

HOUSE BILL No. 1652

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-39.

Synopsis: Eligibility for economic development incentives. Requires the Indiana economic development corporation (IEDC) to compile a list of all employers that relocate a call center to a foreign country and to disqualify employers on that list from state grants, loans, and tax credits. Requires an employer receiving a state grant, loan, or tax credit to notify the IEDC if it intends to relocate a call center. Imposes a civil penalty on an employer that does not notify the IEDC.

Effective: July 1, 2017.

Forestal

January 24, 2017, read first time and referred to Committee on Commerce, Small Business and Economic Development.



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 BILL No. 1652

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

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

1 SECTION 1. IC 5-28-39 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2017]:

4 **Chapter 39. Consumer Call Center Employee Protection**

5 **Sec. 1. As used this chapter, "employer" means a business that**
6 **employs, for the purpose of customer service or back-office**
7 **operations, either of the following:**

8 (1) **Fifty (50) or more individuals, excluding part-time**
9 **employees.**

10 (2) **Fifty (50) or more individuals who, in the aggregate, work**
11 **at least one thousand five hundred (1,500) hours each week**
12 **for the employer, not including overtime hours.**

13 **Sec. 2. As used in this chapter, "grant" has the meaning set**
14 **forth in IC 5-28-28-2.**

15 **Sec. 3. As used in this chapter, "loan" has the meaning set forth**
16 **in IC 5-28-28-3.**

17 **Sec. 4. As used in this chapter, "tax credit" has the meaning set**



1 forth in IC 5-28-28-4.

2 **Sec. 5.** As used this chapter, "part-time employee" means an
3 individual employed by an employer for an average of fewer than
4 twenty (20) hours each week or for fewer than six (6) of the twelve
5 (12) months before the date on which a determination is made.

6 **Sec. 6. (a)** An employer that intends to relocate either of the
7 following from this state to a foreign country shall notify the
8 secretary of commerce at least one hundred twenty (120) days
9 before that relocation:

10 (1) A call center.

11 (2) One (1) or more facilities or operating units within a call
12 center comprising at least thirty percent (30%) of the call
13 center's total volume when measured against the previous
14 twelve (12) month average call volume of operations.

15 (b) If an employer fails to provide the notice, the secretary of
16 commerce shall inform the attorney general. The attorney general
17 shall commence an action for a civil penalty against that employer
18 in the county in which the employer's business is located. On a
19 finding that an employer has violated subsection (a), the court shall
20 assess a civil penalty of not more than ten thousand dollars
21 (\$10,000) against the employer for each day the employer failed to
22 provide the notice.

23 (c) A court may reduce a civil penalty imposed under subsection
24 (b) if the court determines that an employer has shown just cause
25 why a notification under subsection (a) was not made in the time
26 required.

27 **Sec. 7. (a)** Beginning July 1, 2017, and every six (6) months
28 thereafter, the corporation shall compile a list of every employer
29 that has relocated an operation or facility described in section
30 6(a)(1) or 6(a)(2) of this chapter.

31 (b) The corporation shall include on the list the name of the
32 employer and the date on which the call center or facility was
33 relocated.

34 (c) The corporation shall immediately notify each state agency
35 that is providing the employer with any grant, loan, or tax credit.

36 (d) The corporation shall include the list in the incentives
37 compliance report required by IC 5-28-28.

38 **Sec. 8. (a)** Except as provided in subsection (c), an employer that
39 appears on a list compiled by the corporation under section 7 of
40 this chapter is ineligible to receive from the state any grant, loan,
41 or tax credit until five (5) years after the date on which the
42 employer relocated the operation or facility described in section



1 6(a)(1) or 6(a)(2) of this chapter.

2 (b) Except as provided in subsection (c), if an employer appears
3 on a list compiled under section 7 of this chapter, the corporation
4 shall recapture from the employer an amount equal to the
5 unamortized value of any grant, loan, or tax credit that the
6 employer has received from the state after June 30, 2017. The
7 employer shall pay the recapture amount to the corporation within
8 thirty (30) days of receiving the recapture demand.

9 (c) The corporation may waive the disqualification under
10 subsection (a) if the employer applying for the grant, loan, or tax
11 credit demonstrates that one (1) or more of the following will
12 happen if the grant, loan, or tax credit is not provided:

13 (1) Substantial job loss in the state.

14 (2) Harm to the environment.

15 (3) A significant economic impact to the state.

16 Sec. 9. (a) This section applies to contracts entered into on or
17 after July 1, 2017.

18 (b) Each state agency within the executive department shall
19 ensure that all call center and customer service work performed
20 for the agency is performed entirely within the state.

21 (c) A contractor that performs call center or customer service
22 work for the state shall not hire an individual to perform that work
23 at a location outside of the state.

24 (d) Beginning July 1, 2019, every individual employed by a
25 contractor to perform call center or customer service work for the
26 state shall perform that work within the state.

27 Sec. 10. This chapter does not permit withholding or denial of
28 payments, compensation, or benefits to employees.

