
HOUSE BILL No. 1461

AM146111 has been incorporated into introduced printing.

Synopsis: Road funding.

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2025

IN 1461—LS 7736/DI 137



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

2025

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

- (1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than twenty-five dollars (\$25).

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

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

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than fifty dollars (\$50).

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

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

- (1) Impose the county vehicle excise tax at the same rate or amount on each vehicle that is subject to the tax.
- (2) Impose the county vehicle excise tax on vehicles subject to the tax at one (1) or more different rates based on the class of vehicle listed in IC 6-6-5-2(a).

(e) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(f) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the county vehicle excise tax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

(g) Except as provided under section 7.5 of this chapter (before its expiration on December 31, 2023) and subject to subsection (h), a county vehicle excise tax imposed by this chapter for a vehicle is due and shall be paid each year at the time the vehicle is registered.

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(h) If the county vehicle excise tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county vehicle excise tax imposed by this chapter for the:

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

(i) **Beginning July 1, 2025, if a county containing a consolidated city uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:**

- (1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or**
- (2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than one hundred fifty dollars (\$150).**

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

SECTION 3. IC 6-3.5-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. **(a) Except as provided in subsection (b),** in the case of a county that contains a consolidated city, the city-county council may appropriate money derived from the surtax to the department of transportation established by IC 36-3-5-4 for use by the department under law. The city-county council may not appropriate money derived from the surtax for any other purpose.

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

SECTION 4. IC 6-3.5-5-2, AS AMENDED BY P.L.178-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The adopting entity of any county may, subject to the limitation imposed by subsection (b), adopt an ordinance to impose a county wheel tax in accordance with this chapter on each vehicle that:

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



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

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

(1) may not be less than five dollars (\$5) and may not exceed forty dollars (\$40), if the county does not use a transportation asset management plan approved by the Indiana department of transportation; or

(2) may not be less than five dollars (\$5) and may not exceed eighty dollars (\$80), if the county uses a transportation asset management plan approved by the Indiana department of transportation.

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

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

(e) If the county wheel tax imposed by this chapter was not paid for one (1) or more preceding years, the bureau may collect only the county wheel tax imposed by this chapter for the:

(1) registration year immediately preceding the current registration year;

(2) current registration year; and

(3) registration year immediately following the current registration year.

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

SECTION 5. IC 6-3.5-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. (a) **Except as provided in subsection (b),** in the case of a county that contains a

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consolidated city, the city-county council may appropriate money derived from the wheel tax to:

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

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

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

SECTION 6. IC 8-14-1-1, AS AMENDED BY P.L.185-2018, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. As used in this chapter:

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

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

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

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

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

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

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

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

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

24 SECTION 7. IC 8-14-1-4, AS AMENDED BY P.L.179-2023,
 25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2025]: Sec. 4. (a) The funds allocated to the respective
 27 counties of the state from the motor vehicle highway account shall
 28 annually be budgeted as provided by law, and, when distributed shall
 29 be used for construction, reconstruction, preservation, and maintenance
 30 of the highways of the respective counties, including highways which
 31 traverse the streets of incorporated towns, the cost of the repair and
 32 maintenance of which prior to the tenth day of September, 1932, was
 33 paid from the county gravel road repair fund excepting where the
 34 department is charged by law with the maintenance or construction of
 35 any such highway so traversing such streets. Subject to subsection (b),
 36 any surplus existing in the funds at the end of the year shall thereafter
 37 continue as a part of the highway funds of the said counties and shall
 38 be rebudgeted and used as already provided in this chapter. The
 39 purchase, rental and repair of highway equipment, painting of bridges
 40 and acquisition of grounds for erection and construction of storage
 41 buildings, acquisition of rights of way and the purchase of fuel oil, and

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supplies necessary to the performance of construction, reconstruction, preservation, and maintenance of highways, shall be paid out of the highway account of the various counties.

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

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

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

(1) beginning after June 30, 2026; and

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

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

(c) If in the preceding calendar year:

(1) a county's highways have an average PASER rating of at least six (6); and

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

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

SECTION 9. IC 8-14-1-5, AS AMENDED BY P.L.179-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 5. (a) Subject to subsection (c), all funds allocated to cities and towns from the motor vehicle highway account shall be used by the cities and towns for the construction, reconstruction, preservation, repair, maintenance, oiling, sprinkling, snow removal, weed and tree cutting and cleaning of their highways as herein defined, and including also any curbs, and the city's or town's share of the cost**



of the separation of the grades of crossing of public highways and railroads, the purchase or lease of highway construction, preservation, and maintenance equipment, the purchase, erection, operation and maintenance of traffic signs and signals, and safety zones and devices, and the painting of surfaces in highways for purposes of safety and traffic regulation. All of such funds shall be budgeted as provided by law.

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

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

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

SECTION 10. IC 8-14-1-5.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 5.1. (a) This section applies:**

(1) beginning after June 30, 2026; and

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

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

(c) If in the preceding calendar year:

(1) a city or town's highways have an average PASER rating of at least six (6); and

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

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



SECTION 11. IC 8-14-3-3, AS AMENDED BY P.L.10-2019, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. **(a) As used in this section, "PASER" refers to the pavement surface evaluation and rating system used as part of a transportation asset management plan submitted to the local technical assistance program at Purdue University.**

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

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

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

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

SECTION 12. IC 8-14.5-6-1, AS AMENDED BY P.L.218-2017, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. Except as provided in sections 2 and 5 of this chapter, the authority may, by resolution, issue and sell bonds or notes of the authority for the purpose of providing funds to carry out the provisions of this article with respect to the construction of a project or projects or the refunding of any bonds or notes, together with any reasonable costs associated with a refunding. ~~However, except as provided in IC 8-15.5-5-6.1, the authority may not issue any bonds or notes for the construction of a project:~~

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

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

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

SECTION 13. IC 8-14.5-7-5, AS ADDED BY P.L.246-2005, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 5. The authority may, by resolution, ~~before July 1, 2009,~~ issue grant anticipation revenue bonds or notes for any purpose that is authorized by IC 8-14.5-6 and for which the department



may use federal highway revenues.

SECTION 14. IC 8-15-3-36, AS ADDED BY P.L.218-2017, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 36. (a) ~~Before July 1, 2017, the department shall submit a request to the Federal Highway Administration for a waiver to toll lanes on interstate highways. If~~

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

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

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

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

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

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

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

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

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

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

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

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

(8) ~~Any estimates of which highway facilities would be~~



conducive to tolling operations:

(9) Goals for participation by women-owned and minority owned business enterprises:

(10) Ways to maximize the use of Indiana workers and products made in Indiana:

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

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

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

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

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part



described in subdivision (3):

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

However, neither the authority nor the department may issue a request for proposals for a public-private agreement under this article that would authorize an operator to impose user fees unless the budget committee has reviewed the request for proposals.

(c) (b) Except as provided in subsection (b), Before the authority or an operator may carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:

(1) Imposing user fees on motor vehicles for use of Interstate Highway 69.

(2) **Except for a project for which a waiver is granted under IC 8-15-3-36**, imposing user fees on motor vehicles for use of a nontolled highway, roadway, or other facility in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes.

(d) (c) The general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement for a freeway project.

(e) (d) The authority may enter into a public-private agreement for a facility project if the general assembly, by statute, authorizes the authority to enter into a public-private agreement for the facility project.

(f) (e) As permitted by subsection (e), (d), the general assembly authorizes the authority to enter into public-private agreements for a state park inn and related improvements at Potato Creek State Park.

SECTION 16. IC 8-16-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. Notwithstanding IC 8-18-8-5, all municipal corporations and county executives may provide a cumulative bridge fund to provide funds for the cost of construction, maintenance, and repair of bridges, approaches, and grade separations **under their jurisdiction. However, in those counties**



in which a cumulative bridge fund has been established, the county executive is responsible for providing funds for all bridges, including those in municipalities, within the counties except those bridges on the state highway system. The county executive may use this fund for making county wide bridge inspection and safety ratings of all bridges in a county not on the state highway system. The inspection and safety ratings shall meet all the criteria of the National Bridge Inspection Standards promulgated by the Federal Highway Administration, U.S. Department of Transportation and shall be supervised and approved by a competent, qualified engineer, registered in the state.

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

- (1) a track or passageway for carrying traffic or moving loads; and
- (2) an opening measured along the center of the roadway of more than twenty (20) feet between under copings of abutments or spring lines of arches or extreme ends of opening for multiple boxes.

SECTION 18. IC 8-17-1-46 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 46. (a) A county is responsible for the construction, reconstruction, maintenance, and inspection of a bridge that meets the following requirements:**

- (1) Is located in the county, including a bridge that is located within the corporate limits of a municipality.
- (2) Has a span length greater than twenty (20) feet.
- (3) Is not part of the state highway system.
- (4) Meets either of the following:
 - (A) The bridge was inspected by the county after January 1, 2024.
 - (B) The bridge was added to the county inventory by the county executive after December 31, 2024.

(b) A municipality is responsible for the construction, reconstruction, and maintenance of a bridge that meets the following requirements:

- (1) Is located within the corporate limits of the municipality.
- (2) Has a span length equal to or less than twenty (20) feet.
- (3) Is not part of the state highway system.



1 **(c) A new bridge that may be the responsibility of the county**
 2 **under subsection (a) must be developed in consultation with the**
 3 **county.**

4 SECTION 19. IC 8-17-4.1-1, AS AMENDED BY P.L.185-2018,
 5 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2025]: Sec. 1. (a) This chapter applies to:

- 7 (1) all counties; and
 8 (2) municipalities with a population of at least ~~fifteen thousand~~
 9 ~~(15,000)~~ **five thousand (5,000).**

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

12 SECTION 20. IC 8-18-22-6, AS AMENDED BY P.L.256-2017,
 13 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2025]: Sec. 6. (a) Except as provided in subsection (b), the
 15 county fiscal body may pledge revenues for the payment of principal
 16 and interest on the bonds and for other purposes under the ordinance
 17 as provided by IC 5-1-14-4, including revenues from the following
 18 sources:

- 19 (1) The motor vehicle highway account.
 20 (2) The local road and street account.
 21 (3) The county vehicle excise tax.
 22 (4) The county wheel tax.
 23 (5) The local income tax (IC 6-3.6).
 24 (6) Assessments.
 25 (7) Any other unappropriated or unencumbered money.

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

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

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

38 SECTION 21. IC 8-23-30-1, AS ADDED BY P.L.146-2016,
 39 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2025]: Sec. 1. The following definitions apply throughout this
 41 chapter:

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- (1) "Eligible project" means a project:
- (A) that is undertaken by a local unit;
 - (B) that repairs or increases the capacity of local roads and bridges; and
 - (C) that is part of the local unit's transportation asset management plan.
- (2) "Fund" refers to the local road and bridge matching grant fund established by section 2 of this chapter.
- (3) "Local unit" means a county or municipality.
- (4) "Surtax" means the tax imposed in an ordinance adopted under:**
- (A) IC 6-3.5-4, in the case of a county; and**
 - (B) IC 6-3.5-10, in the case of a municipality.**
- ~~(4)~~ (5) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.
- (6) "Wheel tax" means the tax imposed in an ordinance adopted under:**
- (A) IC 6-3.5-5, in the case of a county; and**
 - (B) IC 6-3.5-11, in the case of a municipality.**

SECTION 22. IC 8-23-30-2, AS AMENDED BY P.L.165-2021, SECTION 134, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The local road and bridge matching grant fund is established to provide matching grants to local units for eligible projects.

(b) The department shall administer the fund.

(c) The fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Interest deposited in the fund under subsection (d).
- (3) Money deposited in or transferred to the fund from any other source.

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

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

(f) The state comptroller shall determine the balance of the money in the fund on June 30, 2025, and on June 30 of each state fiscal year thereafter. After determining the balance of money in the fund under this subsection, the money in the fund must be allocated in accordance with subsection (g) and transferred in



accordance with subsections (h) and (i).

(g) Beginning on June 30, 2025, and on June 30 of each state fiscal year thereafter, of the first two hundred million dollars (\$200,000,000) in the fund, the department must allocate the amount as follows:

(1) One hundred million dollars (\$100,000,000) must be set aside to make matching grants in the next state fiscal year to all local units other than local units described in subdivision (2).

(2) After making the allocation under subdivision (1), the next one hundred million dollars (\$100,000,000) must be set aside to make matching grants in the next state fiscal year only for the following local units:

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

(B) All cities.

(h) This subsection applies only to a state fiscal year ending on June 30, 2025. After the department allocates money in the fund under subsection (g), and only if the balance of money in the fund is more than two hundred million dollars (\$200,000,000), the state comptroller shall transfer the amount of money in the fund that is more than two hundred million dollars (\$200,000,000) to the department for deposit in the state highway road construction and improvement fund established under IC 8-14-10 for the department's use in financing a railroad crossing upgrade project as described in IC 8-14.5-8. Money transferred to the department under this subsection is continuously appropriated.

(i) This subsection applies to a state fiscal year ending on June 30, 2026, and on June 30 of each state fiscal year thereafter. After the department allocates money in the fund under subsection (g), and only if the balance of money in the fund is more than two hundred million dollars (\$200,000,000) shall transfer the amount of money in the fund that is more than two hundred million dollars (\$200,000,000) to the motor vehicle highway account established under IC 8-14-1 for distribution in accordance with IC 8-14-1.

~~(f)~~ (j) Money in the fund is continuously appropriated for the purpose of the fund.

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

(1) The department may distribute funds to a local unit that has



1 been approved for a grant under this chapter without budget
2 committee review.

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

6 SECTION 23. IC 8-23-30-3, AS AMENDED BY P.L.218-2017,
7 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2025]: Sec. 3. **(a) Subject to subsection (b)**, a local unit may
9 apply to the department for a grant from the fund for an eligible project
10 if the local unit:

11 (1) uses a transportation asset management plan approved by the
12 department; and

13 (2) commits to a local match by using one (1) or more of the
14 following:

15 (A) Any money the local unit is authorized to use for a local
16 road or bridge project.

17 (B) Money received by the local unit as a special
18 distribution of local income taxes under IC 6-3.6-9-17.

19 (C) Money in the local unit's rainy day fund under
20 IC 36-1-8-5.1.

21 The application must be in the form and manner prescribed by the
22 department.

23 **(b) Beginning January 1, 2028, a local unit must impose the**
24 **surtax and wheel tax to apply for a grant from the fund. This**
25 **subsection does not apply to a municipality that is not eligible to**
26 **adopt an ordinance to impose the surtax and the wheel tax.**

27 SECTION 24. IC 8-23-30-6, AS AMENDED BY P.L.218-2017,
28 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2025]: Sec. 6. If the department approves a grant to a local
30 unit under this chapter, the required local matching amount by the local
31 unit is equal to the following applicable percentage of the total cost of
32 the eligible project:

33 (1) For a county applicant, the following:

34 (A) Fifty percent (50%), if the county has a population
35 greater than or equal to fifty thousand (50,000).

36 (B) ~~Twenty-five~~ **Twenty** percent ~~(25%)~~, **(20%)**, if the
37 county has a population of less than fifty thousand (50,000).

38 (2) For a city or town applicant, the following:

39 (A) Fifty percent (50%), if the city or town has a population
40 greater than or equal to ten thousand (10,000).

41 (B) ~~Twenty-five~~ **Twenty** percent ~~(25%)~~, **(20%)**, if the city



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or town has a population of less than ten thousand (10,000).

SECTION 25. IC 8-23-30-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 7.5. (a) A local unit that is eligible to receive a grant from money allocated under section 2(g)(2) of this chapter is not eligible to receive a grant from money allocated under section 2(g)(1) of this chapter.**

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

SECTION 26. IC 34-28-5-5, AS AMENDED BY P.L.19-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 5. (a) A defendant against whom a judgment is entered is liable for costs. Costs are part of the judgment and may not be suspended except under IC 9-30-3-12. Whenever a judgment is entered against a person for the commission of two (2) or more civil violations (infractions or ordinance violations), the court may waive the person's liability for costs for all but one (1) of the violations. This subsection does not apply to judgments entered for violations constituting:**

(1) Class D infractions; or

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

(b) If a judgment is entered:

(1) for a violation constituting:

(A) a Class D infraction; or

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

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

the defendant is not liable for costs.

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

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

(1) violated:

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(A) a statute defining an infraction; or

(B) an ordinance; or

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

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

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

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

(f) The funds collected for an infraction judgment described in section 4(i) of this chapter shall be transferred to a dedicated toll revenue fund created as part of a project ~~under IC 8-15.5-1-2(b)(3);~~ **that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.** The money in the fund does not revert to the county general fund or state general fund and may be used only to pay the cost of operating, maintaining, and repairing the tolling system for a project ~~under IC 8-15.5-1-2(b)(3);~~ **that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky,** including major repairs, replacements, and improvements.

SECTION 27. IC 36-6-9-7, AS ADDED BY P.L.129-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. A township that meets the requirements of section 5 of this chapter must:

(1) adopt a capital improvement plan not later than September 30 ~~2020~~; **of each calendar year**; and

(2) submit a copy of the adopted capital improvement plan to the department of local government finance in the manner prescribed by the department.

SECTION 28. IC 36-6-10 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 10. Township Roads and Infrastructure Fund

Sec. 1. A township shall establish a fund for the improvement and maintenance of the roads and infrastructure within the township's boundaries.

Sec. 2. A township must enter into a written memorandum of



understanding with a city, town, or county, as applicable, for, subject to section 3 of this chapter, the transfer of funds from a fund established under section 1 of this chapter to the city, town, or county for the purpose of bidding out projects that are:

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

Sec. 3. A transfer of funds from a fund established under section 1 of this chapter for a purpose allowed under this chapter must be accomplished in the same manner that a township makes transfers from the rainy day fund as set forth in IC 36-1-8-5.1, except that the amount of the transfer of unobligated cash balances as described in IC 36-1-8-5.1(d)(2)(B)(iii) shall contribute thirty percent (30%) of the township's total annual budget adopted under IC 6-1.1-17.

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

SECTION 30. [EFFECTIVE JULY 1, 2025] (a) As used in this SECTION, "department" means the Indiana department of administration created by IC 4-13-1-2.

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

- (1) is controlled or readily accessible by the state of Indiana; and
- (2) can be used to provide information regarding:
 - (A) road and bridge conditions; and
 - (B) the deterioration or life cycle status of roads and bridges.

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

- (1) enhance:
 - (A) the collection of Indiana road data;
 - (B) the evaluation of Indiana road data; and
 - (C) the display, visualization, and monitoring of data concerning:
 - (i) the condition, maintenance, and repair of; or
 - (ii) other capital investment in;
- Indiana roads based on Indiana road data; and**



- 1 (2) allow members of the public to voluntarily submit data,
- 2 information, or other feedback regarding Indiana road
- 3 conditions for purposes of augmenting Indiana road data;
- 4 with the goal of better informing Indiana citizens and informing
- 5 decision making regarding road and bridge maintenance.
- 6 (d) The department shall report the results of the request for
- 7 information to:
- 8 (1) the legislative council (IC 2-5-1.1-1);
- 9 (2) the department; and
- 10 (3) the local technical assistance program at Purdue
- 11 University.
- 12 The information provided to the legislative council under this
- 13 subsection must be submitted in an electronic format under
- 14 IC 5-14-6.
- 15 (e) If the department receives no responses to the request for
- 16 information, the department shall report that result under
- 17 subsection (d).
- 18 (f) This SECTION expires December 31, 2026.
- 19 SECTION 31. An emergency is declared for this act.

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