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| PREVAILED | Roll Call No. _____ |
| FAILED | Ayes _____ |
| WITHDRAWN | Noes _____ |
| RULED OUT OF ORDER | |

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1341 be amended to read as follows:

- 1 Page 4, between lines 9 and 10, begin a new paragraph and insert:
- 2 "SECTION 2. IC 4-4-6.1-6 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JANUARY 1, 1997 (RETROACTIVE)]:
- 4 Sec. 6. (a) Any business which substantially reduces or ceases an
- 5 operation located in Indiana and outside an enterprise zone (referred to
- 6 as a non-zone operation) in order to relocate in an Indiana enterprise
- 7 zone is disqualified from benefits or incentives available to zone
- 8 businesses. Determinations under this section shall be made by a
- 9 hearing panel composed of the chairman of the board or the chairman's
- 10 designee, the commissioner of the department of state revenue or the
- 11 commissioner's designee, and the chairman of the state board of tax
- 12 commissioners or the chairman's designee. The panel, after an
- 13 evidentiary hearing held subsequent to the relocation of the business,
- 14 shall submit a recommended order to the board for its adoption. The
- 15 recommended order shall be based on the following criteria and
- 16 subsection (b):
- 17 (1) A site-specific economic activity, including sales, leasing,
- 18 service, manufacturing, production, storage of inventory, or any
- 19 activity involving permanent full-time or part-time employees
- 20 shall be considered a business operation.
- 21 (2) With respect to a non-zone operation, any of the following that
- 22 occurs during the twelve (12) months before **the completion of**
- 23 **the physical relocation in of all or part of the activity described**
- 24 **in subdivision (1) from the non-zone operation to the zone as**

- 1 compared with the twelve (12) months before that twelve (12)
 2 months shall be considered a substantial reduction:
- 3 (A) A reduction in the average number of full-time or
 4 part-time employees of the lesser of one hundred (100)
 5 employees or twenty-five percent (25%) of all employees.
 6 (B) A twenty-five percent (25%) reduction in the average
 7 number of goods manufactured or produced.
 8 (C) A twenty-five percent (25%) reduction in the average
 9 value of services provided.
 10 (D) A ten percent (10%) reduction in the average value of
 11 stored inventory.
 12 (E) A twenty-five percent (25%) reduction in the average
 13 amount of gross income.
- 14 (b) Notwithstanding subsection (a), a business that would otherwise
 15 be disqualified under subsection (a) is eligible for benefits and
 16 incentives available to zone businesses if **each of the following**
 17 **conditions is met:**
- 18 (1) The business relocates its non-zone operation for any of the
 19 following reasons:
- 20 (1) ~~(A)~~ (A) The lease on property necessary for the non-zone
 21 operation has been involuntarily lost through no fault of the
 22 business.
 23 (2) ~~(B)~~ (B) The space available at the location of the non-zone
 24 operation cannot accommodate planned expansion needed by
 25 the business.
 26 (3) ~~(C)~~ (C) The building for the non-zone operation has been
 27 certified as uninhabitable by a state or local building authority.
 28 (4) ~~(D)~~ (D) The building for the non-zone operation has been
 29 totally destroyed through no fault of the business.
 30 (5) ~~(E)~~ (E) The renovation and construction costs at the location
 31 of the non-zone operation are more than one and one-half (1
 32 1/2) times the costs of purchase, renovation, and construction
 33 of a facility in the zone, as certified by three (3) independent
 34 estimates.
- 35 A business is eligible for benefits and incentives under
 36 ~~subdivision (3) or (4)~~ **clause (C) or (D)** only if renovation and
 37 construction costs at the location of the non-zone operation are
 38 more than one and one-half (1 1/2) times the cost of purchase,
 39 renovation, and construction of a facility in the zone. These costs
 40 must be certified by three (3) independent estimates.
- 41 (2) **The business has not terminated or reduced the pension**
 42 **obligations payable to employees or former employees of the**
 43 **non-zone operation.**
- 44 (3) **There are no criminal complaints alleging the violation of**
 45 **a state or federal environmental protection law pending**
 46 **against the non-zone operation.**

1 **(4) No judgments of criminal conviction have been entered**
 2 **against the non-zone operation for violation of a state or**
 3 **federal environmental protection law during the five (5) years**
 4 **before relocation of the business within the zone.**

5 **(5) There are no civil or administrative complaints alleging**
 6 **the violation of a state or federal environmental protection**
 7 **law pending against the non-zone operation.**

8 **(6) No civil or administrative complaints have resulted in a**
 9 **fine against the non-zone operation for violation of a state or**
 10 **federal environmental protection law during the five (5) years**
 11 **before relocation of the business within the zone.**

12 (c) The hearing panel shall cause to be delivered to the business and
 13 to any person who testified before the panel in favor of disqualification
 14 of the business a copy of the panel's recommended order. The business
 15 and these persons shall be considered parties for the purposes of this
 16 section.

17 (d) A party who wishes to oppose the board's adoption of the
 18 recommended order of the hearing panel shall, within ten (10) days of
 19 the party's receipt of the recommended order, file written objections
 20 with the board. If the objections are filed, the board shall set the
 21 objections for oral argument and give notice to the parties. A party at
 22 its own expense may cause to be filed with the board a transcript of the
 23 oral testimony or any other part of the record of the proceedings. The
 24 oral argument shall be on the record filed with the board. The board
 25 may hear additional evidence or remand the action to the hearing panel
 26 with instructions appropriate to the expeditious and proper disposition
 27 of the action. The board may adopt the recommendations of the hearing
 28 panel, may amend or modify the recommendations, or may make such
 29 order or determination as is proper on the record.

30 (e) If no objections are filed, the board may adopt the recommended
 31 order without oral argument. If the board does not adopt the proposed
 32 findings of fact and recommended order, the parties shall be notified
 33 and the action shall be set for oral argument as provided in subsection
 34 (d).

35 (f) The final determination made by the board shall be made by a
 36 majority of the quorum needed for board meetings."

37 Renumber all SECTIONS consecutively.

(Reference is to HB 1341 as printed February 19, 1999.)

Representative Fry