's interim study committee of the Public Health Committee, establishing pilot "micro-facilities" which may increase access to care in previously underserved areas and provides a new format for child care settings. The bill lowers the minimum age of childcare workers from 21 to 18 and allows childcare workers access to childcare credits for their own children (a significant perk to employment) if they make 85% of the state's median income. Finally, the bill also includes a regulatory review and compensation study. The Governor signed this bill.

<u>SB 147</u> sought to provide childcare property tax exemptions but was not given a House hearing before the committee report deadline and died. Because the bill passed out of the Senate (and Aspire testified in support), its language was eligible for conference committee, but the language did not go into any final bills. We are hopeful this proposal will be reintroduced in 2025.

Here is how our delegation voted on the final version of <u>SEA 2</u>:

Sen. Rodric Bray	YES
Sen. Cyndi Carrasco	YES
Sen. Aaron Freeman	YES
Sen. Greg Walker	YES
Rep. Michelle Davis	YES
Rep. Robb Green	YES
Rep. Craig Haggard	YES
Rep. Peggy Mayfield	YES
Rep. Julie McGuire	YES
Rep. Mike Speedy	YES

2024 ASPIRE PRIORITY: _____ WORKFORCE DEVELOPMENT

HEA 1001, a priority bill for House Republicans, served as a follow-up to last year's HEA 1002, aimed at transforming high school education and establishing Career Scholarship Accounts (CSAs). This legislation underwent modifications, including the inclusion of funding for driver's education training (so that students can get to an internship), while the proposal to allocate 21st Century Scholarship and O'Bannon Scholarship funds to CSAs was removed. Ultimately, the bill enables siblings of students benefiting from Education Scholarship Accounts (ESAs), a program for students with disabilities, to qualify for their own ESAs.

Aspire advocated for this bill, supporting it in both House and Senate committees and engaging with the bill's author to request amendments, such as lifting the cap of five students for Career Discovery meetings and permitting live/synchronous sessions with intermediaries. These requests were not granted; however, we will optimistically pursue them again next session. The Governor signed the bill into law.

Here is how our delegation voted on the final version of HEA 1001:

YES
YES

ASPIRE FOCUS: SUPPORT FOR SMALL BUSINESS AND INNOVATION

Aspire testified in favor of <u>HB 1165</u>, a bill aimed at bolstering small businesses in Indiana. The proposed legislation suggested allocating 5% of state contracts to local businesses operating for less than five years and utilizing 5% of state workforce development funds to support startups. Additionally, it proposed waiving fees for filing articles of incorporation for domestic businesses. This pro-small business policy recognized the crucial growth period of early-stage companies, offering them visibility and potential growth opportunities.

The bill also introduced a regulatory sandbox program, allowing companies to seek waivers or suspensions of regulations and fees to enhance their market entry and competitiveness. By providing a variety of economic development tools, including the regulatory sandbox program, Indiana aims to attract and retain investment opportunities, fostering job creation and innovation.

It passed its originating committee but did not receive a hearing in House Ways and Means. Aspire's efforts to advance this legislation continue with ongoing discussions with the bill's author to support its passage in 2025.

ASPIRE FOCUS: SUPPORT REGIONAL DEVELOPMENT AND INFRASTRUCTURE

Despite increased bipartisan legislator frustration over continued attempts to influence local government from the Statehouse, it seemed <u>SB 52</u>, which threatened to kill IndyGo's Blue Line rapid bus route from the airport to downtown Indy, was likely to pass.

One of the major bills in the 2024 session sidelined IndyGo's promises to keep two traffic lanes open in the Blue Line plan. Despite facing potential doom just days earlier, the Blue Line survived in the legislature, saving millions spent on planning. A huge coalition of business and community groups including Aspire lobbied against the bill. Ultimately, the resolution came from within the Statehouse as legislators worked across the aisle to find a path forward.

OTHER SIGNIFICANT BILLS OF NOTE

Literacy

<u>SEA 1</u>, a Senate Republican priority, aims to address literacy and grade retention in elementary schools. The bill requires students to take the IREAD assessment at the beginning of second grade to allow time for remediation. Despite opposition, including concerns from groups like the Indianapolis Urban League and teachers' unions, the bill passed with amendments in the House. These included provisions for virtual assessments and requirements for summer school intervention. However, the removal of dyslexia-specific support caused a close vote in the Senate, with the bill passing and signed by the Governor.

Antisemitism

The bill to define antisemitism and ban it as a form a discrimination at educational institutions, <u>HB 1002</u>, gained life in the final hours of session. A key point of contention was the inclusion of the International Holocaust Remembrance Alliance (IHRA) definition of antisemitism, used by 35 states, the U.S. federal government, and 45 countries. It was included in the original House version of the bill but removed in the Senate. At the end of the conference committee process, an agreement emerged that retained the IHRA definition but removed the "contemporary examples" listed in the original House bill. The compromise version passed with a single no vote across both chambers.

However, this was the only bill the Governor vetoed this session. The Governor instead issued a <u>signed proclamation</u> condemning "all forms of antisemitism" that includes the full IHRA definition and examples.

Child Labor

<u>HEA 1093</u>, a bill extending the hours minors can work and removing certain provisions about the type of work they are allowed to perform, passed when the House concurred with the Senate's version of the measure in a vote of 62-31. The bill met controversy throughout the process with opponents challenging how more time at work would affect children's education. Republican supporters nevertheless emphasized the importance of learning life skills and saving money. The Governor signed the bill.

FSSA Attempt to Cut Attendance Care

Indiana's Family and Social Services Agency's (FSSA) proposed cuts to the attendant care program to address its \$1 billion deficit, sparking protests by family caregivers at the Statehouse. These protests led to the failure of FSSA's agency bill, <u>SB 256</u>, early in the session. Amendments were later added to SB 256 in the House to ensure more of the stipend for caregivers went directly to families and to increase reporting by FSSA. However, on the final day of the session, these provisions were removed from SB 256 and inserted into <u>HEA 1120</u> in a weaker form. Instead of specifying a percentage of funds for families, the bill now requires FSSA to set a minimum reimbursement percentage. The Governor signed it.

OTHER SIGNIFICANT BILLS OF NOTE

Economic Enhancement District (EDD)

The economic enhancement district established for Indy's mile square area stirred controversy once more this year with the introduction of <u>HEA 1199</u>, aimed at reversing the measure. After extensive testimony, the Senate Tax and Fiscal Policy Committee amended the bill to adjust tax rates for houses, commercial properties, and apartments, alongside introducing opt-in provisions, expanding the advisory board, and imposing boundary restrictions on the taxing district. Following these changes, the bill progressed smoothly through the session, receiving overwhelming support in both chambers. However, a last-minute addition to the Conference Committee Report (CCR) for <u>HEA 1120</u>, exempting single-unit residential housing from the district, surprised many on the final night of the session. Despite the passage of HEA 1199, the CCR language impacts the underlying policy. The Governor signed both bills.

Election Security

The Governor signed the controversial election security bill, <u>HEA 1264</u>. The bill will require new voters to provide proof of residency when registering in person unless they submit an Indiana driver's license or social security number that matches an Indiana record, which opponents say will be a challenge for college students, the homeless, and the elderly. The bill's proponents, meanwhile, say that it will protect against voter fraud.

Happy Hour

Happy hour is coming back to Indiana. <u>HEA 1086</u> was sent to conference committee back in late February after the Senate removed the carry-out cocktails provision. That language was restored, alongside the repeal of the ban on social hour drink discounts, gaining the approval of both chambers. Governor Holcomb signed the bill, but the measures do not go into effect until July 1, 2024. Until then, you must finish your margarita at the restaurant.

UP NEXT....

The 2025 session will be a budget year and the General Assembly has already announced its intentions to consider major overhauls to Indiana's tax code. Everything is on the table, so Aspire's Business Advocacy and Economic Development councils, along with our full board of Directors, will brush up on the tax code this year to prepare to voice our support and objections next year.



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