March 16, 2022

The Honorable Todd Huston Speaker Indiana House of Representatives 200 W. Washington Street Indianapolis, IN 46204

By the power vested in me as Governor of the State of Indiana pursuant to the provisions of Article 5, Section 14, of the Constitution of the State of Indiana, I do hereby veto House Enrolled Act No. 1211 (HEA 1211) enacted during the Second Regular Session of the 122<sup>nd</sup> General Assembly (2022).

On the last day of the legislative session, there was entirely new and unvetted broadband language inserted into HEA 1211 that was neither introduced in a bill nor ever heard in a committee to allow for comment and debate. It has not been discussed or vetted and, accordingly, there was no opportunity for stakeholders to review and testify about its impact or to suggest improvements to such language. HEA 1211 states:

"All broadband infrastructure projects that are funded in whole or in part by a grant or loan from the fund must satisfy the criteria and requirements described in IC 4-4-38.5 [Next Level Connections Broadband Grant Program]"

This seemingly innocuous language unfortunately has the practical effect of slowing, if not arresting, approximately \$154M of broadband projects currently under active consideration as part of the \$500M READI grant program. Most regions have prioritized these broadband projects and did so under a very different expectation about how this money could be used. It is neither fair nor appropriate to jeopardize or delay the type of transformational and concentrated investments in broadband that would impact at least 28 counties inside 7 separate READI regions in our State.

Also inserted into HEA 1211 on the last day of session were certain provisions from original HB 1100. HB 1100 underwent very little debate in the House and was declared not ready to be passed by the committee in the Senate. There was no opportunity in the Senate for opponents of this bill to testify and share their concerns about it or to suggest modifications that could have improved the bill. Let me first say I do not disagree with what this portion of HEA 1211 is seemingly trying to accomplish – ensuring that the emergency and permanent rules adopted and maintained by state agencies are necessary and appropriate. In fact, that's a worthy objective I fully support, and it's consistent with one of my five pillars that I've maintained since day one of my administration – to provide good government to the people of Indiana.

However, this bill includes language that adds a new layer of review that will create some degree of delay in the adoption of emergency rules. As such, this bill is concerning because, for example, certain state agencies, such as the Board of Animal Health (in order to responsibly address health and safety concerns), often have to act very quickly in adopting emergency rules. And while this bill provides that this new review should be completed "within a time consistent with the emergency", it does not provide any recourse to an agency if that review is not completed within the time period needed by the agency to properly and timely address the emergency at hand. Alternative language could have solved this problem.

The bill also adopts a mechanism for a state agency to extend its emergency rules beyond a period of 90 days, via an expansion of the legislative council's powers in ways that raise concerns about the legality thereof.

While the legislative process can frustrate at times, it has often been stated that, to some extent, it was designed that way. Topics of such gravity like those highlighted in this letter, always benefit from a full review and discussion. And while disagreements on public policy naturally occur, the final product is often improved through appropriate testimony provided by all interested parties.

Sincerely,

Eric J. Holcomb

Governor