

HOUSE BILL No. 1344

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-36.

Synopsis: Right to start act. Establishes a "right to start act". Requires the department of administration, the department of workforce development, and the Indiana economic development corporation to annually file reports with the general assembly. Requires the state to encourage 5% of the total number of state contracts to be awarded to businesses that have been in operation for fewer than five years and whose principal place of business is in Indiana. Requires the state to encourage 5% of workforce development funding, including funding allocated by workforce development boards across Indiana, to be used to support organizations or programs for individuals starting new businesses or to those organizations or programs that provide services to businesses established within the previous five years and whose principal place is located within Indiana. Requires the state to encourage 5% of funding budgeted for economic development programs to be allocated to supporting organizations or programs for individuals starting new businesses or to those organizations or programs that provide services to businesses established within the previous five years and whose principal place of business is located within Indiana. Requires the state to encourage the elimination of all first year business fees relating to any license or registration for any new business or person establishing a new business, including home based businesses, whose principal place of business is located within Indiana.

Effective: July 1, 2023.

Teshka, Olthoff, Pierce K

January 17, 2023, read first time and referred to Committee on Government and Regulatory Reform.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1344

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-36 IS ADDED TO THE INDIANA CODE AS A
2 **NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,**
3 **2023]:**
4 **ARTICLE 36. RIGHT TO START ACT**
5 **Chapter 1. Tracking of New Business Contracts**
6 **Sec. 1. Before December 1, 2023, and before December 1,**
7 **annually thereafter, the department of administration shall file a**
8 **report in an electronic format under IC 5-14-6 with the general**
9 **assembly that includes:**
10 (1) **the number and total dollar amount of state contracts**
11 **awarded to businesses that have been in operation for fewer**
12 **than five (5) years, the location of the businesses, and whether**
13 **or not the businesses are minority owned, women owned, or**
14 **veteran owned;**
15 (2) **the percentage of the number of state contracts awarded**
16 **to businesses that have been in operation for fewer than five**
17 **(5) years compared to the total number of state contracts**



1 awarded;

2 (3) the percentage of the total dollar amount of state contracts
3 awarded to businesses that have been in operation for fewer
4 than five (5) years compared to the total dollar amount of
5 contracts awarded; and

6 (4) a joint report with the Indiana small business development
7 center that makes recommendations on improving access to
8 state contracts for Indiana businesses that have been in
9 operation for fewer than five (5) years, including those
10 businesses in statistically underrepresented demographic
11 segments and geographic areas of Indiana.

12 **Chapter 2. Five Percent to Start; Contracts**

13 **Sec. 1. Beginning July 1, 2024, the state shall encourage five**
14 **percent (5%) of the total number of state contracts to be awarded**
15 **to businesses that have been in operation for fewer than five (5)**
16 **years and whose principal place of business is located within**
17 **Indiana.**

18 **Chapter 3. Tracking of Workforce Development Funding**

19 **Sec. 1. Before December 1, 2023, and before December 1,**
20 **annually thereafter, the department of workforce development**
21 **shall file a report in an electronic format under IC 5-14-6 with the**
22 **general assembly that includes:**

23 (1) the percentage of workforce development funding,
24 including funding allocated by workforce development boards
25 across Indiana, supporting organizations or programs for
26 individuals starting new businesses or to those organizations
27 or programs that provide services to businesses established
28 within the previous five (5) years and whose principal place of
29 business is located within Indiana; and

30 (2) the total dollar amount of workforce development funding,
31 including funding allocated by workforce development boards
32 across Indiana supporting organizations or programs for
33 individuals starting new businesses or to those organizations
34 or programs that provide services to businesses established
35 within the previous five (5) years and whose principal place of
36 business is located within Indiana.

37 **Chapter 4. Five Percent to Start; Workforce Development**

38 **Sec. 1. Beginning July 1, 2024, the state shall encourage five**
39 **percent (5%) of workforce development funding, including funding**
40 **allocated by workforce development boards across Indiana, to be**
41 **used to support organizations or programs for individuals starting**
42 **new businesses or to those organizations or programs that provide**



1 services to businesses established within the previous five (5) years
2 and whose principal place of business is located within Indiana.

3 **Chapter 5. Tracking of Economic Development Funding**

4 **Sec. 1. Before December 1, 2023, and before December 1,**
5 **annually thereafter, the Indiana economic development**
6 **corporation shall file a report in an electronic format under**
7 **IC 5-14-6 with the general assembly that includes:**

8 (1) the percentage of economic development funding
9 supporting organizations or programs for individuals starting
10 new businesses or to those organizations or programs that
11 provide services to businesses established within the previous
12 five (5) years and whose principal place of business is located
13 within Indiana; and

14 (2) the total dollar amount of economic development funding
15 supporting organizations or programs for individuals starting
16 new businesses or to those organizations or programs that
17 provide services to businesses established within the previous
18 five (5) years and whose principal place of business is located
19 within Indiana.

20 **Chapter 6. Five Percent to Start; Economic Development**

21 **Sec. 1. Beginning July 1, 2024, the state shall encourage five**
22 **percent (5%) of funding budgeted for economic development**
23 **programs to be allocated to supporting organizations or programs**
24 **for individuals starting new businesses or to those organizations or**
25 **programs that provide services to businesses established within the**
26 **previous five (5) years and whose principal place of business is**
27 **located within Indiana.**

28 **Chapter 7. Reducing Barriers to Start**

29 **Sec. 1. Beginning July 1, 2024, the state shall encourage the**
30 **elimination of all first year business fees relating to any license or**
31 **registration for any new business or person establishing a new**
32 **business, including home based businesses, whose principal place**
33 **of business is located within Indiana.**

