

SENATE BILL No. 569

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28.

Synopsis: Entrepreneur and enterprise district grants. Provides that the Indiana economic development corporation (IEDC) shall award a grant from the twenty-first century research and technology fund (fund) to a district board established in Lafayette or Fort Wayne by September 1 of a state fiscal year if the district board applies for a grant. Requires the IEDC to allocate amounts within the fund each state fiscal year for purposes of awarding a grant to a district board established in Lafayette or Fort Wayne.

Effective: July 1, 2019.

Buchanan

January 15, 2019, read first time and referred to Committee on Tax and Fiscal Policy.



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.

SENATE BILL No. 569

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 5-28-15.5-5, AS ADDED BY P.L.238-2017,
- 2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2019]: Sec. 5. (a) **For each state fiscal year beginning after**
- 4 **June 30, 2019, until the districts expire under section 3 of this**
- 5 **chapter, if a district board applies for a grant under section 8(a) of**
- 6 **this chapter, the corporation ~~may~~ shall, before September 1, make**
- 7 grants from the Indiana twenty-first century research and technology
- 8 fund established under IC 5-28-16-2 to a district board established in:
- 9 (1) the city of Lafayette; and
- 10 (2) the city of Fort Wayne.
- 11 (b) The total amount of grant money that a district board established
- 12 in the city of Lafayette may receive during a state fiscal year may not
- 13 exceed one million dollars (\$1,000,000).
- 14 (c) The total amount of grant money that a district board established
- 15 in the city of Fort Wayne may receive during a state fiscal year may not
- 16 exceed one million dollars (\$1,000,000).
- 17 (d) **Except as provided in subsection (e), one hundred percent**



1 (100%) of grant money awarded to a district board under this section
 2 must be used by the district board for programs, **projects, or**
 3 **administration** that support entrepreneurship, small business
 4 development, technology development, and innovation.

5 **(e) The district board may use grant money awarded under this**
 6 **section to reimburse itself for costs incurred before the grant**
 7 **money was awarded if the costs are attributable to the purposes**
 8 **described in subsection (d).**

9 ~~(e)~~ **(f)** The corporation may develop guidelines, without complying
 10 with IC 4-22-2, for awarding grants under this section.

11 SECTION 2. IC 5-28-16-2, AS AMENDED BY P.L.86-2018,
 12 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2019]: Sec. 2. (a) The Indiana twenty-first century research
 14 and technology fund is established within the state treasury to provide
 15 grants or loans to support proposals for economic development in one
 16 (1) or more of the following areas:

17 (1) To increase the capacity of Indiana postsecondary educational
 18 institutions, Indiana businesses, and Indiana nonprofit
 19 corporations and organizations to compete successfully for federal
 20 or private research and development funding.

21 (2) To stimulate the transfer of research and technology into
 22 marketable products.

23 (3) To assist with diversifying Indiana's economy by focusing
 24 investment in biomedical research and biotechnology, information
 25 technology, development of alternative fuel technologies,
 26 development and production of fuel efficient vehicles, and other
 27 high technology industry clusters requiring high skill, high wage
 28 employees.

29 (4) To encourage an environment of innovation and cooperation
 30 among universities and businesses to promote research activity.

31 (5) To provide grants to district boards that are established in the
 32 city of Lafayette and the city of Fort Wayne under the
 33 entrepreneur and enterprise district pilot program established
 34 under IC 5-28-15.5 and as set forth in IC 5-28-15.5-5.

35 (b) The fund consists of:

36 (1) appropriations from the general assembly; and

37 (2) loan repayments.

38 (c) The corporation shall administer the fund. The following may be
 39 paid from money in the fund:

40 (1) Expenses of administering the fund.

41 (2) Nonrecurring administrative expenses incurred to carry out the
 42 purposes of this chapter.



1 (d) Earnings from loans made under this chapter shall be deposited
2 in the fund.

3 (e) The budget committee shall review programs and initiatives and
4 corresponding investment policies established by the board. The budget
5 agency shall review each recommendation to verify and approve
6 available funding and compliance with the established investment
7 policy. Money in the fund may not be used to provide a recurring
8 source of revenue for the normal operating expenditures of any project.

9 (f) The treasurer of state shall invest the money in the fund not
10 currently needed to meet the obligations of the fund in the same
11 manner as other public funds may be invested. Interest that accrues
12 from these investments shall be deposited in the state general fund.

13 (g) The money in the fund at the end of a state fiscal year does not
14 revert to the state general fund but remains in the fund.

15 (h) For each state fiscal year beginning after June 30, 2017, and
16 ending before July 1, 2022, the corporation ~~may~~ **shall** allocate two
17 million dollars (\$2,000,000) of the total amount held within the fund
18 in that state fiscal year for the purposes of making grants from the fund
19 under subsection (a)(5) to district boards established in the city of
20 Lafayette and the city of Fort Wayne as set forth in IC 5-28-15.5-5. **If**
21 **a district board established in the city of Lafayette and the city of**
22 **Fort Wayne does not apply for a grant from the fund under**
23 **IC 5-28-15.5-8(a)(3) during a particular state fiscal year, the**
24 **allocated amount may be used for another purpose described in**
25 **subsection (a)(1) through (a)(4) for that state fiscal year.** This
26 subsection expires December 31, 2022.

