

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1601

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

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

SECTION 1. IC 36-7-32-8.5, AS AMENDED BY P.L.197-2016, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of state adjusted gross income taxes and local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(2) the sum of the:

(A) income tax base period amount; and

(B) tax credits awarded by the ~~economic development for a growing economy board~~ **Indiana economic development corporation** under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

SECTION 2. IC 36-7-32-11, AS AMENDED BY P.L.293-2013(ts), SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) After receipt of an application under section 10 of this chapter, and subject to subsection (b), the Indiana

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economic development corporation may designate a certified technology park if the corporation determines that the application demonstrates a firm commitment from at least one (1) business engaged in a high technology activity creating a significant number of jobs and satisfies one (1) or more of the following additional criteria:

(1) A demonstration of significant support from an institution of higher education, a private research based institute, or a military research and development or testing facility on an active United States government military base or other military installation located within, or in the vicinity of, the proposed certified technology park, as evidenced by the following criteria:

(A) Grants of preferences for access to and commercialization of intellectual property.

(B) Access to laboratory and other facilities owned by or under the control of the postsecondary educational institution or private research based institute.

(C) Donations of services.

(D) Access to telecommunications facilities and other infrastructure.

(E) Financial commitments.

(F) Access to faculty, staff, and students.

(G) Opportunities for adjunct faculty and other types of staff arrangements or affiliations.

(H) Other criteria considered appropriate by the Indiana economic development corporation.

(2) A demonstration of a significant commitment by the postsecondary educational institution, private research based institute, or military research and development or testing facility on an active United States government military base or other military installation to the commercialization of research produced at the certified technology park, as evidenced by the intellectual property and, if applicable, tenure policies that reward faculty and staff for commercialization and collaboration with private businesses.

(3) A demonstration that the proposed certified technology park will be developed to take advantage of the unique characteristics and specialties offered by the public and private resources available in the area in which the proposed certified technology park will be located.

(4) The existence of or proposed development of a business incubator within the proposed certified technology park that exhibits the following types of resources and organization:



- (A) Significant financial and other types of support from the public or private resources in the area in which the proposed certified technology park will be located.
  - (B) A business plan exhibiting the economic utilization and availability of resources and a likelihood of successful development of technologies and research into viable business enterprises.
  - (C) A commitment to the employment of a qualified full-time manager to supervise the development and operation of the business incubator.
- (5) The existence of a business plan for the proposed certified technology park that identifies its objectives in a clearly focused and measurable fashion and that addresses the following matters:
- (A) A commitment to new business formation.
  - (B) The clustering of businesses, technology, and research.
  - (C) The opportunity for and costs of development of properties under common ownership or control.
  - (D) The availability of and method proposed for development of infrastructure and other improvements, including telecommunications technology, necessary for the development of the proposed certified technology park.
  - (E) Assumptions of costs and revenues related to the development of the proposed certified technology park.
- (6) A demonstrable and satisfactory assurance that the proposed certified technology park can be developed to principally contain property that is primarily used for, or will be primarily used for, a high technology activity or a business incubator.
- (b) The Indiana economic development corporation may not approve an application that would result in a substantial reduction or cessation of operations in another location in Indiana in order to relocate them within the certified technology park. The Indiana economic development corporation may designate not more than two (2) new certified technology parks during any state fiscal year. The designation of a new certified technology park is subject to review and approval under section 11.5 of this chapter.
- (c) A certified technology park designated under this section is subject to the review of the Indiana economic development corporation and must be recertified:
- (1) every four (4) years, for a recertification occurring before January 1, 2018; and**
  - (2) every three (3) years, for a recertification occurring after December 31, 2017.**



(d) The corporation shall develop procedures and the criteria to be used in the review required by ~~this subsection~~. **under subsection (c). Beginning after December 31, 2017, the procedures and criteria must include the metrics developed under subsection (h) for measuring the performance of a certified technology park.**

(e) A certified technology park shall furnish to the corporation the following information to be used in the course of the review:

- (1) Total employment and payroll levels for all businesses operating within the certified technology park.
- (2) The nature and extent of any technology transfer activity occurring within the certified technology park.
- (3) The nature and extent of any nontechnology businesses operating within the certified technology park.
- (4) The use and outcomes of any state money made available to the certified technology park.
- (5) An analysis of the certified technology park's overall contribution to the technology based economy in Indiana.

**(f) Beginning after December 31, 2017, a certified technology park must meet or exceed the minimum threshold requirements developed under subsection (h)(2) before the certified technology park may be recertified under this section.** If a certified technology park is not recertified, the Indiana economic development corporation shall send a certified copy of a notice of the determination to the county auditor, the department of local government finance, and the department of state revenue.

~~(d)~~ (g) To the extent allowed under IC 5-14-3, the corporation shall maintain the confidentiality of any information that is:

- (1) submitted as part of the review process under subsection (c); and
- (2) marked as confidential;

by the certified technology park.

**(h) Before January 1, 2018, the corporation, in conjunction with the office of management and budget, shall develop metrics for measuring the performance of a certified technology park during the review period for recertification under subsection (c). The corporation shall consult with local units of government in developing the metrics under this subsection. The metrics shall include at least the following elements:**

- (1) Specific criteria to be used to analyze and evaluate each category of information furnished to the corporation under subsection (e)(1) through (e)(5).**
- (2) Minimum threshold requirements for the performance of**



a certified technology park regarding each category of information furnished to the corporation under subsection (e)(1) through (e)(5) based on the criteria for the analysis and evaluation of the information under subdivision (1).

(i) The board of the Indiana economic development corporation shall adopt the metrics developed under subsection (h) as part of the criteria to be used in the corporation's review under subsection (c).

(j) Before July 1, 2018, the corporation shall submit a report to the legislative council and the interim study committee on fiscal policy established by IC 2-5-1.3-4 that describes the metrics adopted by the corporation under subsection (h). The report to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 3. An emergency is declared for this act.



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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