

HOUSE BILL No. 1625

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-20.5-5.

Synopsis: Lease of state facilities to business entities. Requires the department of administration (department) to establish uniform standards for leasing state facilities under the control of the department and used by business entities. Authorizes the department to lease state facilities to business entities as the department determines necessary or beneficial to the state. Requires that any facility under the control of the department and used by a business entity must be leased from the state by the business entity. Requires certain provisions in a lease between the department and a business entity.

Effective: July 1, 2015.

Wolkins

January 22, 2015, read first time and referred to Committee on Government and Regulatory Reform.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1625

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 4-20.5-5-1.2 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2015]: **Sec. 1.2. As used in this chapter,**
4 **"business entity" refers to any legal person that requests leasing of**
5 **a facility. The term does not include a person who operates a**
6 **business in a facility under the federal Randolph-Sheppard Act (20**
7 **U.S.C. 107 et seq.).**
- 8 SECTION 2. IC 4-20.5-5-2 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. As used in this
10 chapter, "facility" includes any of the following:
11 (1) Office space.
12 (2) Storage space.
13 (3) A parking garage or lot.
14 (4) Other property that can be used by an agency **or a business**
15 **entity.**



1 SECTION 3. IC 4-20.5-5-8 IS ADDED TO THE INDIANA CODE
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 3 1, 2015]: **Sec. 8. (a) This section does not apply to property under
 4 the control of an agency other than the department.**

5 **(b) The department may lease facilities for the use of a business
 6 entity or the employees of a business entity as the department
 7 determines necessary or beneficial to the state under this chapter.**

8 **(c) Any facility used by a business entity that is located on state
 9 owned or state leased property must be leased from the
 10 department by the business entity.**

11 **(d) A business entity that wants to use facilities must submit a
 12 description of the business entity's needs to the department.**

13 **(e) The department shall establish guidelines for the leasing of
 14 facility space to business entities.**

15 SECTION 4. IC 4-20.5-5-9 IS ADDED TO THE INDIANA CODE
 16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 17 1, 2015]: **Sec. 9. (a) This section applies to the negotiation and
 18 execution of a lease of state owned or state leased property by a
 19 business entity under section 8 of this chapter.**

20 **(b) A lease agreement entered into under this section must
 21 provide for the following:**

22 **(1) That the business entity pay rent, based on market factors,
 23 taking into account amenities provided to the business entity.**

24 **(2) That the business entity pay utility costs incurred by the
 25 business entity during its occupancy of the state facilities.**

26 **(3) That the business entity provide a bond or proof of
 27 insurance, including liability insurance, to cover the business
 28 entity's and the state's losses that may be incurred as a result
 29 of the business entity's use of the state facilities.**

30 **(c) The department may include other provisions in the lease the
 31 department considers necessary or beneficial for the state.**

32 **(d) After a lease agreement is entered into and set forth in
 33 writing, the department shall submit the lease agreement for
 34 review by the attorney general. A lease agreement that is:**

35 **(1) negotiated;**

36 **(2) executed by the authorized agents of the state and the
 37 lessee; and**

38 **(3) approved by the attorney general;**

39 **under this section is a binding contract between the state and the
 40 lessee.**

