

Legislative Update and Forecast

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Overview

New Legislation

- Construction
- Business
- Other Laws

Future Legislation

Construction

□ Highway Work Safety (HB 1623)

Effective 7/1/07

- Road signs for drivers to advise of penalties
- Higher fees for speeding (up to \$1,000 for multiple offenders)

□ Motor Carriers (HB 1693) *Effective 1/1/07*

- Dump trucks must have a front plate
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Construction

□ Transportation Construction (SB 105)

Effective 5/10/07

■ INDOT Study:

- Implementation of a commuter railroad system (mass transit)
- Muncie to Indianapolis, Indianapolis to Bloomington

■ Alternative Transportation Fund

- Passenger and Freight Systems
- Public-Private Agreements

■ 6 Mass Transit Studies (central Indiana, Northwest Indiana, northeast Indiana, south central Indiana, southwest Indiana, southeast Indiana)

Construction

- Pipeline Construction (interstate pipeline on privately owned land) (SB 529) Effective 5/2/07
 - Voluntary guidelines (to simplify negotiations for easements, rights of way, etc.)
 - Adopt No later than Sept. 1, 2007
 - Director of Division:
 - Assign 1 or more employees per project
 - Information on IURC's website
 - Must get Landowner's permission to survey
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Business

- Semitrailer (HB 1085) *Effective 7/1/07*
 - Annually Renewal of Registration
 - Removes \$2 per year Registration Fee

 - Commercial Motor Vehicles (HB 1357)
 - Effective 4/4/07*
 - Federal Law incorporated into Indiana Law
 - Regulate violations made by trucks and trailers weighing 10,001 lbs and over
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Business

- Bonds for Public Work Projects (SB 211) *Effective 7/1/07*
 - Department of Administration to offer bonding instruction to SBEs, MBEs, WBEs
 - Bid bonds permissive for projects under \$200,000 and mandatory for projects over \$200,000
 - Payment and performance bonds permissive for projects less than or equal to \$200,000 and mandatory for projects over \$200,000 (up from \$150,000)
 - Minimum Percentage of Retainage (6% until 50% complete or 3% until substantial completion)

 - Wage Payments (SB 276) *Effective 4/25/07*
 - Employer pays all wages not more than 10 business days after payment date
 - Defines Business Day
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Other Legislation

□ Motor Fuel Tax Exemption (HB 1051)

Effective 1/1/07

- Tax exemptions for specific pickup trucks (3rd free rotating axle, < 26,000 pounds, operated for personal use)

□ Transportation (SB220) *Effective 7/1/07*

- Total Gross Weight on heavy-duty highways cannot exceed 90,000 lbs
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Future Legislation

- Construction Wage Certification on State Public Works (HB 1157)
 - Contractors and Subcontractors weekly certify wage information paid to workers

 - Subcontractor Liens (residential construction) (HB 1163)
 - Contractor must pay all subcontractors within 5 business days of receiving final payment from owner
 - Subcontractor cannot record a lien if owner has paid

 - Mechanic's Liens (commercial construction) (HB 1438)
 - Optional Prelien Notice Process
 - Elected By Owner (must post onsite, include in all bid documents)
 - Subcontractors/material suppliers must provide notice of lien rights no later than 30 days after date of first delivery or work
 - Condition precedent to acquiring a lien
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Future Legislation

- Highway Modernization Projects (HB 1117)
 - Requires INDOT to add a program designed to improve the capacity of state highways without constructing new travel lanes.

 - Health Benefit Plan Credit (HB 1083)
 - Allows certain employers to take an adjusted gross income tax credit related to making a health benefit plan available to the employers' employees.

 - Mechanic's liens (HB 1612)
 - Mechanic's lien has priority over a mortgage
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Future Legislation

- Fire Sprinkler Contractors (HB 1161)
 - Requires the fire prevention and building safety commission to certify:
 - (1) automatic fire sprinkler contractors;
 - (2) journeyman automatic fire sprinkler fitters;
and
 - (3) automatic fire sprinkler system apprentices.
 - Establishes requirements for certification.
 - Class B misdemeanor for a person to engage in certain acts concerning fire sprinkler certification requirements.
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Future Legislation

- Employment of Unauthorized Aliens (SB 0422)
 - Prohibits contractors that have public contracts for services to employ unauthorized aliens
 - Requires contractors to:
 - (1) comply with requirements regarding verification of employment under federal law; and
 - (2) make verification forms available for inspection by the commissioner of labor.
 - Contractor that fails to comply with requirements regarding employment verification is subject to a civil penalty of at least \$110 but not more than \$1,100 for each employee.
 - May render the public contract void
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Future Legislation

- Employment of Illegal Aliens (HB 1253)
 - Person who hires or employs an individual shall verify the individual's Social Security number using the Social Security Number Verification System
 - Person who hires an individual shall not continue to employ the individual after learning that the individual is an illegal alien.
 - Allows certain persons to bring civil actions against a person who hires illegal aliens.
 - May void the public services contract
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Future Legislation

- Government Neutrality in Contracting Act (HR 2558)
 - Procedures and requirements to promote and insure open competition on Federal construction projects
 - Reduce construction costs
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Summary

- Evaluate New Legislation
 - Construction
 - Business
 - Miscellaneous

 - Consider Future Legislation
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