

HOUSE BILL No. 1596

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7-14-29.6; IC 36-7-25-7.

Synopsis: Expenditures of redevelopment commissions. Provides that allocated property tax proceeds may be expended for projects located outside a redevelopment district only if the redevelopment commission adopts a declaratory resolution that finds that the expenditures: (1) will directly benefit the redevelopment district; and (2) will result in the creation of jobs in the private sector. Adds various requirements related to expenditures under contracts between redevelopment commissions and providers of educational and training programs to establish programs designed to prepare individuals to participate in the competitive and global economy.

Effective: Upon passage.

**Fleming, Clere, Engleman,
Thompson**

January 22, 2019, read first time and referred to Committee on Government and Regulatory Reform.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1596

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1 SECTION 1. IC 36-7-14-29.6 IS ADDED TO THE INDIANA
 2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE UPON PASSAGE]: **Sec. 29.6. Property tax proceeds**
 4 **allocated under this chapter that are otherwise authorized under**
 5 **this chapter to be expended for purposes related to a**
 6 **redevelopment project that is located outside the boundaries of the**
 7 **redevelopment district may be expended for those purposes only if**
 8 **the redevelopment commission adopts a declaratory resolution that**
 9 **finds that it has been clearly demonstrated that the expenditure:**
 10 (1) **will directly benefit the redevelopment district; and**
 11 (2) **will result in the creation or retention of jobs in the private**
 12 **sector.**

13 SECTION 2. IC 36-7-25-7, AS ADDED BY P.L.182-2009(ss),
 14 SECTION 513, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) As used in this section,
 16 "eligible entity" means a person whose principal functions include the
 17 provision of:



- 1 (1) educational programs;
 2 (2) work training programs;
 3 (3) worker retraining programs; or
 4 (4) any other programs;
 5 designed to prepare individuals to participate in the competitive and
 6 global economy.
- 7 (b) After making the findings set forth in subsection (c), a
 8 commission, or two (2) or more commissions acting jointly, may
 9 contract with an eligible entity to provide:
 10 (1) educational programs;
 11 (2) work training programs;
 12 (3) worker retraining programs; or
 13 (4) any other programs;
 14 designed to prepare individuals to participate in the competitive and
 15 global economy.
- 16 (c) Before a commission may contract for a program described in
 17 subsection (b), the commission must find that the program:
 18 (1) will promote the redevelopment and economic development
 19 of the unit;
 20 (2) is of utility and benefit; ~~and~~
 21 (3) is in the best interests of the unit's residents;
 22 (4) **subject to subsection (d), is open to all qualified individuals**
 23 **regardless of educational background;**
 24 (5) **is designed to fulfill the workforce needs of an employer or**
 25 **a prospective employer whose wages for jobs included in the**
 26 **program equal or exceed the county average wage; and**
 27 (6) **is structured as a forgivable loan program that requires**
 28 **participants to work for employers located in the unit for a**
 29 **period of time as a condition of loan forgiveness.**
- 30 (d) **A commission may establish a requirement that a**
 31 **participant in a program described in subsection (b) must reside in**
 32 **the unit.**
- 33 ~~(d)~~ (e) Except as provided in subsection ~~(e)~~; (f), a commission may
 34 use any revenues legally available to the commission to fund a program
 35 described in subsection (b).
- 36 ~~(e)~~ (f) A commission may not: ~~spend~~:
 37 (1) ~~spend~~ bond proceeds; ~~or~~
 38 (2) ~~spend~~ more than fifteen percent (15%) of the allocated tax
 39 proceeds it receives on an annual basis; ~~or~~
 40 (3) **deposit revenues in an endowment fund;**
 41 to fund a program described in subsection (b).
 42 (g) **Expenditures under this section for a program described in**



1 subsection (b) may be used only to reimburse a participant for
2 program costs after the participant:
3 (1) completes a degree or certificate program; or
4 (2) completes satisfactory progress toward obtaining a degree
5 or certificate.
6 SECTION 3. An emergency is declared for this act.

