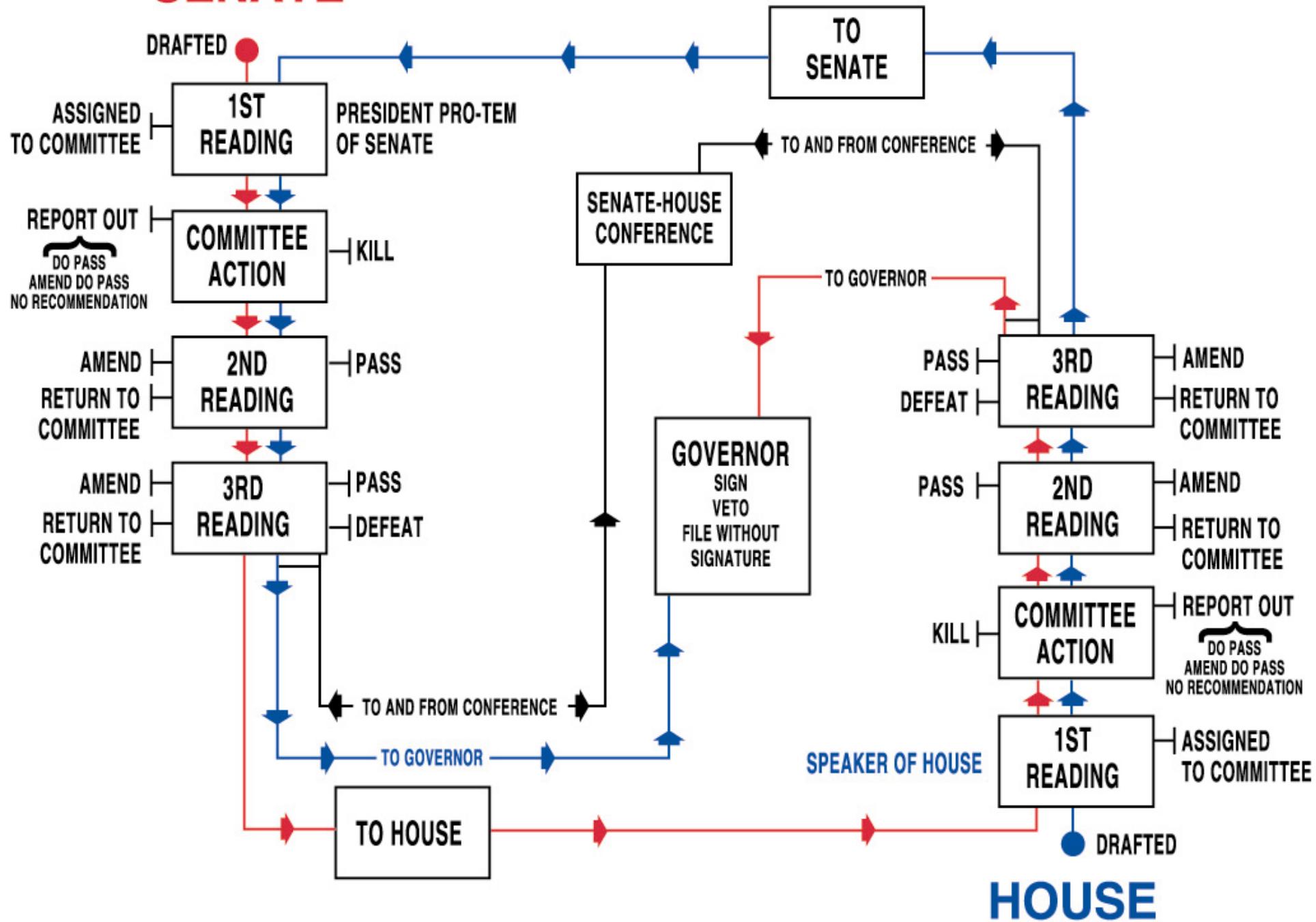


2016 Legislative Review



SENATE



2016 General Assembly

- **Started – January 5, 2016**
- **Ended – March 10, 2016**
- **50 Senators – Republican “Super” Majority; 40 Rs; 10 Ds**
- **100 Representatives – Republican “Super” Majority; 71 Rs; 29 Ds**

By the Numbers

- **841** - bills and joint resolutions introduced
- **572** - bills and joint resolutions at the “switch”
- **269** - bills and joint resolutions survived the first 3rd reading deadline
- **217** – bills eligible for Governor signature:
 - **105** - House Bills
 - **112** - Senate Bills
- **215 Signed by Governor; 2 vetoed**



800 Pound Gorilla Issues

- “Religious Freedom Restoration Act” (RFRA)
- Transportation Funding

RFRA (Died)

Support the expansion of equal protection under our state civil rights laws to individuals regardless of sexual orientation or gender identity.

Transportation

“Shorter-Term” Fix

- Senate/Governor “no new taxes”
- “Study” long-term road funding
- \$600M over two years for local government
- Allow increase in wheel tax or registration
- *(Watch next year for more work on this!!)*

Regional Cities

- \$84M from “tax amnesty program”
- South Bend, Fort Wayne and Evansville
- Added an additional \$42M

EDUCATION

Address the Potential Teacher Shortage

“Next Generation Hoosier Educators Scholarship”

- **\$10M; up to \$7,500/year**
- **Top 200 students; top 20% in class; top 20% SAT**
- **Teach in Indiana for 5 years**

More Teacher Shortage

- Provides career pathways and mentorship opportunities
- Attracts and retains strong teachers
- Supplemental pay for leadership roles
- “Stipend Matching Grant Program”
- Allows a “voucher” to follow the student
- Enhanced employee background checks

ISTEP

- Last year's administration of ISTEP a mess
- Teachers, schools and students have handled well
- Test as too long; scores were delayed; scores not accurate
- Allow a one-year pause for school and teacher accountability
- ISTEP phased out after 2017

HEALTH

Allergy Meds and Meth

- IF a relationship with a pharmacist – may buy allergy meds.
- If NO relationship – seller lesser amounts.

WATER

Mission

Continue working toward a statewide water policy to assure future resources and our economic future.

SB 347: "Water Resources"

- IFA water loss audit
- Well location QC
- Infrastructure assessment by 11/1/16

SB 257

Distressed Utilities

- Promotes the purchase of “distressed utilities”
- Better defines a “distressed utility”

SB 383

System Integrity Adjustments

- Promotes infrastructure improvements
- Facilitates approved charges recovery
- Estimated \$14B cost

Environmental

SB 255 “USTs”

- ***Over \$100M in ELF***
- ***Protect the Fund***
- ***Actuarial Study***
- ***Beneficial use of “extra” monies***
- ***Increase annual draw/company***

SB 366

Solid Waste Management Districts

- **Allows local units of government to chose whether they want a solid waste management district in their area.**
- ***“Shall” to “May”***
- **Demonstrate value**

SB 256

“Legitimate Use”

- **Creates a more-streamlined system to allow the re-use of a waste item as a feedstock.**
- **Saves money – feedstock/disposal fees**
- **Helps the environment/landfill space**

HB 1082

“No More Stringent Than”

- Rep. Wolkins introduced language – hard NMST line
- Senator Charbonneau “strip and insert” to have a “review” by Legislative Study Committee
- Wolkins amendment – not law until next Session “sine die”
- Governor vetoed; Legislative override??

Energy (Died)

“Competitive Procurement”

Would have required utilities to bid-out new generation and large pollution controls.

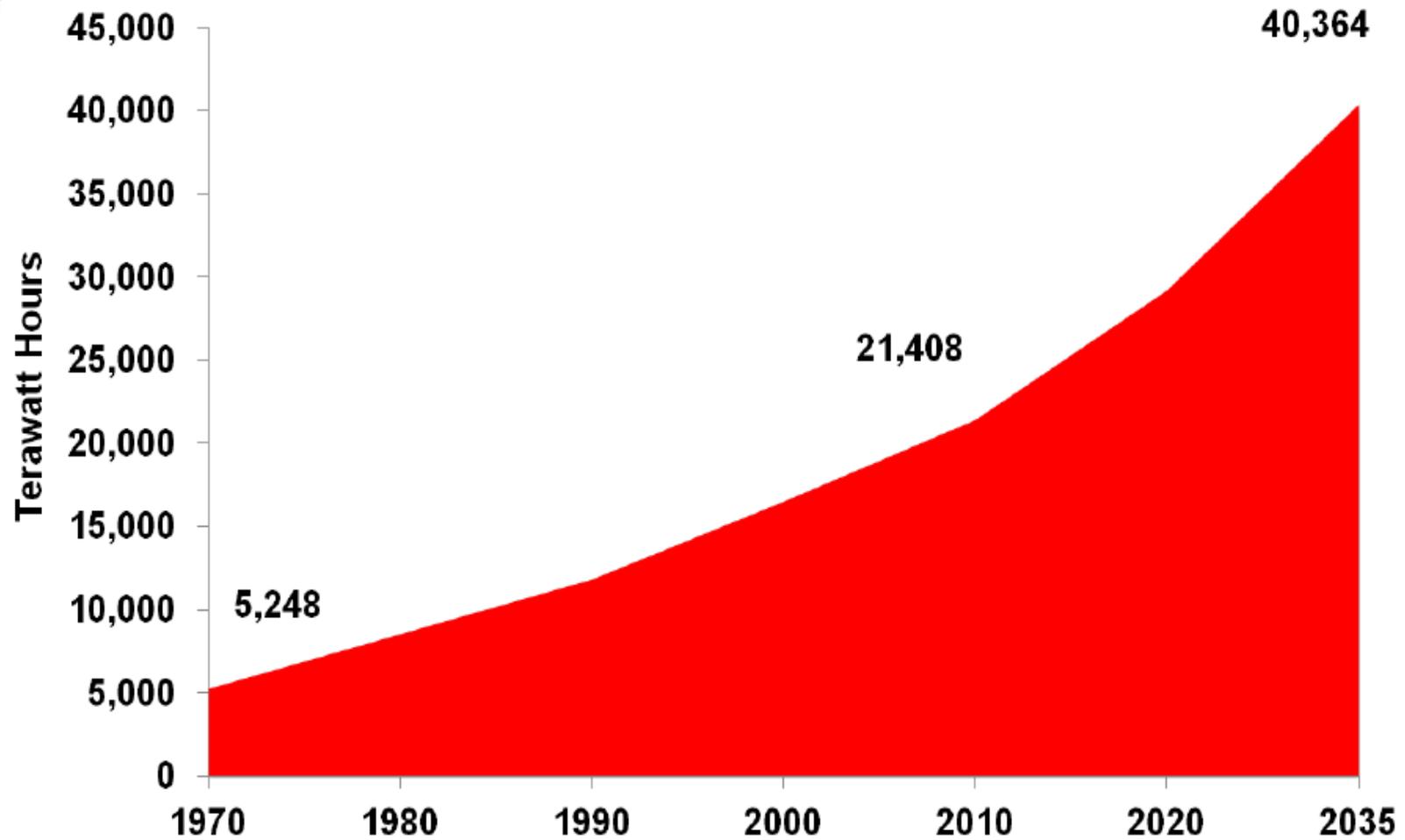
“In Fence” Generation

Create a more efficient process for large energy consumers to find a way to build “in fence” generation.

ENERGY

**WHAT
ABOUT
THE
WORLD??**

**WORLDWIDE
ELECTRICITY DEMAND
WILL INCREASE
670% IN JUST
TWO GENERATIONS!**



Source: IEA; WEO 2012 (Current Policy Scenario), WEO 2002, WEO 1996

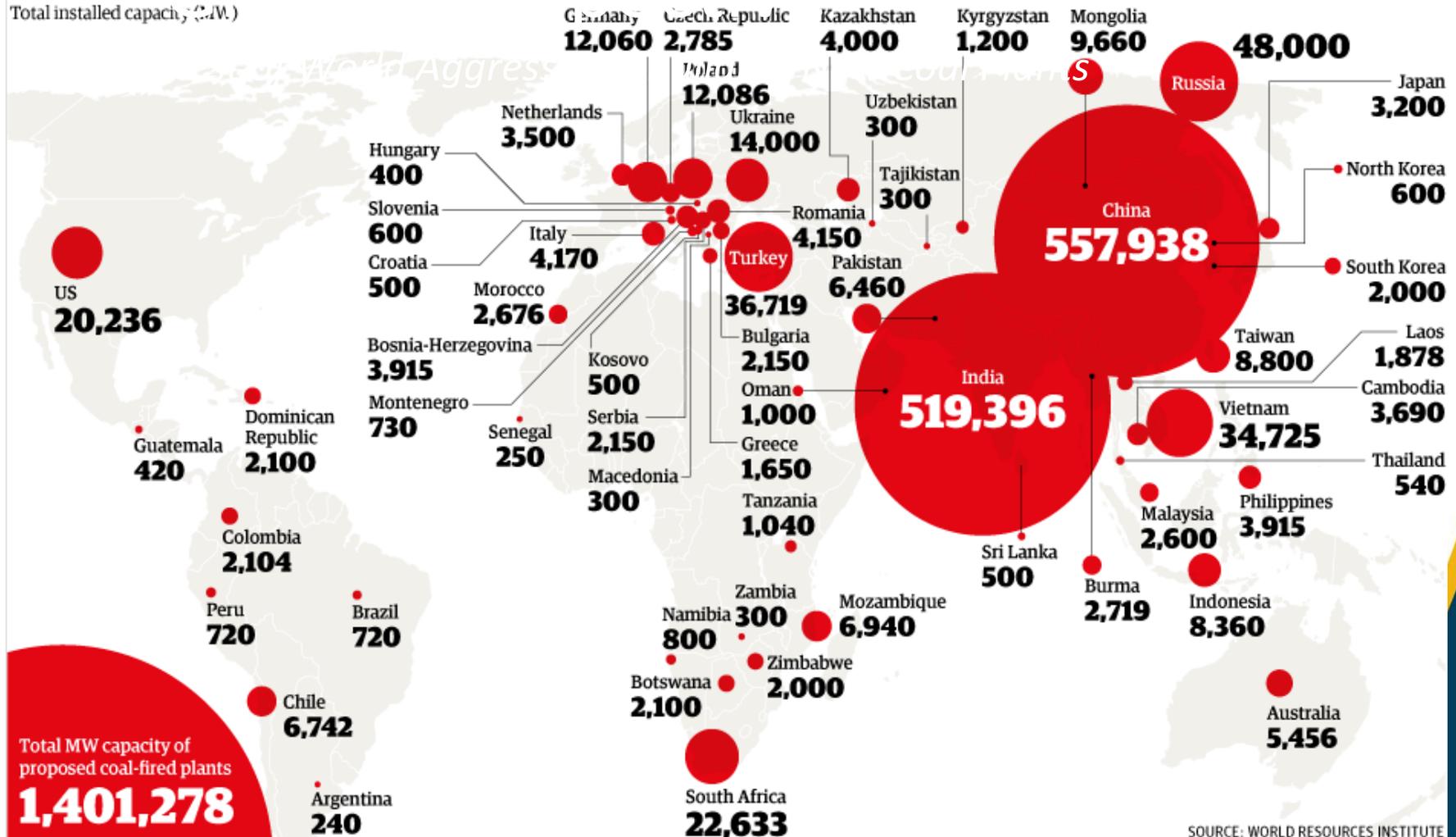
**INDIANA
CHAMBER**

Chart courtesy of Dr. Frank Clemente, Penn State Univ.

LEADING BUSINESS | ADVANCING INDIANA

Proposed coal-fired plants

Total installed capacity (MW)



Total MW capacity of proposed coal-fired plants
1,401,278

SOURCE: WORLD RESOURCES INSTITUTE

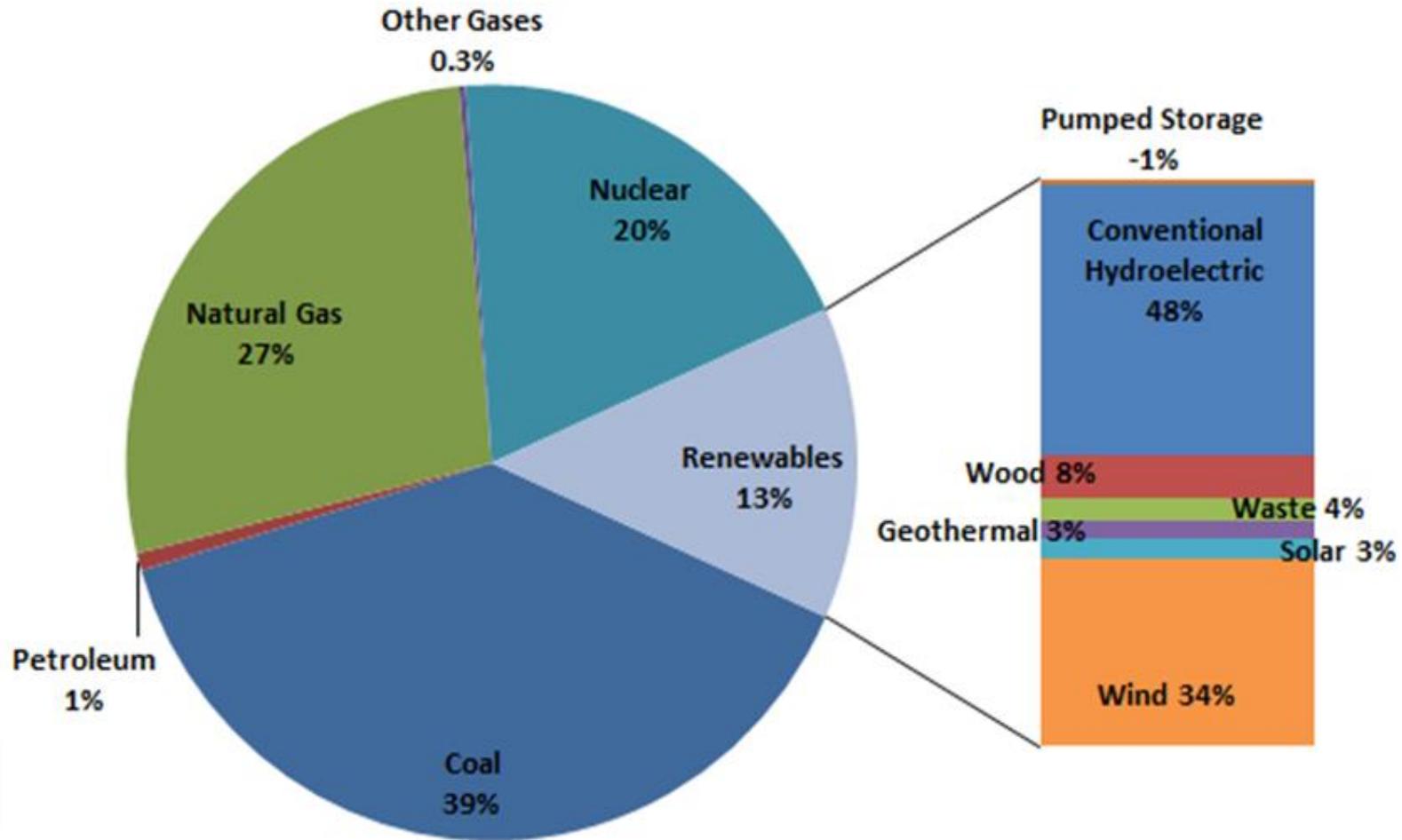
INDIANA CHAMBER

Data source: World Resources Institute; Image developed by Tim Channon (2012)

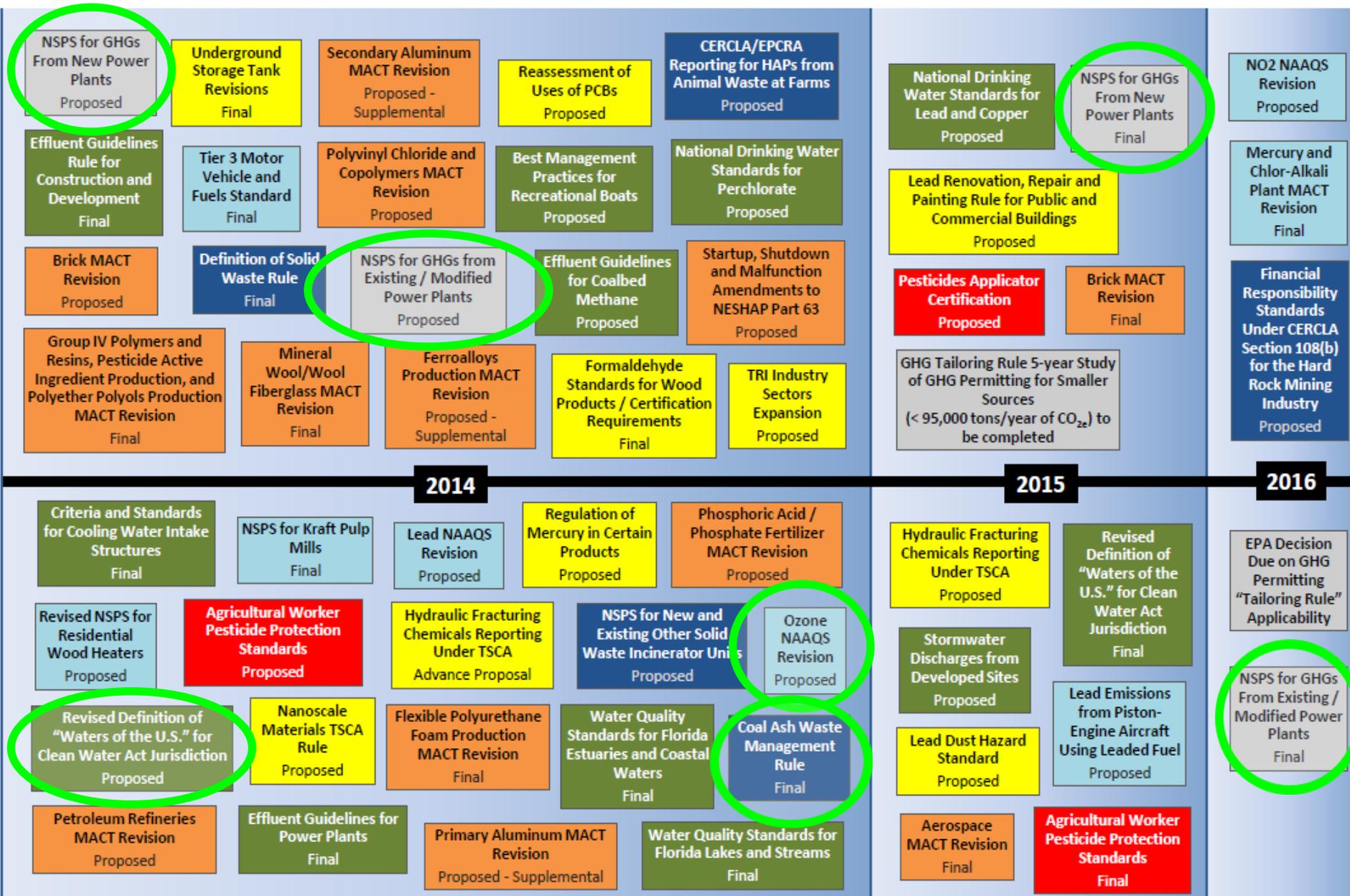
LEADING BUSINESS | ADVANCING INDIANA

**WHAT
ABOUT
THE
U.S.??**

Net U.S. electricity generation by energy source in 2014

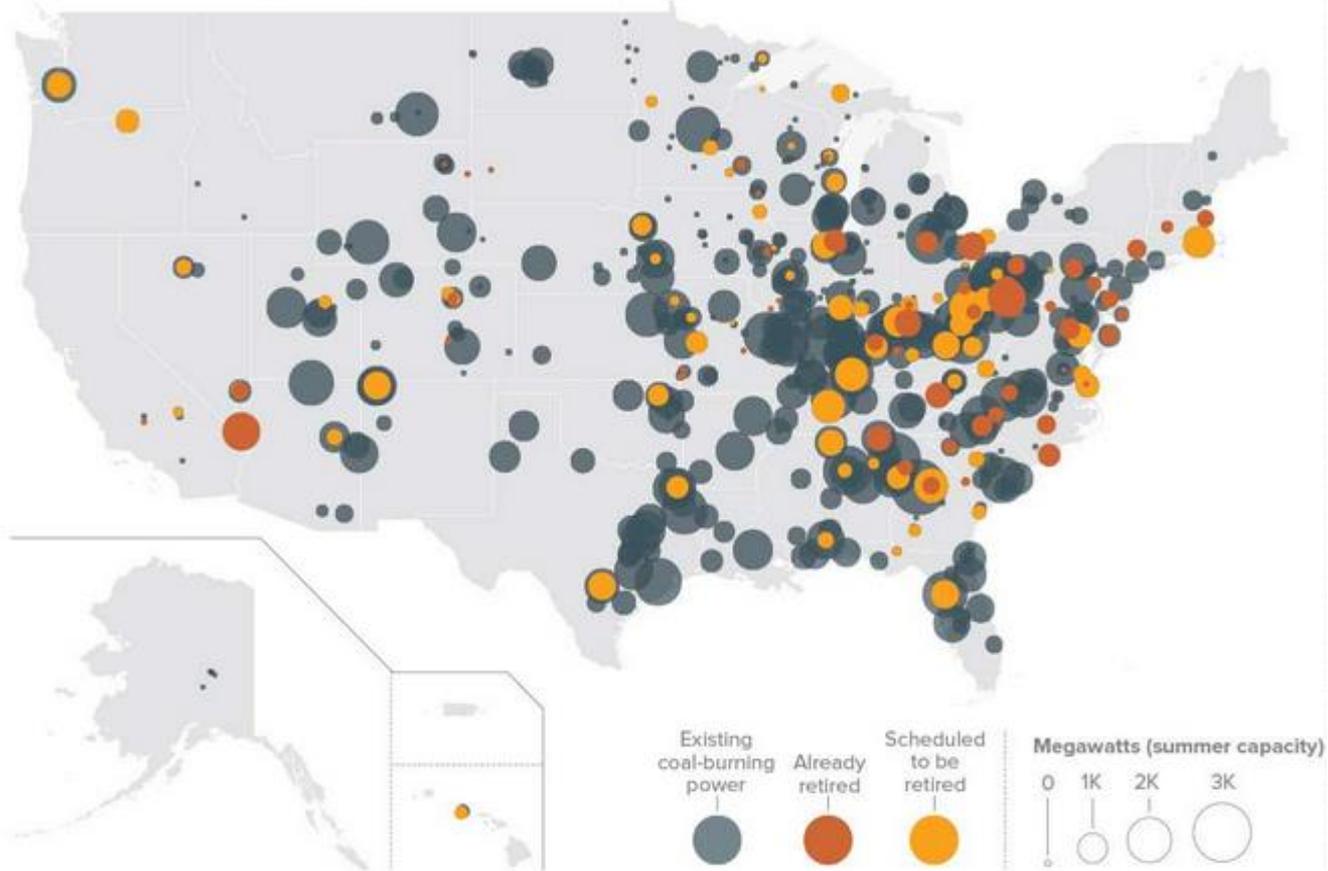


EPA'S RULEMAKINGS ON THE RUNWAY

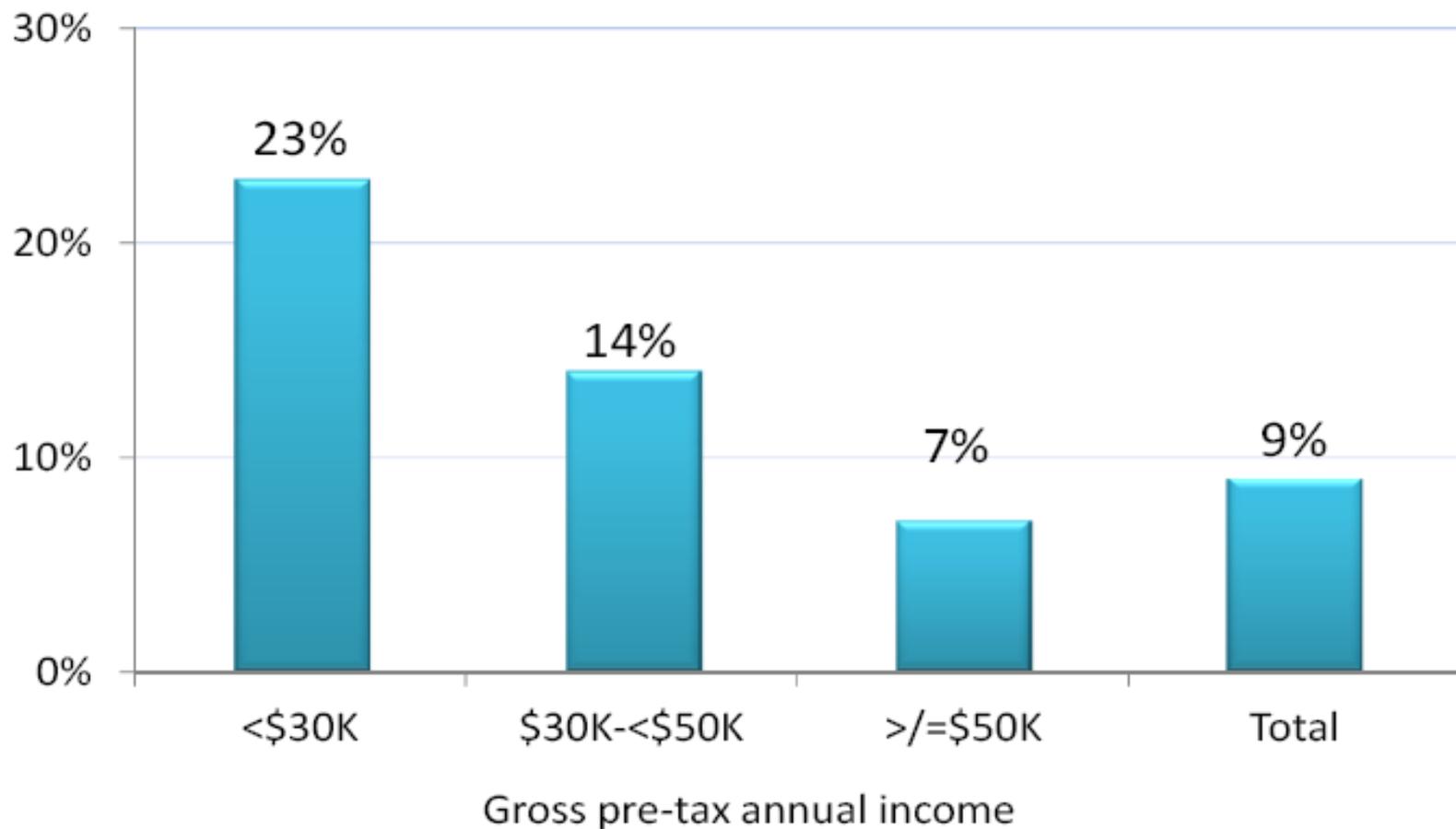


- >50 GW prematurely retired by 2020

COAL POWER, RETIRED (2012-14) AND SET FOR RETIREMENT (2015-23)



Estimated U.S. household energy costs as percentage of after-tax income



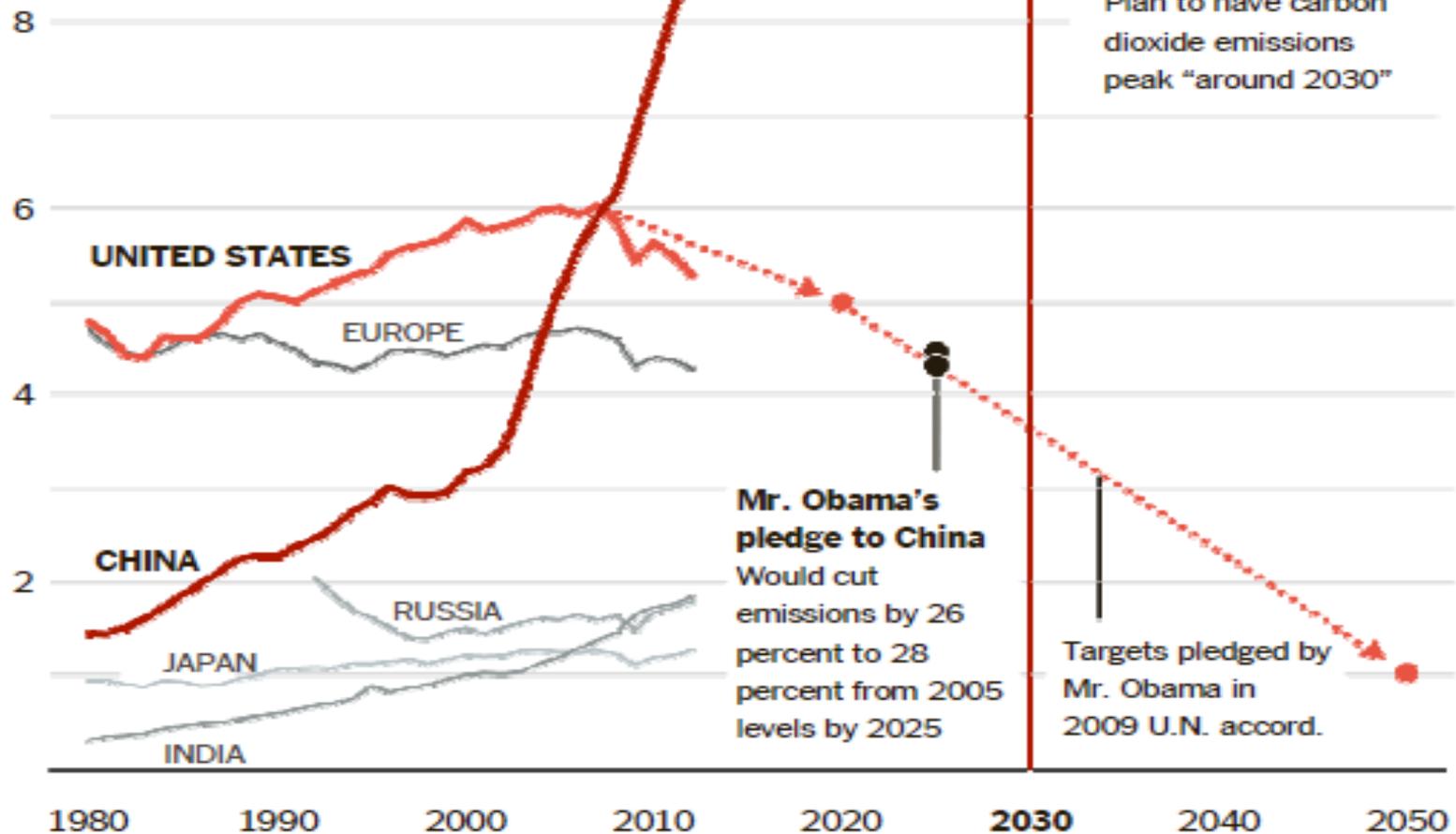
But Don't We Have a 'Deal'???

- November 11, 2014 announcement
- U.S. will decrease emissions 26-28 percent below 2005 levels by 2025.
- China “*targets* to peak CO2 emissions *around* 2030.”
- Lawrence Berkeley National Laboratory (2011)
 - China expected to plateau its carbon emissions around 2030 because of a projected slowdown in urbanization, population growth and heavy industry.

It Doesn't Look Like One...

Carbon emissions from energy consumption

Billions of metric tons



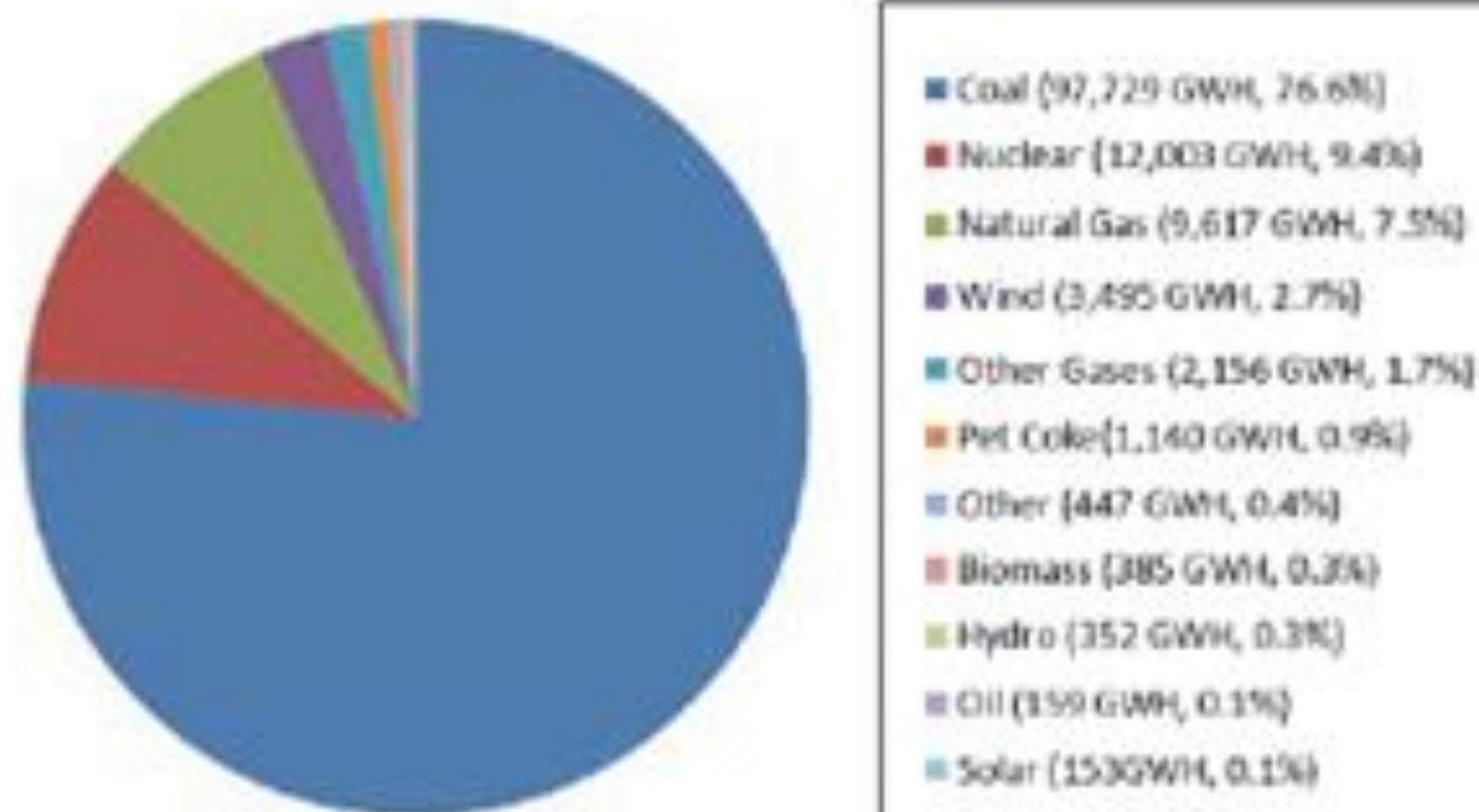
WHAT ABOUT INDIANA??

ADEQUATE

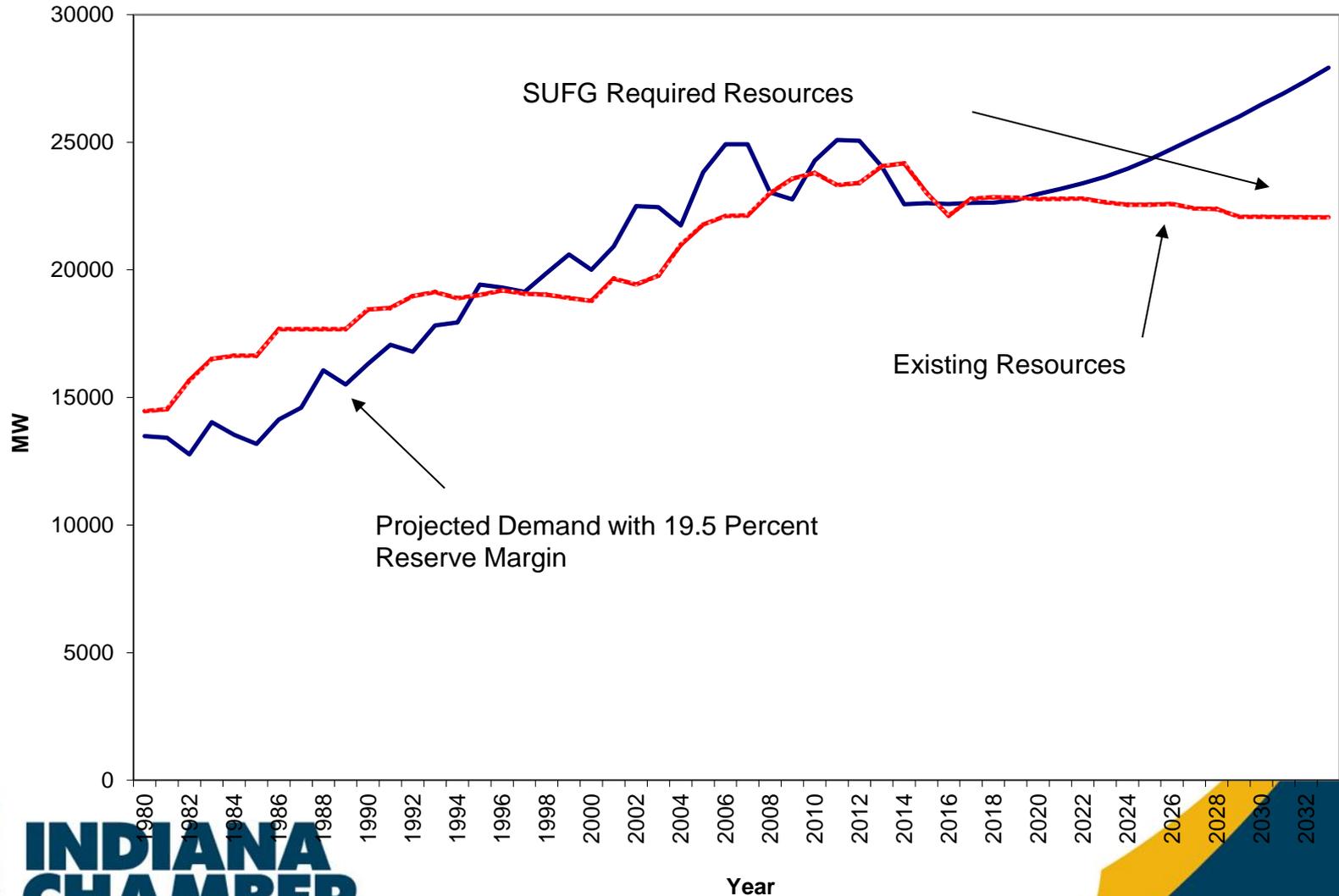
RELIABLE

AFFORDABLE

Projected Generation of Electricity by Fuel Type for Indiana Consumers for 2014



Indiana Resource Requirements



***WHAT
ABOUT
NUCLEAR??***

NUCLEAR

ZERO CARBON EMISSIONS

ADEQUATE/RELIABLE

COST?

SMRs: 6 Refrigerators