

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE
DATA ANALYSIS DIVISION



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TO: Political Subdivisions
FROM: Micah G. Vincent, Commissioner *MGV*
RE: Economic Development Payment Reporting
DATE: August 1, 2013

On May 10, 2013, Governor Mike Pence signed into law Senate Enrolled Act 528 (“SEA 528”), which changes two reporting requirements for economic development payments made pursuant to a Local Development Agreement created under IC 4-33-23-2. The economic development payments subject to reporting in IC 4-33-23 are monetary disbursements initially provided by a licensed owner of a riverboat, an operating agent of a riverboat, or an affiliate of an owner or operating agent. This memorandum addresses these changes, which took effect May 10, 2013. This memorandum is intended to be an informative bulletin; it is not a substitute for reading the law.

Reporting Required of Political Subdivisions

Section 25 of SEA 528 adds IC 4-33-23-17, which requires any political subdivision receiving an economic development payment to annually complete and submit a report to the Department of Local Government Finance (“Department”).

Indiana Code 4-33-23-4 defines economic development payments as funds paid under a development agreement, received by a unit of government or person, and that are not paid in legitimate exchange for anything of value. According to IC 4-33-23-2, a development agreement is a written agreement between a person or a unit of government and a development provider that sets forth the financial commitments of a development provider to support economic development, including, without limitation, charitable or educational purposes in a specified location.

Before October 1 of each year, political subdivisions receiving such payments must report information regarding:

- (1) the economic development payments received in the previous state fiscal year; and
- (2) the balance of the fund or funds in which the political subdivision deposited the economic development payments as of the end of the previous state fiscal year.

The Department will launch the reporting capabilities in Gateway on August 15, 2013. The Department is required by statute to make the reports available electronically through the Indiana transparency portal and will produce reports after filing is complete.

Reporting Required of Providers of Economic Development Payments

Section 24 of SEA 528 amends IC 4-33-23-10 so that providers of economic development payments must submit a copy of their annual report to the Department through Gateway. Providers mainly include licensed owners, operating agents, or affiliates thereof. Previously, the report was only submitted to the Indiana Gaming Commission. Reporting formats, deadlines, and methodology are still prescribed by the Gaming Commission. Information on filing reports in accordance with this statute will be forthcoming as deadlines and filing procedures are established by the Gaming Commission.

Questions may be directed to Eric Bussis, Director of Data Analysis, at erbussis@dlgf.in.gov or (317) 232-3759.