FREEDOM -ANDOPPORTUNITY For Every Hoosier.

Governor-Elect Mike Braun **2025 Policy Agenda**

Fellow Hoosiers,

Across multiple visits to all 92 counties, I heard directly from Hoosiers about the issues that matter to them most. Inflation, taxes, education, healthcare, our economic future - "kitchen table" issues - are impacting folks from every walk of life in every corner of our state. Hoosiers are demanding common-sense solutions that will create a more prosperous, safer, and stronger state for every family.

We intend to deliver.

Our **Freedom and Opportunity Agenda** represents a bold vision for Indiana's future that prioritizes issues that Hoosiers care about most. These common-sense solutions will serve as the cornerstones of my incoming administration and will transform Indiana into a beacon of freedom and opportunity.

This comprehensive policy agenda has been in the making for over a year, shaped by my experiences on the campaign trail and in public service, including my time in the U.S. Senate.

Our agenda will prioritize:

- 1. **Providing tax relief** to address inflation and reduce the burden for everyday Hoosiers
- 2. **Delivering a leaner, more responsive government** that runs efficiently and provides excellent constituent services
- 3. **Equipping Indiana's next generation** through education, workforce development, and economic development
- 4. **Investing in a healthier Indiana** by driving down healthcare costs, increasing access, and increasing transparency
- 5. **Improving quality of life for every Hoosier** through public safety, affordable energy, and clean water

We've also recently announced a new organizational model for state government, designed to drive efficiency, accountability, and clear communication across state agencies and with the General Assembly. This structure will help us build the most entrepreneurial administration Indiana has ever seen, with results-oriented leaders overseeing key government functions. We believe that this new approach, paired with our agenda, will propel Indiana to even greater heights.

An agenda like this doesn't happen overnight. The work currently being done by our Transition Team, along with our continued collaboration with the General Assembly, is laying the groundwork to begin implementing our plan on Day One. I am deeply grateful to everyone who has contributed their expertise to shaping this agenda.

I look forward to working with all of you as we tackle these important issues and ensure that Indiana remains the best state to live, work, and raise a family.

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Governor-elect Mike Braun

Freedom and Opportunity

For Every Hoosier.

Governor-Elect Mike Braun **2025 Policy Agenda**



December 2024

Governor-Elect Braun's Policy Priorities

This document outlines the policy priorities of Governor-elect Braun's Freedom and Opportunity Agenda, detailing actions to pursue against these priorities. The Freedom and Opportunity agenda prioritizes:

- 1. Providing **tax relief** to address inflation and reduce the burden for everyday Hoosiers
- 2. Delivering a **leaner**, more responsive government that runs efficiently and provides excellent constituent services
- 3. **Equipping Indiana's next generation** through education, workforce development, and economic development
- 4. **Investing in a healthier Indiana** by driving down healthcare costs, increasing access, and increasing transparency
- 5. **Improving quality of life for every Hoosier** through public safety, affordable energy, and clean water

See the following page for additional details on each agenda item above.



Below is a list of priority actions on Governor-elect Braun's agenda aligned to these top line items. To deliver quick, visible progress on key campaign promises these immediate, impactful steps will be combined with longer-term views to create sustained, long-term reform.

Providing tax relief to address inflation and reduce the burden for everyday Hoosiers

Reform property taxes to reduce the burden on homeowners and farmers

- 1. Cap property tax increases at 2-3%, extend targeted relief to retirees, families, and low-income Hoosiers
- 2. Cut Property Taxes by resetting homeowner tax bills to pre-COVID levels
- 3. Improve the Department of Local Government Finances' Taxpayer Portal to allow Hoosiers to more easily understand how property tax policies affect their tax bill
- 4. Reform the referendum process to reduce the volume of "runaway referendums"
- 5. Update the Farmland Base Rate Formula by adjusting the maximum capitalization rate, removing federal payments, and performing a review of input cost data

Delivering a leaner, more responsive government that runs efficiently and provides excellent constituent services

Ensure a lean, effective state government that delivers for Hoosiers

- 1. Present a credibly balanced budget that closes the state's deficit across the biennium (including fundamentally reforming Medicaid to close the budgetary gap)
- 2. Enforce ongoing budget discipline to realize efficiencies, cut unnecessary spending, and ensure taxpayer dollars are directed to most effective programs for Hoosier families and communities
- 3. Consolidate leadership into 8-10 accountable Secretaries to improve collaboration and drive priority initiatives across government to improve the lives of Hoosiers
- 4. Drive efficiencies through the Office of Management and Budget to ensure greatest value from procurement, deploy shared services for agencies with similar operating needs, and identify consolidation opportunities



Enhance constituent services by empowering the state's digital transformation efforts so that Hoosiers can interact seamlessly with state services.

- 1. Enabling document uploads for online and kiosk Bureau of Motor Vehicles transactions to reduce the need for constituents to wait for in-person service
- 2. Notifying individuals of Veterans Association eligibility to increase their healthcare access
- 3. Automating veteran status verification on driver's licenses, so that veterans are recognized on their IDs without additional documentation or processing time
- 4. Providing an online one-stop shop for Indiana farmers to access state services such as support for new agriculture producer markets, technical assistance, and state funding opportunities

Support the existing state centralized data repository to measure state performance against accountability goals to maximizing utilization of agency capabilities

(e.g., % participation by eligible users, % achieved desired outcome after 3 years)

Equipping Indiana's next generation through education, workforce development, and economic development

Empower families to select the best education for their children

- 1. Direct the Secretary of Education to recommend strategies to increase supply of high-quality school options in communities with low-performing public schools
- 2. Extend universal school choice to all families
- 3. Increase base teacher pay, reward our best teachers, and fill high-demand teacher openings with pay differentiation

Invest in Hoosier jobs and skills

- 1. Enhance workforce coordination and create the Hoosier Workforce Investment Tax Credit
- 2. Restructure the Indiana Economic Development Corporation to execute on proactive business development strategy and better collaborate across regions

Target economic development to rural communities

- 1. Create the Hoosier Rural Business Growth Program to attract qualified private sector investors to raise and invest flexible capital into rural communities
- 2. Define Indiana's economic development North Star to best support the Hoosier workforce, while ensuring regional prosperity



3. Protect Hoosier farmland by directing the Indiana State Department of Agriculture to develop a comprehensive strategy for effective farmland preservation

Investing in a healthier Indiana by driving down healthcare costs, increasing access, and increasing transparency

Improve quality of healthcare by allowing Medicaid patients to access program dollars to support a direct primary care practice membership, directing the Department of Health to collaborate with the Family and Social Services Administration to develop health literacy materials for the general public, and providing patients to access their data at no cost and investing in statewide medical record interoperability.

Apply tactics to lower costs, including expanding the Individual Coverage Health Reimbursement Arrangement Tax Credit, performing an independent audit of Medicaid and the State Employee Health Plan, and regulating pharmacy benefit managers.

Expand access to healthcare. For example, codify clear language that protects the ability of individuals with preexisting conditions to access affordable health care and improving access to obstetrics and gynecology care in rural areas.

Improving quality of life for every Hoosier through public safety, affordable energy, and clean water

Support public safety workers to improve safety for Hoosiers

- Direct the Secretary of Public Safety and the Superintendent of State Police
 to improve recruitment and retention for public safety workers by aligning
 compensation of state troopers and local officers with competitive standards,
 including routine cost of living adjustments, competitive salaries, and
 comprehensive benefits that support officer well-being
- 2. Refine public safety operations to be at the forefront of collaboration with the incoming federal administration's standards for managing immigration in Indiana



Create a roadmap for reliable, affordable energy & clean water

- 1. Establish a commission to develop comprehensive energy and water plans for the state
- 2. Require utilities and other stakeholders to align to state plans, and to enable thoughtful development of new energy resources, including nuclear

In this document, you will find detailed policy memos regarding the above actions.



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TAX RELIEF FOR ALL HOOSIERS

Across the country, American families are confronting historic inflation and skyrocketing costs off the back of unchecked federal spending. Due to this cycle of Bidenflation, stagnant wages have been stretched further to support families through runaway property taxes, on-the-rise utility bills, and an overall higher cost of living.

To provide relief to Hoosiers, the State needs fiscal policies that address the immediate needs of Hoosier families, as well as the long-term stability of the state economy.

By enacting the Freedom and Opportunity Agenda – Plan to Fight Inflation, the State of Indiana can help Hoosiers weather these economic challenges and build a stronger, more prosperous state for everyone.

Historic Tax Relief

As Hoosiers contend with inflation, the State should provide comprehensive tax relief that protects taxpayers from runaway property taxes, supports retirees and families with targeted relief, and reduces the burden on Main Street businesses.

Plan of Action

<u>Property Tax Relief:</u> Since 2021, inflation has caused home values to skyrocket while, at the same time, wages have remained stagnant. As a result, Hoosiers are paying more of their paycheck to property tax bills, putting too many homeowners at risk of losing their homes.

 Cap Property Tax Bills: Prevent property tax bills from growing faster than the economy by capping the year-over-year increase in property tax bills at 2% for seniors, lowincome Hoosiers, and families with children

- under the age of 18, and at 3% for all other taxpayers.
- Cut Homeowner Property Taxes: Overhaul the homestead deduction to allow every homeowner with an assessed value over \$125,000 to deduct 60 percent of their home's assessed value from their tax bill. Homeowners with an assessed value below \$125,000 would be allowed to take the standard deduction of \$48,000, in addition to a 60% supplemental deduction.
 - As an additional backstop, every Hoosier homeowner's next property tax bill should be no larger than their property tax bill in 2021.
- Increase Local Government Transparency:
 Improve the Department of Local
 Government Finance's Taxpayer Portal to
 allow Hoosiers to more easily understand
 how property tax policies affect their tax bill.
- Reform the Referendum Process: Through referendums, taxpayers are empowered to approve or disapprove of certain property tax increases. However, low voter turnout, misleading ballot language, and unchecked referendum tax bill growth have led many Hoosiers to feel burdened by runaway referendums.
 - High-Turnout Elections: Require that all property tax-related referendums take place during high-turnout elections (e.g., general elections in even years).
 - <u>Ballot Language:</u> Require a referendum to propose a total levy (e.g., "Shall the school district raise \$5 million to replace the school bus fleet?"), rather than propose a tax rate.



- <u>Control Bill Growth:</u> Subject referendum property taxes to a 3% property tax bill growth throttle.
- Protect Hoosier Family Farms: Ensure the farmland base rate formula is representative of the true farm economy and that agriculture property values are determined both transparently and fair.

Individual Tax Relief: In addition to skyrocketing property taxes, the tax burden on individual Hoosiers has also grown because of inflation. The State should support Hoosiers by fighting unlegislated tax increases and extending targeted relief to retirees and families.

- paychecks struggle to keep pace with the increased cost of living, some Hoosiers have slipped into a higher tax bracket without being any better off. The State should protect all Hoosiers from unlegislated tax increases.
 - Bidenflation Relief Tax Credit: The State should provide a two-year State income tax credit for Hoosiers who are bumped to a higher federal income tax bracket due to inflation to offset the added cost of inflation.
 - Inflation Adjusted Deductions: The State should adjust the value of its income tax deductions for inflation.
- Stop Taxing Retirement Income: Hoosier retirees have saved and invested for decades to provide for a comfortable retirement. With no end in sight, inflation risks compromising this careful work. The State should eliminate taxes on retirement income (e.g., pensions, 401(k) distributions, 457 distributions, and IRA distributions) to improve the quality of life for retirees and make Indiana a more attractive state for retirement.
 - Currently, more than a dozen states, including Florida, Illinois, Tennessee, and Texas, do not tax retirement income.
- No State Tax on Tips: For Hoosiers who work in the service industry, tips are a recognition

- of hard work done well. As it stands, income earned through "cash" tips (which includes cash, credit and debit charges, and checks) is taxed at the same rate as income from hourly or salaried work. In order to provide tipped workers with more security during high inflation, the State should bolster take-home pay by providing a complete state income tax deduction for income from "cash" tips.
- Sales Tax Holiday: Hoosiers feel the added cost of inflation at the cash register more than anywhere else. The State should institute annual sales tax holidays to provide temporary, but significant, relief for Hoosiers and visitors purchasing essential goods. For example, the State should institute tax holidays for:
 - <u>Back-to-School</u>: Support families with tax holidays in January and August for school supplies, learning aids, clothing, and computers under a certain value.
 - Outdoor Recreation: Boost tourism and recreation with a tax holiday in the spring for biking, hiking, and hunting supplies under a certain value.
 - Youth Sports: Support families and promote physical activity for young Hoosiers with tax holidays in the spring and fall for sports equipment under a certain value.

Business Personal Property Tax Relief: Businesses and organizations not only pay property taxes on real estate (see "Property Tax Relief" above), but also on the value of their other property (e.g., equipment, furniture, etc.). The State should provide relief to Main Street businesses through business personal property tax reform.

• Raise the Exemption Threshold: Keep more money on Main Street by raising the exemption threshold for business personal property taxes, which is currently \$80,000. In addition to reducing Main Street's tax burden, raising the exemption threshold would also reduce the administrative burden for small businesses.



 Decrease the Depreciation Floor: Bring the tax treatment of business personal property closer in line with its market value by decreasing the depreciation floor (which is currently 30 percent) for business personal property.

In addition to these groups, Hoosier farmers contend with razor-thin margins, rising input costs, and adverse weather. In fact, according to USDA's Economic Research Service, skyrocketing production expenses and diminished cash receipts have reduced net farm income by over 25 percent between 2023 and 2024. In no other line of work would a small business be asked to accept these market conditions as the status quo.

Over the last few years, Hoosier farmers have also been hit with skyrocketing property taxes. In Indiana, farmland is valued for tax purposes as a factor of a "base rate," certain soil productivity factors, and other influence factors. This process is meant to capture a "value-in-use." However, since these calculations rely on an average of the lowest five of six years, farmland valuations are a lagging indicator of the true farm economy.

As a result, while farm income is down for Hoosiers, tax bills are on the rise. In fact, in 2024, the average Hoosier farmer saw his or her farmland taxes rise by 10 percent, with no relief in sight for 2025. Family farms should be supported, not hindered, by our tax code.

Plan of Action

In addition to updating the Farmland Base Rate Formula, the administration intends to support:

Enhanced Farm Safety Net: In Washington, D.C., Democrats are fighting against Republican efforts to strengthen the farm safety net and put more "farm" in the Farm Bill. These big interests have shown their hand—they care more about carving out more of the pie for themselves than growing the pie for farmers. The State should tackle this headon by creating new tax-advantaged Farm Savings Accounts (FSA), which would serve as "rainy day" funds to smooth out farm income between good and bad years.

- Under this program, farmers would be able to open tax-advantaged FSA accounts and contribute into it annually. Farmers would be able to make withdrawals from their FSA when gross revenues fall below a statutory threshold. They would also be permitted to use their FSA dollars to make qualified onfarm investments.
- This model was proposed by former U.S. Senator Richard Lugar in 2007, then-Chairman of the Senate Agriculture Committee.

Young and Beginning Farmer Tax Credit: A major barrier for many young and beginning farmers is securing affordable farmland. Historic farmland prices have blocked countless would-be farmers from setting up shop. At the same time, many aging farmers have not identified a clear succession plan. The State should develop a Young and Beginning Farmer Tax Credit to support farmers at the beginning and end of their careers.

- Under this program, older farmers would receive an adjusted gross income tax credit in exchange for selling or renting their assets to a qualified beginning farmer.
- This model has been proven in Kentucky and Pennsylvania, and would not only provide a clear path to farmland for young and beginning farmers, but would also provide much-needed tax relief to aging farmers.

DELIVERING A LEANER, MORE RESPONSIVE GOVERNMENT FOR HOOSIERS: DRIVING EFFICIENCY IN STATE GOVERNMENT

Leaner, more responsive government is better for taxpayers and the economy. Unlike the private sector, where real economics incentivizes effectiveness and lower overhead, government at every level has grown unchecked. To reduce waste and improve the delivery of essential services, the State should develop strict performance metrics for its agencies, and eliminate unnecessary or underperforming positions and programs.

Taxpayer Return on Investment: When it comes to state government, taxpayers have skin in the game. Like a business and its shareholders, the State has a responsibility to deliver a return on Hoosiers' tax dollars through the delivery of quality essential services. The State should implement cutting-edge methods to assess and improve its "taxpayer return on investment."

- Outcomes-Based Performance Metrics:
 Direct the Office of Management and Budget and the Management Performance Hub to develop strict, outcomes-based performance metrics for each state agency to ensure that Hoosier tax dollars are being used effectively and that each agency is providing reliable, quality services.
- Agency Performance Reviews: The Governor should regularly conduct performance reviews for each state agency, benchmarking the agency's work against outcomesbased performance metrics and discussing opportunities and challenges facing the agency.
- Eliminate Unnecessary Positions and Programs: Should the State implement outcomes based performance metrics and agency performance reviews, as recommended by this section, it should also

leverage these tools to eliminate unnecessary or underperforming positions and programs.

Plan of action

- Present a credibly balanced budget that closes the state's deficit across the biennium (including fundamentally reforming Medicaid to close the budgetary gap)
- Enforce ongoing budget discipline to realize efficiencies, cut unnecessary spending, and ensure taxpayer dollars are directed to most effective programs for Hoosier families and communities
- Consolidate leadership into 8-10 accountable Secretaries to improve collaboration and drive priority initiatives across government to improve the lives of Hoosiers
- Drive efficiencies through OMB to ensure greatest value from procurement, deploy shared services for agencies with similar operating needs, and identify consolidation opportunities
- Establish a dedicated capability (e.g., office within INDOT) to ensure Indiana wins their fair share of federal funds (e.g., through technical grant assistance, grant tracking, and collaboration with local government)



Streamlined Regulations and Government Services

Small businesses are the backbone of our economy, but they often face unnecessary regulatory hurdles that stifle growth and innovation. To create a more favorable environment for small businesses to thrive, the State should conduct a comprehensive review of regulations, empower agencies to expire outdated regulations, and put government on a regulatory budget.

Plan of Action

Comprehensive Regulatory Review: Across every level of government, regulations create compliance costs that hinder economic growth. In order to provide systemic relief to Hoosiers and support small businesses, the State should conduct a comprehensive review of the requirements imposed by regulations on Hoosier businesses, in consultation with the Office of Management and Budget and impacted stakeholders.

- Comprehensive Regulatory Streamlining:
 The State should eliminate any regulation found to be outdated, redundant, or overly burdensome (e.g., through a lean Sunset Review regulatory committee)
- Comprehensive Regulatory Modernization: The State should develop recommendations to modernize regulations that are not eliminated under the review. This may include, for example, moving government processes from paper to the Internet.

Ongoing Regulatory Expiration: In addition to conducting a comprehensive review of its regulations, the State should also regularly monitor whether its regulations are serving Hoosiers. Today, agencies are required to review administrative rules for expiration every five years. However, agencies can readopt rules unchanged and without scrutiny, meaning that the "sunset" provision has not had its intended impact of spurring modernization and deregulation.

 Empower Agencies to Modernize and Deregulate: To ensure that the regulatory

- expiration process has its intended impact—government efficiency—the State should require agencies to consult with the Office of Management and Budget during their review processes and give the Governor explicit authority to reject proposed readoptions. Safeguards to Preserve Deregulation: While regulatory streamlining and expiration will help to unburden the Hoosier economy, the State should also consider developing safeguards to ensure that its deregulatory efforts are not reversed over time. To do so, the State should impose a "regulatory budget" on its agencies.
- Regulatory Budget: In order to create reliable governance for Main Street, the State should require each agency to offset the net compliance cost of new regulations by eliminating other regulations that, in sum, impose at least as large a compliance cost.

DELIVERING A LEANER, MORE RESPONSIVE GOVERNMENT FOR HOOSIERS: ENHANCED CONSTITUENT SERVICES

Governor-elect Braun's vision for Indiana seeks to improve constituent experiences and streamline operations through digital transformation. By leveraging a realignment of the state's strong technology services, the administration aims to increase accessibility to government services, ensure collection of the data required to hold agencies accountable to constituent services via active data management combined with appropriate cybersecurity policies, and enhance effectiveness of state agencies. The long-term goal is to build a digital framework that connects agencies, reduces redundancies, and ensures seamless service delivery, aligned with Senator Braun's vision for a more effective and responsive government.

Indiana has a strong foundation of digital services and technology organizations to build on. The Office of Technology has built an enterprise environment with potential to provide standardized services and interoperability to the state and has begun requesting documentation of IT needs before agencies may release IT RFPs. IOT has also rolled out the state's first-ever IT roadmaps across agencies, which can serve as a direct input to service centralization efforts. The Management Performance Hub has developed a data platform capable of handling complex projects. MPH has data collection and hygiene expertise to leverage to ensure data privacy across all its functions. It also serves as a crossagency service, laying a foundation for technological collaboration.

However, Indiana could be achieving broader digital service delivery at lower costs to the state. Hoosier constituent satisfaction is close to average with digital services stands at 61%, with 69% of users reporting issues when using government services online. In addition to underutilized digital channels, important constituent-facing services, such as DVA's services and benefits for veterans, are not

yet available online. The existing digital services across agencies and municipalities utilize disparate systems requiring separate databases, logins, and spend across agencies. There is also opportunity to leverage the successful institution of the Management Performance Hub to address gaps in the collection of existing state data and data-sharing mechanisms between agencies to inform effective decision-making and oversight.

By addressing these challenges, Indiana can establish an efficient, impactful, and dynamic digital infrastructure.

Plan of Action

- from agencies to the Office of Technology to increase governance effectiveness and facilitate cross-agency collaboration and identify the first 1-2 digital transformation opportunities to leverage and test this governance that will fill service gaps in the shorter term (e.g., VA services unavailable online) and provide leading constituent services in the medium term (e.g., nascent cross-agency digital wallet solution efforts)
- In parallel, support the Management Performance Hub in leveraging its role as a centralized data repository to ensure alignment with accountability goals while maximizing utilization of agency capabilities (e.g., % participation by eligible users, % achieved desired outcome after 3 years)



Additionally, Hoosier farmers interact with several state departments and agencies in the regular course of their work. In addition to the Indiana State Department of Agriculture (ISDA), a farmer may also interact with the Indiana Department of Environmental Management, the Indiana Department of Health, the Indiana Department of Homeland Security, the Indiana State Board of Animal Health, the Office of State Chemist and Seed Commissioner, and a handful of other agencies.

For Indiana's family farmers, this web of agriculture agencies can be hard to navigate. Many times, due to this confusion, farmers are simply unaware that a funding opportunity, technical assistance resource, or regulation applies to them. Other times, farmers spend valuable time searching for an answer or valuable revenue hiring a consultant to do so on their behalf. In order to help our farmers and rural communities to successfully navigate their government, the State should prioritize customer service within its agriculture-facing agencies.

Plan of Action

Rural.IN.Gov: One of President Trump's most popular initiatives for agriculture created a one-stop-shop for federal funding opportunities at USDA—Farmers.gov. The State should develop a similar, single portal for Hoosier farmers.

- Support for New Markets: Hoosier farmers are often interested in diversifying their operations but are not sure where to begin. In many cases, their entrepreneurial spirit is hampered by technical jargon, practical limitations, and unfamiliar regulations. ISDA should develop "diversification checklists" for farmers considering new lines of business. These resources would help producers to navigate the confusing web of farm regulations and avoid punitive enforcement actions from the start. They would also provide clear information about any technical and practical best practices for the would-be new market.
- Technical Assistance: Today, farmers have access to countless resources for technical assistance. However, without a central

repository, many of these resources go unnoticed. ISDA should coordinate with Purdue Extension, the State Climatologist, and USDA to create a one-stop-shop to connect farmers and agribusinesses with responsive data visualization tools and technical assistance programming.

- State Funding Opportunities: Create a onestop-shop for state funding opportunities for farmers, agribusinesses, and rural communities.
- Regulatory Impact Information: Provide concrete information about proposed regulations and how they may impact individual producers, agribusinesses, or segments of the agriculture supply chain.
- Public Comment: Establish a formal venue to collect Hoosiers' comments on federal regulations that impact the rural economy, allowing the State to vigorously advocate on behalf of Hoosiers.

DELIVERING A LEANER, MORE RESPONSIVE GOVERNMENT FOR HOOSIERS: ENHANCED CONSTITUENT SERVICES

Education is a cornerstone of the Braun Administration's vision for Indiana's future. A strong educational system is crucial for economic prosperity, workforce development, and the overall well-being of Hoosier families. The Administration's Education Plan highlights key focus areas over the next four years: improving literacy and math outcomes, expanding school choice, addressing teacher shortages by raising take-home pay, and modernizing career pathways for all students.

Indiana has a strong foundation to build upon, with the state outperforming many others in student outcomes (17th in reading and 10th in math scores among all states) and school choice initiatives (with 16% participation). With the current expenditures (i.e., ~\$14k per student), the state is getting good ROI on their investments. The state's school voucher program is robust, and programs like Indiana's Graduates Prepared to Succeed (GPS) demonstrate Indiana's desire to foster innovation and prepare graduates for life from early learning through to high school and onto their next phase. The state's leading public institutions Purdue and Indiana Universities, both continue to rank highly nationally. Additionally, IvyTech (i.e., the nation's largest community college system) represents the central component of the workforce engine.

However, there are significant challenges. Nearly 60% of Indiana's schools are not meeting Federal Report Card expectations. While the state's graduation rate is close to the target at 88.98%, only 5.5% of students earn college or career credentials by high school graduation, far short of the 60% target by 2030. Additionally, teacher retention, student absenteeism

(e.g., 24.5% across grades 9-12), and uneven regional performance threaten long-term educational success. Furthermore, Indiana continues to struggle in retaining college graduates

as nearly 40% of graduates leave within one year of graduation, and more high school students are choosing to attend university elsewhere (e.g., 8% attended out-of-state).

Nearly half of Indiana's taxpayer dollars are spent on K-12 education. At the same time, disappointing educational outcomes have led Hoosier parents to ask whether our schools are doing enough to prepare their children for success beyond high school. As our schools educate the next generation of Hoosiers, we must not rest until our public and private schools are the best in the nation.

By empowering parents, recruiting and retaining high-quality teachers, prioritizing school safety, and raising academic standards for all students, the State of Indiana can meet this challenge and bring about a transformative impact on our education system.

To improve the quality of our K-12 schools, this plan proposes policies that:

- Guarantee Universal School Choice for Every Hoosier Family.
- Boost Teacher Pay and Improve Benefits.
- Build a Strong Teacher Pipeline.
- · Prioritize School Safety.
- Improve Quality and Raise Academic Standards.
- Prepare Students for Success Beyond High School.
- Put Kids First by Protecting Parental Rights.

By enacting the Freedom and Opportunity Agenda – Education Plan for Indiana, the State of Indiana can improve educational outcomes for every child and prepare them for success beyond high school, whether that means college, military service, or the



start of their career.

Universal School Choice for Every Hoosier Family

School choice programs put parents in the driver's seat, allowing them to choose schools that prioritize their children's needs. Providing universal school choice will ensure every Hoosier family has the same freedom to choose their best-fit education.

Plan of Action

- Support and expand Indiana's widely adopted school choice programs, including the Choice Scholarship Program, public school open enrollment, Education Scholarship Account Program, Private School / Homeschool Deduction, and the tax-credit scholarship program.
- Reform the Choice Scholarship Program to allow every Hoosier family, regardless of income, race, ZIP code, or other factors, to choose the school that best fits their children's educational needs.
- Double the size of the Education Scholarship Account Program, which provides flexible funding to families with students with special needs. In years where the program has leftover funding, children in foster care and active-duty military families could apply for grants.

Boost Teacher Pay and Improve Benefits

Having a high-quality classroom teacher is among the most important factors in a student's learning. As Indiana's schools educate the next generation of Hoosiers, the State must also take steps to recruit and retain the next generation of high-quality teachers. Just like in the private sector, that means taking concrete steps to enhance teacher pay and benefits options.

Plan of Action

Increase Indiana's public teacher base

- salary, ensure teachers in high-need content areas have higher pay, and institute statewide student outcomes-focused performance pay to reward high-performing teachers.
- Guarantee teacher access to professional benefits, including by ensuring that every teacher is eligible for new parent leave and supporting individual teachers by providing a state-funded liability insurance plan.
- Enhance a teacher's health insurance options by empowering teachers to choose between their local health plan and the State employee health plan. If the State employee health plan is less expensive, allow teachers to capture the savings in their paycheck or their defined contribution retirement account.

Build a Strong Teacher Pipeline

As Indiana works to recruit and retain the next generation of high-quality teachers, it must also contend with teacher shortages in the immediate term. The State should adopt entrepreneurial solutions that expand the teacher pipeline by cutting red tape and leveraging data to prioritize the recruitment of high-need teachers.

Plan of Action

- Expand Indiana's homegrown teacher pipeline by continuing to invest in the Transition to Teaching licensure program, which allows Hoosiers with a bachelor's degree to change careers and become teachers on an expedited pathway.
- Cut red tape for teachers moving to Indiana from other states by expanding certification reciprocity and license portability through the Interstate Teacher Mobility Compact.
- Leverage the Educator Supply and Demand Marketplace to identify content areas and school districts with teacher shortages, and direct the State's resources toward recruiting these high-need teachers.
- Develop clear accountability metrics for



Educator Preparation Programs that would allow the State to reform lagging programs and partner with successful programs to grow Indiana's teacher pipeline.

Prioritize School Safety

Currently, Indiana's school safety authorities are fragmented across different agencies. As modern threats continue to grow in complexity, the State must ensure that local communities and schools are supported so that no aspect of school safety falls through the cracks.

Plan of Action

- Establish the Indiana Office of School Safety to streamline and enhance existing authorities at the Department of Education, Department of Homeland Security, and Indiana State Police, led by an individual with experience in emergency response and the K-12 environment.
- Increase the funding available to the Secured School Safety Grant Program, which provides matching grants to help schools employ safety personnel and purchase safety equipment.
- Implement age-appropriate cyber safety training for students, including information about online safety, financial scams and phishing attempts, secure passwords, and the responsible use of online platforms (including generative artificial intelligence and social media).

Improve Quality and Raise Academic Standards

The State of Indiana spends nearly half of its budget on K-12 education. Parents, students, and taxpayers alike deserve to know whether these taxpayer dollars are being spent effectively to improve students' educational outcomes. The State should continue to invest in improving educational outcomes for students by focusing on math and reading cognition, instituting clear accountability metrics for schools, and removing distractions from

the classroom.

Plan of Action

- Direct the Secretary of Education to recommend strategies to increase supply of high-quality school options in communities with low-performing schools
- Continue to develop and implement highquality, evidence-based instructional materials for reading and math in order to support universal third grade literacy and universal fifth grade numeracy and proficiency with fractions.
- Drive more funding into the classroom by increasing the percentage of state education dollars that are allocated to teacher salaries.
- Restore clear accountability metrics for schools that focus on objective student outcome indicators and provide transparent, actionable feedback for schools.
- Work alongside education stakeholders to limit cell phone use on school campuses, thereby removing a chronic distraction from the classroom.
 - This builds on the successes of SEA 185, which was passed earlier this year and banned the use of cell phones during instructional time.
- Develop institutional safeguards against divisive, non-curricular materials like Critical Race Theory and gender identity from being taught in our public schools.
- Direct the Department of Education to study the long-term learning loss and mental health impact of school lockdowns and mask mandates for children that were enrolled in Indiana schools during the COVID-19 pandemic.

Prepare Students for Success Beyond High School

Every year, approximately 75,000 Hoosiers graduate from high school. While half of these students enroll



in college, the other half pursue other opportunities. The State should continue to invest in programs that prepare each student for success in reaching their postsecondary goals.

Plan of Action

- Incorporate Indiana's new diploma rule into the school funding formula by rewarding schools for graduating students with honors readiness seals in each pathway, and providing enhanced incentives for graduating students with honors plus seals.
- Continue to invest in the Career Scholarship Account program, which provides eligible high school students with \$5,000 scholarships to finance career preparation experiences. This investment supports students who may complete internships, apprenticeships, and the most in-demand and valuable credentials as determined by employers.
 - Provide equal access for students with special needs, and allow these students to access the program past the 12th year of education.
- Empower students from a young age to explore their interests through enriching extra- and co-curricular activities, including robotics and the Innovate WithIN entrepreneurship competition.

Put Kids First by Protecting Parental Rights

Parents are the best advocate for their child's wellbeing, and are the decisionmakers in their children's lives, education, and upbringing. The rights of Hoosier parents to participate in their children's education, safeguard their wellbeing, and protect them from divisive ideologies should never be in doubt.

Plan of Action

- Allow parents to access information about their children's education, including the curriculum and assigned reading materials for their children's classes, performance on statewide tests, progress towards earning a diploma and honors readiness seals, and other information as determined by the school.
 - Schools can use their current parent communication applications and websites to host this information.
- Require schools to respect and uphold the rights of parents as the decisionmakers in their children's lives, education, and upbringing. This includes directly notifying parents about any physical or mental health concerns that arise at school, such as requests to use a name or pronouns that are inconsistent with biological sex.
 - In 2023, the Indiana General Assembly passed HEA 1608 to protect this fundamental parental right.
 - The State should monitor implementation of this legislation and identify

EQUIPPING INDIANA'S NEXT GENERATION: INVEST IN HOOSIER JOBS AND SKILLS

opportunities to further bolster the rights of parents.

- Protect Hoosier girls from biological males who attempt to compete in girls' sports.
 - In 2022, the Indiana General Assembly passed HEA 1041 to protect the girls on the field of play.

The State should continue to ensure that biological males will not compete against our girls on the court, in the pool, or invade the privacy of their locker rooms.

Governor-elect Braun believes Indiana's economic development should focus on supporting the prosperity and dignity of all Hoosiers. The new administration's plan will drive innovation and entrepreneurship, develop industry-leading sectors, and address workforce challenges, while setting an economic North Star at a state, region, and/or individual level (e.g., real GDP per capita). In support, economic development and the Indiana Economic Development Corporation (IEDC) should adopt a whole-of-state approach, bringing together sector depth (e.g., biotech, industrial goods), strong employment ecosystems (e.g., workforce to support regional needs), and government collaboration (e.g., regional/ local partners, inter-agency).

However, significant challenges remain. Indiana faces workforce shortages (e.g., additional 5000 nurses needed by 2031), skill mismatches, and struggles to retain college graduates (e.g., -30.4% retention). The state's workforce training programs (e.g., Next Level Jobs, IvyTech) must be restructured to meet the demands of high-growth industries (e.g., advanced manufacturing, biotech), and existing employers. In addition, regional economic development coordination is fragmented, limiting the state's ability to attract and retain businesses effectively (e.g., challenges in LEAP innovation district). Furthermore, IEDC's approach today

largely relies on RFPs, which limit the opportunities coming to the state (e.g., missed opportunities in food processing).

By addressing these challenges, Indiana can position itself as a national leader in economic development including innovation.

Plan of Action

Reward Investments in Employees: As the State takes steps to foster a resilient and diversified economy and position itself at the forefront of next-generation industries, support for a robust workforce will be critical. The State should promote wage growth and upskilling by rewarding employers who invest in their workers.

- Hoosier Workforce Investment Tax Credit:
 While the State offers tax credits to finance
 job creation, it could do more to incentivize
 businesses to invest in higher wages or
 upskilling for their employees. The Indiana
 Economic Development Corporation (IEDC)
 should support businesses that invest in their
 employees.
 - By incentivizing businesses to upskill their incumbent workforce, the State can promote higher wages for Hoosiers and stronger economic growth for communities of all sizes.

Reform IEDC structure and programs to execute on proactive business development strategy (e.g., focus on biotech due to high growth), better collaborate across regions (e.g., work directly with SWI Development Council, local mayors) and improve coordination with other agencies.

<u>Establish a strategic entity</u> (e.g., Office for Entrepreneurship and Innovation) to drive entrepreneurship and small business strategy,

EQUIPPING INDIANA'S NEXT GENERATION: TARGET ECONOMIC DEVELOPMENT TO RURAL COMMUNITIES

focusing on nurturing high-potential sectors and capitalizing on Indiana's three federally designated tech hubs (i.e., Hydrogen, CHIPS, BioWorks), focusing on innovation infrastructure in the first term.

Create a consolidated workforce development strategy (e.g., consolidated GWC, DWD, IEDC talent) to better serve state and regional talent needs for employers' in-demand jobs, aligned with workforce development partners (e.g., IU, Purdue, IvyTech) that conducts programmatic review to track economic impact, spend, ROI, and outcomes at the individual level (e.g., median wages) by program (e.g., Next Level Jobs).

Over the last decade, Indiana's economic development programs have generated billions of dollars in capital investment, supported the creation of thousands of high-wage jobs, and earned three major federal tech hub designations.

However, at the same time, rural Hoosiers have watched their neighbors and children move away for job opportunities in metropolitan areas, and their communities continue to be passed over for basic amenities like child care and affordable healthcare.

In order to unlock the potential of rural Indiana, the State must take steps to ensure that state economic development dollars reach communities of all sizes, that they are invested with accountability and transparency, and that they support rural livability.

Plan of Action

Hoosier Rural Business Growth Program: The State should create a targeted program for rural Indiana: the Hoosier Rural Business Growth Program. Through this program, IEDC would attract qualified private sector investors to raise and invest flexible capital into rural communities and help rural businesses to sustainably expand their operations.

By prioritizing rural businesses, the Hoosier Rural Business Growth Program will support rural communities by helping entrepreneurs to grow their businesses and create good-paying jobs for Hoosiers.

 This model has been proven to help homegrown businesses in Ohio, Oklahoma, and Utah to create jobs and revitalize their rural economies.

Accountable and Transparent Economic

<u>Development:</u> Hoosiers should be confident that the State's economic development programs are earning the best return on investment for the entire State. In order to earn this confidence, the State should implement new accountability and transparency safeguards at IEDC.

- Ratepayer and Resource Impact Analysis: As part of its due diligence process, the State should require IEDC to analyze the impact of its investments on Hoosiers' utility costs and regional water and energy resource availability. IEDC would also be directed to study whether new generation, transmission, or distribution capacity would be needed to serve an IEDC project. For any investment that is projected to have a negative impact on ratepayers or electric cooperative memberconsumers, IEDC would be required to develop and implement a mitigation plan.
- Harmonized Strategic Planning: The Governor should regularly convene leadership from the State's key commerce and strategic agencies (e.g., IEDC, Indiana Department of Transportation, Indiana Utility Regulatory Commission, the Ports of Indiana, Office of Energy Development, Indiana State Department of Agriculture, and the Indiana Finance Authority) in order to effectively communicate a single strategic



plan for the State, identify assets that enable organic investment, and ensure that our physical infrastructure is prepared to support tomorrow's commerce.

Rural Livability — Child Care: For many young families, access to affordable child care is a nonnegotiable (see "Build Out Reliable Connectivity" below for another non-negotiable: reliable broadband). However, in many rural communities, it is simply not economically feasible to operate affordable child care facilities.

The State's current child care programs provide vouchers to low-income families to defray the cost of child care. While these programs help to increase access in communities with adequate child care supply, they do not address the fundamental child care shortfall in Indiana. The State should address this shortfall by empowering local governments to work alongside employers to create and sustain new child care facilities.

- Under this program, communities would enter into public-private partnerships with local providers, supported by flexible state funding and a local match. The State would provide proportional funding to counties on a per child basis. Counties would be required to opt into the program and would be able to raise local match from public or private dollars.
- This program builds on the success of a similar model for local public health funding, as passed into law in 2023 and codified at IC 16-46-10.

Build Out Reliable Connectivity:

Broadband is essential infrastructure, and it has become part of how Hoosiers work, learn, and even access healthcare. While many Hoosiers living in cities and suburbs have been connected to high-speed internet for years, many rural communities are still fighting for access to sufficient broadband.

Addressing this connectivity gap is central to unlocking sustainable economic development in rural Indiana. Reliable internet access is now non-negotiable for young families looking for a place to raise children, as well as entrepreneurs looking to start or relocate a business. On the farm, agricultural equipment manufacturers have rolled out next-generation models that, when connected to the internet, offer unforeseen precision, effectiveness, and data collection.

Thanks to the hard work of local elected officials and entrepreneurs across the state, as well as the Indiana Office of Community and Rural Affairs (OCRA) and Indiana Broadband Office (IBO), our state has made headway in building out broadband. However, there is still work to be done until every corner of the state has reliable internet access to the last mile and the last acre.

Plan of Action

Pursue Maximum Flexibility: The Indiana Broadband Office (IBO) will seek maximum flexibility from the Trump Administration to ensure efficient deployment of the state's \$868M in BEAD funding. When and where possible, maximum transparency and competition for program dollars through the application and challenge phases will ensure Hoosiers maximize the funding available and deploy resources with efficiency.

Protect Hoosier Broadband Dollars: While many Hoosiers without connectivity live in rural communities far from broadband infrastructure, others live right outside city or town limits. However, due to quirky regulations and overstated coverage claims by some internet service providers, these "almost-served" Hoosiers end up slipping through the cracks. The State should direct IBO to block broadband developers from receiving state broadband dollars if they repeatedly make fallacious coverage claims.

Innovative Connectivity for Rural Hoosiers:
Unfortunately, conventional broadband economics break down for Hoosiers who live in the most rural parts of the State—the areas that are not only unserved today, but are also excluded from funded broadband project areas. To serve these Hoosiers,



the State needs to consider new, creative solutions. Specifically, the State should develop a program to support innovative broadband delivery models.

Protect Hoosier Farmland:

Food security is national security, and the effective preservation of Hoosier farmland is critical to protecting and enhancing the rural way of life for the next generation.

In 2023, to better understand this issue, the General Assembly enacted legislation (House Enrolled Act (HEA) 1557, authored by Representative Kendell Culp) that directed ISDA to develop an inventory of Hoosier farmland lost from 2010 to 2022. In July, ISDA published its report, finding that 345,700 acres of Hoosier farmland were lost between 2010 and 2022. That's the size of approximately one and a half Indiana counties. The ISDA report made it clear—Indiana needs a comprehensive strategy for effective farmland preservation.

One leading threat to Hoosier farmland is acquisition by foreign adversaries like China. In fact, between 2010 and 2021, entities owned or controlled by the Chinese Communist Party expanded their ownership of American agricultural land by a factor of 27. During the same decade, China also invested billions of dollars through its Belt and Road Initiative to control other aspects of international energy and transportation supply chains.

Thankfully, Indiana has been a leader in fighting this serious threat. Earlier this year, the General Assembly enacted legislation (HEA 1183, led by Representative Kendell Culp and Senator Jean Leising), which banned foreign adversaries from owning or leasing Hoosier farmland. As this legislation is implemented, the threats posed by China become more advanced by the day.

Plan of Action

State Strategy for Farmland Preservation: While ISDA published its Inventory of Lost Farmland report in July, it has not announced further steps. The Inventory is simply too valuable for ISDA to only develop once. The State should direct ISDA to regularly update the Inventory and leverage the underlying data to develop a comprehensive

strategy for effective farmland preservation.

Defend Hoosiers from Foreign Adversaries: Building off the General Assembly's bold leadership in enacting HEA 1183, the State should strengthen its defense against foreign adversaries like China by requiring foreign adversaries to divest of any land holdings in the State of Indiana and enacting legislation to require all foreign agents to register with the State. Among other things, this registration process would include a requirement to disclose the ownership structure of foreign entities, thereby bolstering the State's detection of Chinese shell companies.

Protect Landowner Rights and Local Government: Many Hoosiers are concerned about losing prime farmland to renewable energy development. At the same time, enrolling acreage into wind and solar contracts can be an opportunity for farmers to diversify their income and pass the farm on to future generations. As state and local governments contend with ISDA's Inventory of Lost Farmland, the State should prioritize landowner rights and local governance.

INVESTING IN A HEALTHIER INDIANA

Across the state, Hoosiers are concerned about unexpected medical bills and the impact that they will have on their family's home finances. High prices in health care—whether rising insurance premiums, lofty prescription drug costs, or staggering hospital bills—are robbing Hoosiers' paychecks, even as they already contend with record inflation.

In Indiana, the high cost of health care not only puts a strain on families, but also on employers who are looking to relocate to the state or expand their footprint. For every advantage Indiana's business-friendly tax environment gives it over its peers, the state suffers an equal or greater disadvantage from high health care costs.

Without intervention, the strain will only get worse. In fact, according to the reporting from the <u>Indianapolis Business Journal</u>, insurance premiums in the State of Indiana are expected to rise by at least 10 percent in 2025.

At the same time, rural health care systems are facing a number of unique challenges that limit access to care for Hoosiers across the state. Solutions that do not recognize these unique challenges risk contributing to disparate health care quality and cost in the State.

Over the last few years, the Indiana General Assembly has taken steps to put Indiana on a path towards health care affordability, and has set a firm foundation for more ambitious work.

To protect patients from unexpected medical bills and put Hoosiers in the driver's seat for their health care, this plan proposes bold policies that:

- Improve Quality.
- Lower Costs.

- Enhance Transparency.
- Expand Access.
- Promote Wellness.
- Increase Competition.

By enacting the Freedom and Opportunity Agenda — Health Care Plan for Indiana, the State of Indiana will improve the health of Hoosiers while putting money back in their pockets.

Improve Quality

Indiana ranks among the most expensive states for health care. At the same time, Hoosiers contend with poor outcomes for key metrics including life expectancy, heart disease, and infant and maternal mortality. By prioritizing quality primary care, investing in patient data, and supporting our health care workforce, the State can improve health care quality and deliver measurable improvements for patient outcomes.

Plan of Action

<u>Prioritizing Quality Primary Care:</u> In addition to being more cost-effective than other interventions, an ongoing relationship between a patient and a primary care provider improves health outcomes across the board. The State should invest in quality primary care relationships to improve the health of Hoosiers.

• Reduce Patient Reliance on Emergency Rooms: Require Medicaid enrollees to consult with a primary care physician before pursuing treatment in an emergency room for non-emergency cases. The State should also develop incentives for commercial health plans that adopt this requirement.



- Expanded Primary Care Options for Medicaid: In order to improve access to primary care for Medicaid enrollees, the State should allow Medicaid patients to access program dollars to support a direct primary care practice membership.
- Health Literacy: Direct the Department of Health to collaborate with the Family and Social Services Administration to develop health literacy materials for the general public, including Medicaid enrollees. These materials would explain the importance of primary care and early medical interventions, and empower patients to take control of their health care and ask informed questions about diagnoses and treatment plans.

<u>Investing in Patient Data:</u> The State should empower patients and providers by allowing patients to access their data at no cost and investing in statewide medical record interoperability.

- Patient Data Ownership: Clarify that patients own their protected health information and that, as such, they have an absolute right to access at no cost any diagnostic tests and objective clinical measurements collected from a medical provider.
- Interoperable and Secure Data: Set standards for medical record interoperability and data security, and require that these standards are met by any medical vendor to the State.

Supporting our Health Care Workforce: Quality health care starts with quality practitioners. The State should reaffirm the right of medical personnel to control the path of their careers in Indiana, and should make it easier for doctors to collaborate with colleagues and move to a new practice within the State.

 Interprofessional Consultation for Medicaid: Improve the quality of care in rural hospitals and prevent unnecessary patient transfers by allowing Medicaid to reimburse providers for providing a continuum of care through interprofessional consultation, wherein providers at separate facilities collaborate on a patient's treatment plan.

- Currently, while covered by many group health plans, interprofessional consultation is not covered by Medicaid, leading many patients to be needlessly transferred to facilities with higher level of care. This increases the cost of treatment without necessarily improving the patient's outcomes.
- Prohibit Non-Compete Clauses: Prohibit notfor-profit hospitals from requiring licensed medical personnel to sign employment contracts that include non-compete agreements.
 - In April, the Federal Trade Commission banned these agreements for workers in all for-profit companies but stopped short of providing parity for medical professionals in not-for-profit systems.
- Eliminate Red Tape for In-State Doctors: Require insurance companies to provide for expedited credentialing (lasting no longer than 30 days) for credentialed providers who switch between employers or locations within the state.
- Medical Licensing Reciprocity: Improve Indiana's quality doctor pipeline by working with the Medical Licensing Board to develop opportunities for medical licensing reciprocity for certain qualified doctors moving to Indiana.

Lower Costs

For years, Hoosiers have contended with higher-than-average health care costs. Making health care more affordable for Hoosiers will require a comprehensive approach with buy-in from state and local government, employers, and the whole gamut of health care stakeholders. To start, the State should provide more options for affordable employer-sponsored coverage, pay special attention to surprise medical bills, prescription costs, and long-term care, and institute a zero-tolerance for waste, fraud, and abuse.



Plan of Action

More Options for Affordable Coverage:

Approximately half of Hoosiers receive their health insurance through their employer. However, many small businesses have been priced out of the market by skyrocketing health care costs. The State should provide more opportunities for small businesses to provide affordable health coverage to their employees.

- Expand the ICHRA Tax Credit: Empower small businesses to provide health coverage to their employees through individual coverage health reimbursement arrangements (ICHRA)—a tax-advantaged arrangement where an employer reimburses its employees for the cost of their individual health insurance.
- Entrepreneurial Solutions for Small Businesses: Encourage small businesses to provide health coverage to their employees through risk pooling, association health plans, and multiple employer welfare agreements (e.g., by reducing barriers to MEWA expansion).

Surprise Medical Bills: Surprise medical bills occur when a patient does not know that his or her health care provider was out-of-network until he or she receives an exorbitant bill in the mail. Hoosiers are protected by federal law against most surprise medical bills, and by state law against surprise ambulance bills.

Protect From All Surprise Medical Bills:
 Protect Hoosiers from all surprise medical bills by codifying comprehensive surprise medical billing protections, including clear enforcement authorities and a list of ancillary medical services that may become medically necessary during an emergency treatment.

<u>Prescription Costs:</u> Many Hoosiers rely on prescription drugs as part of their daily treatment for a medical condition. The State should ensure that the market for pharmaceuticals supports patients.

 Regulate the Middle Man: Pharmacy benefit managers (PBMs) are third-party administrators who implement prescription drug benefits for health insurance plans. In practice, these middlemen between pharmacies and drug manufacturers have only driven up the cost of prescription drugs. To combat the impact of PBMs, the State should:

- Prohibit PBMs from steering prescription drug plan enrollees to pharmacies in which the PBM holds equity.
- Support pharmacies by blocking PBMs from charging retroactive fees or payment reductions to retail pharmacies.

Long-Term Care: For the elderly and disabled Hoosiers who rely on long-term care to maintain their quality of life, it is critical that these services are affordable and high-quality. The State should help Hoosiers of all incomes to comfortably age *how* and *where* they so desire.

- Long-Term Care Savings Account: Establish
 a tax-advantaged savings mechanism that
 allows Hoosiers to save for long-term medical
 care (e.g., home care, nursing home care,
 accessible home improvements), putting
 Hoosiers in charge of how and where they
 age.
- Medicaid Quality and Cost Monitoring: As the State implements its new PathWays for Aging managed care program, it should set clear metrics to assess quality of care and patient outcomes. It should also institute transparency and accountability safeguards.

Safeguards Against Waste, Fraud, and Abuse: In the State of Indiana, there should be a zero-tolerance policy for waste, fraud, and abuse, which take resources from vulnerable populations and threaten the integrity of the State's essential health care programs. To protect the integrity of Indiana's Medicaid program and the State Employee Health Plan (SEHP), the State should develop new, rigorous integrity standards that leverage cuttingedge data technology to identify waste, fraud, and abuse.

 Independent Audit of Medicaid and SEHP: Leverage third-party technology platform services to conduct an independent audit of



Medicaid and SEHP claims encounter data from the last three biennia to determine whether unwarranted or inappropriate amounts were paid on claims and identify trends, where appropriate.

- This audit should, among other things, utilize state-of-the-art data analytics solutions like machine learning and predictive modeling to identify anomalies and assess structural weaknesses in the State's systems and processes.
- Develop Statewide Integrity Standards: Using the results of the independent audit, the State should develop updated best practices, safeguards, and accountability mechanisms to prevent future payment and processing errors, and to mitigate waste, fraud, and abuse.
- Request for Proposal Requirements: Once statewide integrity standards are developed, the State should require any bids for Medicaid or the SEHP to demonstrate compliance.
- Zero Tolerance for Fraud: The State should empower the Attorney General's Medicaid Fraud Control Unit to develop improved statewide data sharing standards, and a shared mission with the Family and Social Services Administration to investigate any alleged overpayments, duplicative claims, or other suspicious billing and claim practices that are detected through the State's fraud detection processes—regardless of the monetary value.
- Criminal Investigations for Fraud: The State should authorize the Attorney General to designate law enforcement officers within the Medicaid Fraud Control Unit to investigate Medicaid fraud cases and bolster the Unit's capacity to recover taxpayer dollars.

Enhance Transparency

For decades, the health care sector has operated behind a shroud of secrecy, with little to no price transparency. In the absence of transparency, prices have continued to rise at the expense of patients, employers, and the government. The State should adopt sweeping price transparency legislation to empower patients and nudge our health care sector towards the free market.

Plan of Action:

The State of Indiana should enact sweeping price transparency reforms that make health care prices predictable, accessible, and useful to patients.

<u>Predictable Prices:</u> While the State has taken great strides to protect its residents from certain unexpected medical bills, there is still work to be done. To make health care prices predictable. the State should close loopholes in its prior authorization reforms and institute site neutral prices.

- Prior Authorization Reform: Protect patients and reduce overhead for providers by reforming prior authorization. Specifically, the State should prohibit insurance companies from rescinding prior authorization after making a positive determination and require any denials to be made by a physician or medical professional with similar credentialing as the requesting physician.
- Site Neutral Prices: Empower patients to choose the location where they get health care by requiring all nonprofit hospital systems to negotiate site neutral prices with Medicaid and commercial insurance plans.

Accessible Prices: Patients and employers across the country have been left in the dark regarding their health care data. The State of Indiana should lead the nation by prioritizing the rights of patients and group health plan sponsors to access and control their data.

 Health Care Data Sharing Standards: Empower employers and other group health plan sponsors to negotiate higher quality



coverage at a lower cost by instituting revolutionary statewide health care data sharing standards.

- Under these standards, Hoosiers would be entitled to real data (provided in a free, consumer-friendly format) about negotiated rates and cash prices between insurance plans and providers for each billing code and shoppable service offered at a facility. Currently, Hoosiers may only expect to see a non-binding estimate for services.
- This requirement would apply to hospitals, as well as ambulatory surgical centers, clinical diagnostic labs, and imaging centers.
- To comply, covered facilities will be required to submit an attestation from a senior officer to the accuracy and completeness of the data.
- Claims Encounter Data: Reaffirm the absolute right of employers and other group health plan sponsors to access, audit, and review their claims encounter data. This data, which was recently shrouded behind misapplied "trade secrets" protections, would empower sponsors to fulfill their fiduciary duty and find the best plan for their employees.
- Prescription Mark-Up Disclosure: Hoosiers would be entitled to real data (provided in a free, consumer-friendly format) about the markup charged by covered facilities as part of their prescription drug pricing schemes for each class of payer.
 - This requirement would apply to insurance companies, not-for-profit hospital pharmacies, and PBMs.

<u>Useful Prices for Patients:</u> In addition to increasing the amount of information that is available to patients and group health plan sponsors, the State should require health care pricing information to be actionable for patients—providing useful information that helps patients understand their expenses and avoid unexpected costs.

Good Faith Estimates: Providers and insurers

would be required to provide a good faith estimate of a patient's out-of-pocket costs for the services associated with a scheduled inpatient or outpatient treatment (including any services that may reasonably be included in the course of treatment) no later than 48 hours before admittance.

- Currently, Indiana law entitles insured patients to this information upon request, and it must be provided within five days. Uninsured and self-pay patients are protected by a similar federal requirement.
- Timely Bills for Patients: Hoosiers would be entitled to a predictable and timely billing process for medical expenses.
 - Upon discharge from an inpatient or outpatient treatment, providers would be required to provide patients with a list of the services they received and for which they will be billed.
 - Providers would be required to send all bills associated with a patient's treatment within 45 days of the patient's care.
 - Patients would be entitled to a reasonable window of 30 days to pay upon receipt.

Expand Access

No Hoosier should question whether they or their loved ones will be able to access affordable health care, including Hoosiers with preexisting conditions. To deliver high-quality health care to more Hoosiers, the State should support Hoosiers with preexisting conditions, provide access to rare and terminal disease treatments, improve access in rural areas, and support local providers.

Plan of Action

Support Hoosiers with Preexisting Conditions:
Nobody should go broke because they got sick, and the State should demonstrate its commitment to support those with preexisting conditions.

Codify Clear Protections to Access: The State



should codify clear language that protects the ability of individuals with preexisting conditions to access affordable health care.

Increase Access to Rare and Terminal Disease
Treatments: As medical researchers work to cure
rare and terminal diseases, many of today's most
promising treatments are tailor-fit to the patient.
Under Indiana's "right to try" law, patients with rare
and terminal diseases can access pharmaceuticals
that are still in the federal approval pipeline.
However, the law does not include individualized
treatments, which are tailored to a patient's specific
genetic mutations or diseased cells. These patients
do not have time to wait; they deserve a right to try
promising treatments.

 Expand Hoosiers' Right to Try: Empower consumers with rare and terminal diseases by expanding Indiana's right to try statute to include individualized treatments. Hoosiers with rare and terminal diseases do not have time to wait; they deserve a right to try promising treatments.

Improve Access and Affordability in Rural Areas: In addition to industry-wide trends, Indiana's rural health care systems also face a number of unique challenges that limit access to care for many Hoosiers. The State should invest in solutions that increase access in rural communities.

- Telehealth for Medicaid: Expand telehealth coverage for Medicaid to cover all forms of telehealth services, including live visits, remote patient monitoring, tele-dentistry, and asynchronous provider interactions.
 - This model has been successfully implemented in Arizona to raise the standard of care for Medicaid recipients
- Increase Rural OB Access: Confront Indiana's high maternal and infant mortality rates by building a stronger, homegrown pipeline for obstetricians (OBs) and midwives.
 - Address rural shortages in critical areas of practice like obstetrics by requiring the Indiana Graduate Medical Education fund to prioritize rural training placements for OBs and other high-need positions.

- Partner with hospitals, medical schools, and nursing schools to establish new training programs in urban and rural settings for OBs, family medicine OBs, and midwives.
- Ensure full Veteran access: Direct DVA and FSSA to automate veteran status verification and facilitate enrollment into VA healthcare

<u>Support Local Providers:</u> As the health care industry continues to face consolidation, the State should enact policies that support local providers and incentivize new primary care facilities.

- Right to Refer: Protect patients' rights and support local providers by prohibiting insurers from denying coverage for eligible care simply because the patient's referral was made by an independent, out-of-network physician (including direct primary care providers).
- Primary Care Access Revolving Fund: Support entrepreneurial physicians and increase local access to primary medical care by leveraging Indiana Economic Development Corporation dollars to establish a Primary Care Access Revolving Fund.
 - The revolving fund would be administered by the Indiana Finance Authority and loan awards could be used to finance facility buildout and equipment purchases or to meet a facility's working capital needs.
 - Prioritization would be given to applications that have secured local incentives and support, enable struggling hospital systems to stay afloat, and provide new access to underserved communities.
 - This proposal builds on the work of Representative Donna Schaibley's HEA 1004 (2023), which established the Physician Practice Ownership Tax Credit for independent practices in family medicine, general pediatric medicine, general internal medicine, and the general practice of medicine.



Promote Wellness

Wellness can play an important role in the daily lives of Hoosiers to help them stay in shape, mitigate stress, and reduce their reliance on medical interventions in the long run. By promoting healthier lifestyles and protecting access to preventative services, the State can invest in the health of Hoosiers and reduce its long-term health care spending.

Plan of Action

<u>Healthier Lifestyles:</u> A growing literature shows that individuals who focus on improving their nutrition and fitness rely less on the health care system. The State should pursue policies that encourage Hoosiers to live a healthier lifestyle and reduce their chances of chronic disease.

 Studying Wellness and Long-Term Health Outcomes: The State should partner with private sector and government stakeholders to assess the long-term cost savings associated with early nutrition and fitness interventions.

<u>Preventative Services:</u> Early detection and preventative treatment can not only help to keep Hoosiers healthier, but they also save money in the long run. The State should prioritize access to preventative services for Hoosiers.

- Codify No-Cost Access to Preventative Services: The State should codify clear language that requires insurance plans to cover preventative services within the plan's provider network at no cost to the patient.
 - This requirement would extend to a list of enumerated preventative services that span immunizations, screenings, pre- and perinatal services, and similar services.
 - Currently, this coverage is required by federal law but is the subject of litigation.

Increase Competition

Competition drives down costs and improves the

quality of care for patients by creating new options to choose from and incentivizing transparency. As Hoosiers contend with a consolidated health care industry, which has created higher costs and fewer choices, the State should strengthen its enforcement of anti-trust laws and level the playing field for competition.

Strengthen Enforcement of Anti-Trust Laws: For decades, the State has empowered the Attorney General to protect competition and consumers through anti-trust laws. The State should give the Attorney General additional tools to protect competition in the health care industry.

- Protect Hoosiers from Consolidation: Protect competition in health care by requiring all private equity mergers and acquisitions in the health care industry to be approved by Indiana's Attorney General, regardless of their valuation. The Attorney General would be empowered to block transactions that are found to cause adverse impacts for consumers.
 - Earlier this year, the Indiana General Assembly enacted SEA 9, legislation from Senator Chris Garten that empowers the Attorney General to review and request information about health care mergers and acquisitions in cases where at least one party is valued at \$10 million or more.

Increase Competition by Removing Barriers to Entry: In addition to protecting Hoosiers against the potential adverse effects of mergers and acquisitions, the State should remove barriers to entry and eliminate regulations that harm competition.

- Health Insurance Industry Fiduciary: Clarify that, in the State of Indiana, health insurance industry professionals (including insurance companies, pharmacy benefit managers, and third-party administrators) have fiduciary responsibilities to their clients.
- Provider Access to Reimbursement Criteria: Support health care providers by requiring insurance companies to provide a current fee schedule and up-to-date administrative denials criteria to providers during contract



negotiations.

- Under this requirement, a fee schedule must include the proposed reimbursement for each covered service under the contract, as well as the 25th percentile, average, and 75th percentile for reimbursement in the State for each covered service.
- Regulatory Reform to Promote Competition:
 Conduct a targeted regulatory analysis of
 the state's health care industry in order to
 determine whether any state regulations
 promote consolidation or pose an undue
 barrier to entry for competition, and propose
 remedies where appropriate.

Faithfully Execute SEA 1 (2022)

 Ensure SEA 1 (2022) implementation is in accordance with statute in a way that provides transparency and certainty for the public and medical providers.

IMPROVING QUALITY OF LIFE FOR EVERY HOOSIER: PUBLIC SAFETY

Hoosier families and communities deserve to know that their safety and security are the top priority of state government. In today's interconnected world, national issues like illegal immigration and the flow of illegal drugs like fentanyl and methamphetamine have a real impact on communities across the state and country. Because of the complexity of modern public safety, it is imperative that the State supports our law enforcement officers in the line of duty.

In order to make Indiana a safer, more secure place to live, this plan proposes policies that:

- Confront the Drug Crisis.
- Enforce our Laws.
- Tackle Illegal Immigration.
- Support our Police.
- Treat Mental Health with Seriousness.
- Prioritize School Safety

By enacting the Freedom and Opportunity Agenda — Public Safety Plan, the State of Indiana can strengthen its stance against crime and support its law enforcement agencies.

The Freedom and Opportunity Agenda — Public Safety Plan was originally released in February 2024, and has been updated here to provide additional details.

Confront the Drug Crisis

Hoosier families have been devastated by the flow of illegal drugs like fentanyl and methamphetamine into their communities. In addition to harming our families, drug-related incidents have overrun the State's public health and safety resources. While the challenge posed by illegal drugs is clear and urgent, the State has not met this challenge to help Hoosiers confront this burgeoning crisis.

Plan of Action

Comprehensive Drug Crisis Strategy: The State should develop a comprehensive strategy to confront the drug crisis, leveraging the entirety of the state's resources and partnerships with federal and local partners. This strategy should include effective drug prevention, enforcement, and recovery, and should safeguard Hoosiers communities from illegal drugs. The strategy should also include:

- Stronger Penalties for Distribution: Strengthen
 the legal penalties for distributing lethal drugs
 like fentanyl and methamphetamine, and put
 the full weight of Indiana's justice system
 behind enforcing and prosecuting the law.
- Crack Down on Drug Trafficking: Enhance state police interdiction powers by empowering the Indiana State Police to spearhead a comprehensive statewide drug interdiction strategy in close collaboration with local law enforcement agencies and prosecutors.
- Prevention and Recovery: Continue to invest in highly effective programs and strategies for drug prevention and recovery, and develop key partnerships to support promising new interventions.

Enforce our Laws

In order to keep Hoosiers safe, our criminal justice system must be fair, effective, and consistent. As it stands, our laws are being undermined by prosecutors who refuse to enforce laws for political reasons, and a bail system that does nothing to ensure that dangerous criminals are detained and kept off the streets. The State should uphold the safety and security of all Hoosiers by empowering



the criminal justice system to enforce laws equally and fully.

Plan of Action

Prosecute Violent Criminals: Indiana's law enforcement officers defend Hoosiers from violent criminals daily, but their work is often undermined by selective enforcement and manipulative bail policies. These challenges serve to put violent criminals back on the street and erode public trust in the criminal justice system. To stem the tide of violent crime, the State should strengthen its posture against violent crime and back up its law enforcement officers.

- Stronger Penalties for Violence: Strengthen
 the legal penalties for committing violent
 crimes and assaulting our law enforcement
 officers, and put the full weight of Indiana's
 justice system behind enforcing and
 prosecuting the law.
- Non-Discretionary Minimum Bail: Establish strict, non-discretionary minimum bail requirements for violent crimes and habitual offenders, ensuring that dangerous individuals are detained pre-trial.
- Consistent State-Funded Prosecutors: Provide consistent enforcement of the law by equipping prosecutor's offices for success.
 - Increase resources for prosecutors to recruit and retain high-quality deputy prosecutors.
 - Empower the Governor to remove and replace state-funded prosecutors who fail to uphold their duty to the community.

Tackle Illegal Immigration

Under the Biden-Harris Administration, enforcement at the southern border has deteriorated, empowering an overwhelming number of illegal immigrants to cross into the country. In the absence of federal leadership, it is incumbent on state governments to step up with state-based solutions that crack down on illegal immigration.

The State should protect Hoosiers by adopting policies that make Indiana unwelcoming to criminals who pass illegally into the country.

Plan of Action

<u>State-Based Solutions:</u> The State should protect Hoosiers by enacting policies that keep its communities safe and secure from the criminal elements tied to illegal immigration.

- End Sanctuary Cities: The rule of law is undermined when states or cities offer safe harbor for crime. So-called sanctuary cities—whether in Indiana or in neighboring states—threaten the safety of Hoosiers. The State should protect the rule of law by taking decisive action to enforce its long-standing ban on sanctuary cities (including, when necessary, through litigation).
 - The State should also work directly with communities that are in close proximity to sanctuary cities in neighboring states to increase enforcement.
- Present a United Front: Streamline collaboration between state and local law enforcement, and equip our law enforcement agencies with the necessary technology and tools to effectively combat the criminal elements tied to illegal immigration.

<u>Cooperative Federalism:</u> The State should also be prepared to work hand-in-hand with federal law enforcement officers to address illegal immigration from its root causes.

- Enforcement Support: Should the federal government adopt a stronger posture with respect to enforcing illegal immigration, the State should be ready to assist in federal enforcement efforts through data-sharing and other synergies.
- National Guard Readiness: Coordinate with border states to determine how the Indiana National Guard may best be prepared to support a coordinated response to the border.



Support our Police

Every day, our law enforcement officers put their lives on the line to protect Hoosiers. In order to enhance officer recruitment and retention, the State should become a national leader in law enforcement support by enhancing salary and benefits, improving law enforcement training and equipment, and supporting officers' mental health and well-being.

Plan of Action

Enhance Salary and Benefits: Law enforcement officers' compensation—including salaries, benefits, and training opportunities—should reflect and respect the daily sacrifice they make. The State should invest in enhanced salary and benefits for state troopers and local law enforcement officers.

 Comprehensive Pay Reform: Implement comprehensive reforms to law enforcement officer compensation that align state troopers and local officers with competitive standards, including routine cost of living adjustments, competitive salaries, and comprehensive benefits that support officer well-being.

Elevate Officer Training: Hoosiers know that well-trained law enforcement officers make for safer communities. Today, Indiana's law enforcement officers are trained to handle a variety of challenges, and the State should continue to invest in officer training to further build on officer effectiveness and public trust.

• State and Local Collaboration: Increase collaboration between state and local law enforcement at the Indiana Law Enforcement Academy to better deliver advanced policing techniques and support cooperation in the field. By enhancing collaboration for officer training, the State can not only reinforce officer preparedness but also ensure that every officer is at the forefront of modern law enforcement practices.

Support Officers in the Line of Duty: In order to best defend Hoosiers, our law enforcement officers need to be able to make split-second decisions in

high-stakes situations without fearing unwarranted legal repercussions. The State should defend and protect qualified immunity for its law enforcement officers.

 Protect Qualified Immunity: Qualified immunity is a legal doctrine that ensures that law enforcement officers are protected from personal liability while performing their duties. It is critical to ensuring that officers have the necessary protections to act decisively, within the scope of the law, and in protection of Hoosiers.

Treat Mental Health with Seriousness

Across the state, Hoosiers are encountering a mental health crisis that not only impacts their loved ones, but also strains public safety resources that now serve as *de facto* treatment centers for those in need. The State should invest in local mental health treatment facilities that decriminalize mental health, treat it with the seriousness it deserves, and reduces the strain on already-stretched public safety resources.

Plan of Action

Break the Cycle of Incarceration: In the absence of accessible mental health resources, many individuals have found themselves in overcrowded jails and a cycle of incarceration. The State should invest in local mental health facilities and transform its approach to helping those in need.

- Invest in Local Mental Health: Significantly invest in local mental health treatment facilities ensuring that individuals with mental health issues receive the care they need within their community and without placing an added burden on the criminal justice system.
- Hybrid Telemedicine: In order to expand the reach of mental health specialists and provided tailored care to more Hoosiers, the State should develop a plan to leverage a combination of in-person and telemedicine services for mental health services.



Prioritize School Safety

Currently, Indiana's school safety authorities are fragmented across different agencies. As modern threats continue to grow in complexity, the State must ensure that local communities and schools are supported so that no aspect of school safety falls through the cracks.

Plan of Action

Indiana Office of School Safety: Establish the Indiana Office of School Safety to streamline and enhance existing authorities at the Department of Education, Department of Homeland Security, and Indiana State Police, led by an individual with experience in emergency response and the K-12 environment. In order to achieve the goals of the Office, the State should also:

- In-School Safety: Increase the funding available to the Secured School Safety Grant Program, which provides matching grants to help schools employ safety personnel and purchase safety equipment.
- Online Safety: Implement age-appropriate cyber safety training for students, including information about online safety, financial scams and phishing attempts, secure passwords, and the responsible use of online platforms (including generative artificial intelligence and social media).

IMPROVING QUALITY OF LIFE FOR EVERY HOOSIER: RELIABLE ENERGY AND CLEAN WATER

Governor-elect Braun recognizes that Indiana needs strong leadership to navigate the energy challenges that Indiana faces. The administration will ensure that the state has enough affordable and reliable electricity to meet the needs of residents and attract new economic development. Currently, no entity within state government has primary responsibility for developing and driving energy policy in Indiana. The administration intends to fill this gap with a Secretary of Energy and Natural Resources to provide the necessary leadership to move Indiana to nation-leading energy affordability and reliability.

Indiana's energy framework is supported by experienced and respected agencies, including the Indiana Utility Regulatory Commission (IURC), the Office of Utility Consumer Counselor (OUCC), and the Office of Energy Development (OED). Collectively, these agencies provide regulatory oversight, advocate for ratepayers, and administer energy efficiency programs, respectively. However, these agencies face some operational challenges including staffing, grant management, and IT upgrades. OED, in particular, should be leveraged as more than just a pass-through entity for federal grants.

Affordable and Reliable Energy

Over the last decade, Hoosiers' electricity bills have increased dramatically, outpacing the national average. At the same time, Indiana's power grid operators have warned ratepayers about the threat of rolling brownouts during extreme heat and cold. It is time for the State to talk honestly about the challenges and opportunities in the energy sector and ensure that Hoosiers always have access to affordable and reliable electricity and heat.

Plan of Action

<u>All-of-the-Above Energy Strategy:</u> As Hoosiers confront high utility costs and the threat of rolling brownouts, the State should explore all new generation opportunities—including fossil fuels, renewable energy, and nuclear—where they make sense.

- Protect Baseload Investments: Support opportunities for electric public utilities to make a good faith effort to sell coal- and natural gas-fired baseload generation facilities before retiring such facilities.
- Smart Renewable Development: Prioritize noregrets renewable development opportunities through expedited permitting for agrivoltaics and developments on marginal land, former mine land, and brownfields.
- Cut Regional Red Tape: When utilities face red tape, the cost is passed on to ratepayers. In the energy sector, regional transmission organizations (RTOs) act like quasigovernmental regulators, subject to federal oversight and the interest of member states.
 - The State should direct the Indiana Utility Regulatory Commission to work with likeminded states within the Organization of Midcontinent Independent System Operator (MISO) States to ensure expedited connections for affordable and reliable baseload energy.
- Nuclear Development: Position Indiana
 to become a leading state for the nuclear
 energy development over the next decade,
 with the intent to unlock nuclear energy's
 potential to help fill gaps in Indiana's mid-tolong-term power generation mix for flexible,
 24/7 dispatchable generation.



- Explore federal programs that reduce the cost of converting legacy baseload plants to nuclear.
- Identify and address regulatory constraints and improve coordination with the Nuclear Regulatory Commission.
- Engage developers, utilities, and major electricity consumers to develop publicprivate partnerships for enabling development of nuclear.

The administration also intends to address the growing demand on Indiana's water resources. While the state generally has ample water, the real issue is uneven distribution, with more abundant resources in Northern Indiana and constraints in Central and Southern regions. This challenge, intensified by industrial growth and urbanization, highlights the need for targeted regional solutions rather than increasing state capacity. For example, the LEAP Innovation District in Boone County depends on importing water from neighboring counties due to limited local sources.

Plan of Action

Develop a plan to ensure equitable distribution of clean water: The administration intends to direct the Secretary of Energy and Natural Resources to lead a comprehensive, incentive-based water planning process to encourage alignment among utilities, industries, and municipalities. By promoting regional cooperation, building capable water utilities, and clarifying water rights, the state can better manage this critical resource.

