

2021 LEGISLATIVE SESSION RECAP



Aspire
economic development
+ chamber alliance

*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 pro-growth 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, Caryl Auslander, principal.

2021

Running a business is more challenging than ever, so it is critical Indiana offers the right tools and environment for business owners to grow and retain jobs. Aspire's priorities this session directly related to business operations: retaining talent, confidently running operations, and lowering costs.

It was critical, therefore, that the Indiana General Assembly convened its 2021 session to tackle the large issues facing our State during the COVID-19 pandemic. And so, they did, in an unprecedented fashion.

The House Chamber moved from the Capitol to the Indiana Government Center to allow for social distancing measures, and the Senate moved nearly half of its members up to the gallery to do the same. Committees met, but those who testified did so via Zoom in a separate room at the Capitol, usually 2-3 floors away from the committee members. As the pandemic showed signs of improvement, testifying returned to the same room, albeit with plexiglass shields and extra distancing. Legislators worked hard to maintain a fast pace - without shortchanging due diligence - and mitigate health and safety risks. Lobbyists worked hard at speed walking and sustaining phone battery power for virtual committee hearings.

Aspire ran with the best. We teamed up with a strong coalition of chamber lobbyists from around Indiana to remain effective in the legislative process. We had a very good session, making progress on three of our four priority issues. We opposed several measures which would have hampered economic development and business success, including threats to stall improvements to regional public transportation.

The biggest missed opportunity for the business community this session was adopting a Work Share program. Despite seven of eleven committee members sponsoring the bill, it did not receive a vote and died in committee.

Here is a recap of some of the major issues addressed during the 2021 session, beginning with Aspire's top priorities.

ASPIRE PRIORITY ISSUE: EMPLOYER COVID LIABILITY PROTECTIONS

Our position: Aspire supports efforts to protect employers from frivolous lawsuits who have complied with local, state, and federal recommendations and regulations during the COVID-19 pandemic. Businesses need assurance they can reopen and remain open without fear of unsubstantiated liability. Legislation that is targeted, temporary, and timely will allow for such protections. The legislation would be focused solely on the COVID-19 pandemic and would be temporary, starting from the day the state of emergency was declared and in effect only for a short period of time. It is important that such legislation be retroactive to ensure appropriate protection.

Aspire partnered with other chambers of commerce to host conversations with legislators about draft legislation. We spoke with legislators about our business community's concerns and our position, and we testified at committee hearings in support of the legislation.

The Legislation: Employer COVID liability was a top priority for both Senate and House Republicans. [SEA 1](#) quickly moved through the legislature, and Governor Holcomb signed it into law prior to the March Madness basketball tournament in Indianapolis. During the second half of session, [HEA 1002](#) was used to clean up language to cover those that were missed in [SEA 1](#), namely, EMS and higher education.

Here is how our delegation voted on [SEA 1](#) (House Third Reading, Senate Conference Committee Report).

Rep. Michelle Davis	YES
Rep. John Jacob	NO
Rep. Chris May	YES
Rep. Mike Speedy	YES
Rep. John Young	YES
Sen. Rod Bray	YES
Sen. Aaron Freeman	YES
Sen. Jack Sandlin	YES
Sen. Greg Walker	YES

ASPIRE PRIORITY ISSUE: BROADBAND

Our position: Aspire supports policies and increased funding opportunities to expand broadband in our community and throughout our state. Significant areas in both Johnson and adjacent counties lack acceptable speeds and access coverage. During the COVID-19 pandemic, our homes became our businesses, schools, doctor’s offices, and places of entertainment. In the 21st century, it is important everyone has access to adequate broadband to help our businesses grow and our communities thrive.

We spoke with legislators about our community’s need and our position. And we submitted letters in support of the following bills to the committee members hearing them.

The Legislation: We were very pleased with the variety of tools and solutions offered to improve Indiana’s broadband delivery. On the Senate side, a handful were passed. [SB 352](#), authored by Senator Erin Houchin (R-Salem), updated OCRA’s grant process to prioritize areas with slower speeds, and keep INDOT right of ways available to private broadband providers while mitigating disturbance to INDOT’s infrastructure. [SB 359](#), authored by Senator Scott Baldwin (R-Noblesville), requires INDOT to establish a broadband corridor program (“dig once program”). This encourages utilities to coordinate the timing of their deployment schedules with INDOT’s corridor development projects to minimize construction time and costs. [SB 377](#), authored by Senator Andy Zay (R-Huntington), creates a portal to report a lack of broadband access and map the need. Residents and business owners will be able to submit a notice that they are lacking adequate broadband coverage, and broadband providers will bid for grants to extend their broadband coverage to those locations.

On the House side, [HB 1449](#), authored by Representative Ed Soliday (R-Valparaiso), became the broadband funding omnibus bill. It specifically says that priority will be given to public educational facilities, health clinics, students, and rural areas lacking proper broadband access (in that order). It also enhances mapping, so we will have a clearer picture of which addresses need access. Moreover, the budget bill, [HEA 1001](#), included \$250 million for broadband expansion, as compared to the \$100 million in the last budget.

All four broadband bills have been signed into law. Here is how our delegation voted on the final versions.

Legislator	SB 352	SB 359	SB 377	HB 1449
Rep. Michelle Davis	YES	YES	YES	YES
Rep. John Jacob	NO	NO	NO	NO
Rep. Chris May	YES	YES	YES	YES
Rep. Mike Speedy	YES	YES	YES	YES
Rep. John Young	YES	YES	YES	YES
Sen. Rod Bray	YES	YES	YES	YES
Sen. Aaron Freeman	YES	YES	YES	YES
Sen. Jack Sandlin	YES	YES	YES	YES
Sen. Greg Walker	YES	YES	YES	YES

ASPIRE PRIORITY ISSUE: TOBACCO CESSATION

Our Position: Aspire supports an increase in the tax on tobacco and tobacco-related products, such as e-cigarettes. Healthcare costs are significant for Indiana businesses. Tobacco use is proven to cause health issues, as emphasized by the COVID-19 pandemic, and can affect productivity. To help control these costs, increasing the age to purchase and taxing such products will help curb the urge to start and continue the habit. Aspire’s preference would be that these funds be targeted to healthcare or smoking cessation programs.

We spoke with legislators about our business community’s concerns and our position, and we testified at committee hearings in support of the legislation.

The Legislation: HB 1434, which would have raised the cigarette tax by one dollar, passed through the House Public Health Committee 8-3. Because of its fiscal impact, it was sent to the House Ways and Means Committee but did not receive a hearing. The House did include a cigarette tax increase (50 cents a pack) in the House version of the budget, which would bring the tax to \$1.50 per pack. There was a corresponding increase for e-cigarette vapor products at ten percent of the retail gross price. The Senate removed the cigarette tax increase but left the e-cigarette tax in their version of the budget. The final budget did NOT include an increase in the cigarette tax but did include an electronic cigarette tax of fifteen percent (15%) of the gross retail income received by the retail dealer for the sale for e-liquids, and 25% for cartridges.

Legislators omitted the cigarette tax increase largely because of the overwhelming budget revenue forecast that allowed for an additional \$2B in the budget. However, raising the cigarette tax has never been about generating tax revenue; it is a matter of improving public health and business costs. But we were very pleased to see the new tax on electronic cigarettes.

Here is how our delegation voted on the final version of HEA 1001 which included the new tax on electronic cigarettes:

Rep. Michelle Davis	YES
Rep. John Jacob	NO
Rep. Chris May	YES
Rep. Mike Speedy	YES
Rep. John Young	YES
Sen. Rod Bray	YES
Sen. Aaron Freeman	YES
Sen. Jack Sandlin	YES
Sen. Greg Walker	YES

ASPIRE PRIORITY ISSUE: WORK SHARE

Our Position: Aspire supports creative alternative solutions to traditional unemployment, such as a Work Share program. A Work Share program would allow employers to reduce employee hours in lieu of complete separation. This would enable affected workers to continue working, receive some level of W2 wages, maintain access to company-sponsored benefits, and receive public unemployment benefits. This type of program benefits employers because they can retain talent in tough times, employees because they can retain a job and benefits, and the economy because it preserves economic output and requires less public expenditure.

We spoke with legislators about our business community's concerns and our position, and we signed onto a letter of support with other regional chambers of commerce. We also assisted in securing additional coauthors for the primary moving bill.

The Legislation: Although several Work Share bills were introduced, the only one given a hearing (in either the House or the Senate) was [SB 44](#), authored by Senator Eric Bassler (R-Washington). It was heard in the Senate Pensions and Labor Committee, but it was not given a vote, despite a majority of committee members having signed onto the bill as coauthors and would have voted to move it through. Rep. Ryan Hatfield (D-Evansville) tried to amend Work Share language into the budget bill, but the House rejected his amendment. Similarly, Senator Karen Tallian (D-Porter and LaPorte Counties) proposed an amendment to [HB 1152](#) which would have established a Work Share program. Unfortunately, we knew it was a long shot to pass this amendment in a bill related to unemployment insurance. The amendment failed 13-35, with all our delegation voting against the amendment.

Other work share bills that did not move were [HB 1235](#), authored by Rep. Jerry Torr, (R-Carmel), [HB 1277](#), authored by Rep. Ryan Hatfield, (D-Evansville), and [SB 312](#), authored by Sen. Shelli Yoder, (D-Bloomington).

This was a missed opportunity for the business community and State, especially since Congress specifically earmarked money in federal relief programs to aid states in establishing Work Share programs.

This is not the first year for Work Share at the Statehouse. Several bills started in and successfully passed the House the last several sessions, only to die in the Senate. After years of moving on this issue, the House deferred this issue to begin 2021 in the Senate. The coalition for an Indiana Work Share program continues to grow. New concepts sometimes require several sessions to educate, inform, and debate the right fit for Indiana. Aspire will play the long game.

OTHER BILLS OF IMPORTANCE:

Remote Worker Grants

[HB 1416](#), authored by Representative Martin Carbaugh (R-Fort Wayne), would have established the remote worker grant program. It passed 10-1 in the House Committee on Commerce, Small Business, and Economic Development, but it was not given a hearing in the Ways and Means Committee. There was no remote worker grant language in the budget bill. Aspire supported this bill because it directly supports the talent attraction goals in our new Economic Strategic Plan.

Pancake Tax Increment Finance (TIF) Districts

Johnson County is one of the five fastest growing counties in the State. Our County and cities have managed this growth well, while also sustaining a quality sense of place and keeping our tax environment low during this evolution. This growth has stretched our infrastructure spending and will further do so. [HB 1271](#) sought to remove the ability for a parcel to be subject to more than one TIF allocation area. Aspire opposed this language in the bill because it would have eliminated a tool in our economic development toolkit that could help us meet demand for future growth.

We met with the bill's Senate sponsors to express our concern and position. We then testified at the Senate Tax and Fiscal Policy Committee. Unfortunately, it passed the committee and subsequently passed the Senate. Because [HB 1271](#) was amended in the Senate, it went to conference committee to reconcile the different adopted versions. Aspire met with the bill's author, Rep. Leonard (R-Huntington) in a final attempt to make our case but Rep. Leonard held strong convictions against the concept of pancake TIFs. The House concurred with the Senate's amendments and the Governor signed the bill.

Small Business Restart Grant Program

[HEA 1004](#) passed through the House Ways and Means Committee 23-0. It passed through the full House 93-3. In the Senate, it was referred to the Appropriations Committee, where it passed 12-0. The Senate adopted an [amendment](#) from Senator Ryan Mishler (Chair of the Appropriations Committee) on Second Reading, which changed the bill from thirty million to sixty million and changed it from utilizing state dollars to federal dollars from the CARES Act. It passed the full Senate 48-0, and the House concurred with the Senate's version of the bill 94-3. [Governor Holcomb has signed it into law](#). Aspire supported this bill because it provides direct relief to small businesses.

Workplace Immunization Prohibition

[SB 74](#), authored by Senator Kruse (R-Auburn), would have made it so employers could not require ANY vaccination as a condition of employment if the employee had a medical, religious, or other "conscience" objection. Aspire opposed the bill because it would have meant all employers, including hospital and health care providers, would be prohibited from requiring employees to take even the seasonal flu shot as a matter of safety for their patients. And its broad language goes beyond religious and medical objections, allowing an employee to object for any reason of their choice (of "conscious"). Worse yet, the bill would have allowed employees to take civil action against an employer.

The bill was heard in the Senate Pensions and Labor Committee but did not receive a vote and died. However, language was inserted late in the session into [HEA 1405](#) that would prevent a local unit of government from requiring vaccination passports. Businesses were excluded from this language.

OTHER BILLS OF IMPORTANCE:

Transit

SB 141, authored by Senator Aaron Freeman (R-Indianapolis) sought to withhold 10% of local income tax revenue from IndyGo until it meets a fundraising threshold established in a 2014 law. It also would have prevented IndyGo from moving forward with expansion projects, like the Blue and Purple lines, until it secured private funding. Aspire joined other Central Indiana chambers to oppose this bill because Marion County is the foundation to a regional transit system, including into Johnson County.

IndyGo officials said that if the bill were to pass, more than \$177 million in federal funding dedicated for the Blue and Purple lines would have been in jeopardy because lack of funding could cause the agency to have to delay and/or redesign the projects.

The Senate Appropriations Committee approved the bill 7-5 after a committee member changed his vote from “no” to “yes” to allow the bill to move to the Senate. Aspire expressed our concern with the bill and our position to our Senate delegation. Sadly, the bill passed the full Senate 32-17 with our Senate delegation supporting the bill.

When the bill went to the House, it received a hearing, but not a vote, in the Roads and Transportation Committee.

Senator Freeman then proposed an amendment to a utilities bill (**HEA 1191**) which would have required IndyGo to reimburse utilities for costs associated with the development of their rapid bus line routes, even retroactively for the development of the now complete Red Line. The financial impact to this amendment would have been even greater than the 10% fundraising threshold. The amendment was adopted after a long debate on if the amendment was germane to the bill. Senator Walker was the only member of our Senate delegation to vote no.

Because of the Senate amendment, HB 1191 went to conference committee to reconcile the different adopted versions. Aspire continued to push legislators to remove the anti-IndyGo language. In the final version of the conference committee report, the amendment was removed, and the issue died.

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