

Session – Week 10
March 14, 2025

LEGISLATIVE UPDATE

The Corydon Group
FIRST IN PUBLIC AFFAIRS

INCPAS Weekly Update

Click here for current Bill Track:

INCPAS	https://tinyurl.com/INCPAS2025
INCPAS- TAX	https://tinyurl.com/INCPAS-TAX2025

As bills continued to move through committees in week ten of the session, the biggest news of the week was the property tax reform bill, [SB1](#). As expected, in the House Ways and Means Committee, Chairman Jeff Thompson offered an [amendment](#) with his version of property tax reform for the state by stripping out the entire Senate version of the bill and substituting in the language from his bill HB 1402.

Chairman Thompson's version of property tax reform is more complex than both the Senate version and the Governor's version and provides a long-term vision for the state's property tax system that would reform how property taxes are calculated. The highlights of the amendment include a phase out and ultimately the replacement of certain homestead deductions would be phased out and then replaced, a phase out of business personal property taxes, and the shifting of authorization of local income taxes to replace some of the lost property tax revenue resulting from the amendment. Chairman Thompson took testimony on his amendment and held the bill without adopting the amendment, indicating that he expected more changes to come, and that this amendment would not be the final version of the bill. We expect that the committee will vote on the amendment next week.

In the Senate, the CPA pathways licensing bill HB [1143](#) was heard in the Senate Tax and Fiscal Policy Committee on Tuesday. The hearing was relatively quick and easy with only a couple of questions from Sen. Randolph. Before the bill was heard, Chairman Holdman announce that the bill would be held this week, and that the committee would take it up and pass it out of committee next week. Sen. Holdman could be holding the bill open for potential amendments, but we do not believe that the licensing language of the bill will be changed. As of now, we expect that there will be an amendment next week

to remove the language in Section 1 of the bill regarding the submission of electronic documents to the DOR. We will update you with the specifics on other amendments (if any) proposed in committee next week and we do expect that HB 1143 will pass out of committee at the next committee hearing.

As a reminder, bill maintains the two current licensure pathways but adds a third of a baccalaureate plus two years of experience and passage of the Exam.

In the bigger picture, the bill will be effective 1/1/2027 allowing other states (currently 27 states have indicated they are working on legislation or rules to allow similar pathways) to pass legislation and promulgate rules preserving mobility across the country with as little disruption as possible.

As always, you can follow the bills we are tracking for you by clicking on the links above, and please do not hesitate to contact us if you have any questions.

INCPAS Regulatory News:

The proposed rule, [LSA 24-481](#) which was heard publicly and approved by the Board of Accountancy on January 17, 2025 has moved from the Attorney General's office to the Governor's office for approval. We provided the Secretary of Business Affairs, Mike Speedy, with a memo for the Governor's office explaining the importance of expeditious approval from the Governor. The rule will:

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- **Permanently change the Exam window to 36 months**
 - **Change the experience requirement to one year**
 - Align the start date of the Exam window
 - Add CPE reciprocity for licensees with licenses in multiple states
 - Add retired/inactive status volunteer services to be allowed
 - Reduce renewal fee for retired status to \$10
 - Clarify Ethics and A&A requirements on the proration schedule
 - Update accrediting organizations
 - Align peer review processes with AICPA's program
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We are hoping the Governor will approve the rule quickly and expect the rule to be effective by the end of May. We have worked with AICPA and the Peer Review Alliance to be prepared to make changes to peer review administration upon the effective date.

Safe Haven Bill for Infants

[HB 1099](#), authored by Rep. Dale DeVon (R-Granger), makes changes to Indiana's safe haven law protecting abandoned children and foster youth. It received broad support from members of the community and first responders when it was heard in the Senate Committee on Family and Children Services on Monday, March 10. The bill passed out of the committee unanimously.

Indiana's safe haven law currently allows parents to anonymously surrender babies up to 30 days of age without fear of prosecution. The bill increases the maximum age of a safe haven infant to 60 days of age. Infants may be placed in two-way "baby boxes" located on the exterior of fire departments, hospitals, and other facilities. After a child has been placed inside, first responders are alerted by a silent alarm and can open the box from within.

The original safe haven law passed in 2000 and sought to ensure better safety for infants being surrendered. Since its enactment, numerous infants have been safely surrendered.

It is not common practice to track infant surrenders and there is no national database. However, one Indiana nonprofit [reported](#) that 42 babies have been surrendered since its first baby box opened in 2016. The state has 141 baby box locations with more being installed every year.

Teachers Compensation

Last year Indiana's average teacher salary hit \$60,000 for the first time, according to the [Indiana Education Employment Relations Board](#). This was a priority of former Governor Eric Holcomb, based on the 2019 [Next Level Teacher Compensation Commission](#) recommendations. Indiana still ranks 36th in the nation for average teacher pay and 28th for starting salaries, according to the National Education Association.

Governor Mike Braun continues to prioritize increased teacher compensation. SB 146, presented by Sen. Linda Rogers (R-Granger) in the House Education Committee on Wednesday, March 12, aims to improve teacher recruitment and retention.

The bill's main provision increases the minimum

teacher salary in Indiana from \$40,000 to \$45,000. Secretary of Education Dr. Katie Jenner shared data that highlighted the gap each local district must close to meet the \$45,000 minimum salary target. Around 6,000 teachers currently earn below this threshold.

Testifiers expressed broad support for the bill as a critical step to improving recruitment and retention in Indiana. Many called for even higher salary increases. A Teach for America representative stated that \$85,000 a year better reflects the work teachers do.

Rep. Vernon Smith (D-Gary) and Rep. Tonya Pfaff (D-Terre Haute) raised concerns about the "compression issue." Veteran teachers could see no pay increase as new teachers' salaries rise, leading to dissatisfaction and decreased retention. School districts may also face pressure to meet the new salary mandate without additional dollars.

While the bill received bipartisan support, funding concerns remain during a tight budget session and a broader property tax discussion. Chairman Bob Behning (R-Indianapolis) held the bill in committee.

LEGISLATIVE UPDATE

2025 UPCOMING DEADLINES

HOUSE: Senate Bills

Committees: Thursday, April 10, 2025
2nd Reading: Monday, April 14, 2025
3rd Reading: Thursday, April 15, 2025

SENATE: House Bills

Committees: Thursday, April 10, 2025
2nd Reading: Monday, April 14, 2025
3rd Reading: Thursday, April 15, 2025

HOUSE & SENATE

Anticipated Sine Die: Thursday, April 24
Statutory Sine Die: Tuesday, April 29

MIDPOINT STATISTICS

<u>Chamber</u>	<u>Bills Filed</u>	<u>#Alive</u>	
<u>Percent</u>			
House	708	185	26.2%
Senate	521	156	29.9%
Total	1,229	341	27.7%

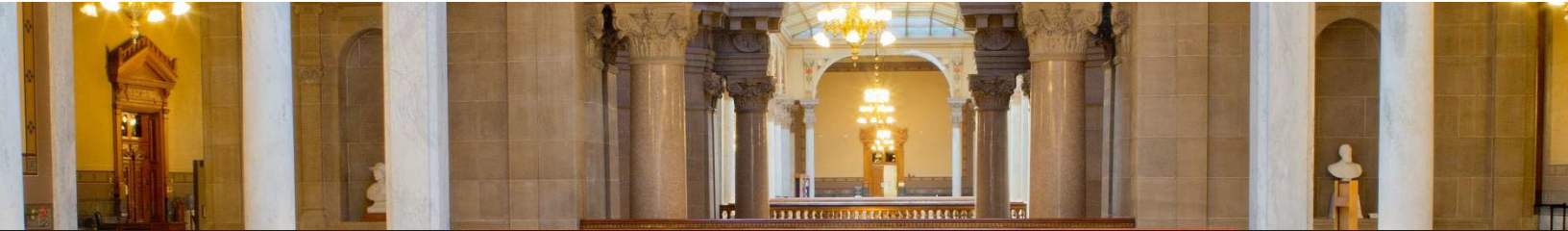
BUDGET HEARINGS

Senate School Funding Subcommittee
Monday, March 17
Upon Adjournment of Session
RM. 431

-K-12 School Funding
-Gifted and Talented Program
-Summer School Funding

Senate Appropriations
Tuesday, March 18
2:00 PM
RM. 431

2:00 – 2:20pm	Lieutenant Governor
2:20 – 2:40pm	Indiana Attorney General
2:40 – 3:00pm	Indiana Treasurer of State
3:00 – 3:20pm	Indiana State Comptroller
3:20 – 3:40pm	Indiana Secretary of State



The Corydon Group

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