

HOUSE BILL No. 1412

DIGEST OF INTRODUCED BILL

Citations Affected: IC 1-1-4-7; IC 4-4-6.1-9; IC 6; IC 22-4.

Synopsis: Economic development incentives; training funds. Defines "working wage." Adds working wage requirements to the requirements for enterprise zone credits, economic revitalization area deductions, neighborhood assistance credits, EDGE credits, and job training funds for projects that primarily benefit an identifiable employer. Makes mandatory a statement of benefits regarding working wages in an enterprise zone credit application. Defines "new job" for purposes of the EDGE credit provisions. Limits the uses of funding for comprehensive job training and related services to projects that hire employees at the working wage.

Effective: January 1, 1999 (retroactive); upon passage.

Liggett

January 12, 1999, read first time and referred to Committee on Ways and Means.

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First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

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HOUSE BILL No. 1412



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 1-1-4-7 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 1999 (RETROACTIVE)]: **Sec. 7. As used in all Indiana**
4 **statutes, "working wage" means a rate of reimbursement for**
5 **employment, excluding fringe benefits, equal to an amount**
6 **determined under the following STEPS:**

7 **STEP ONE: Determine the annual salary an employer**
8 **proposes to pay in a statement of benefits or other application**
9 **for tax abatements, tax credits, or state funds to individuals**
10 **employed as the result of a job training project or an**
11 **economic development project.**

12 **STEP TWO: Divide the STEP ONE amount by, for an**
13 **employee whose rate of reimbursement is computed on:**

- 14 (A) an hourly basis, two thousand (2,000);
- 15 (B) a weekly basis, fifty (50);
- 16 (C) a biweekly basis, twenty-five (25);
- 17 (D) a monthly basis, twelve and five tenths (12.5);



- 1 **(E) an annual basis, one (1); or**
 2 **(F) for an employee not described in clauses (A) through**
 3 **(E), another number that:**
 4 **(i) is a fraction of one (1) year;**
 5 **(ii) subject to item (iii), equals the number of pay periods**
 6 **in a year used by an employer;**
 7 **(iii) excludes two (2) weeks of a year for paid or unpaid**
 8 **vacation; and**
 9 **(iv) is approved by the department of labor.**

10 SECTION 2. IC 4-4-6.1-9 IS ADDED TO THE INDIANA CODE
 11 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
 12 **JANUARY 1, 1999 (RETROACTIVE)]: Sec. 9. (a) For taxable years**
 13 **beginning after December 31, 1998, and for property taxes first**
 14 **due and payable after December 31, 1998, a taxpayer is not entitled**
 15 **in a taxable year to a deduction, credit, or other exemption that**
 16 **would otherwise be available because the taxpayer is located in an**
 17 **enterprise zone if any of the full-time employees who are employed**
 18 **by the taxpayer in the enterprise zone in the taxable year earn less**
 19 **than a working wage (as defined in IC 1-1-4-7).**

20 **(b) The department of labor shall adopt rules under IC 4-22-2**
 21 **to establish standards for the application of this section. The rules**
 22 **must include standards that establish the working wage in Indiana**
 23 **and define full-time employment.**

24 SECTION 3. IC 6-1.1-12.1-3 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 26 Sec. 3. (a) An applicant must provide a statement of benefits to the
 27 designating body. If the designating body requires information from the
 28 applicant for economic revitalization area status for use in making its
 29 decision about whether to designate an economic revitalization area,
 30 the applicant shall provide the completed statement of benefits form to
 31 the designating body before the hearing required by section 2.5(c) of
 32 this chapter. Otherwise, the statement of benefits form must be
 33 submitted to the designating body before the initiation of the
 34 redevelopment or rehabilitation for which the person desires to claim
 35 a deduction under this chapter. The state board of tax commissioners
 36 shall prescribe a form for the statement of benefits. The statement of
 37 benefits must include the following information:

- 38 (1) A description of the proposed redevelopment or rehabilitation.
 39 (2) An estimate of the number of individuals who will be
 40 employed or whose employment will be retained by the person as
 41 a result of the redevelopment or rehabilitation and an estimate of
 42 the annual salaries of these individuals.



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1 (3) An estimate of the value of the redevelopment or
2 rehabilitation.

3 With the approval of the state board of tax commissioners, the
4 statement of benefits may be incorporated in a designation application.
5 Notwithstanding any other law, a statement of benefits is a public
6 record that may be inspected and copied under IC 5-14-3-3.

7 (b) The designating body must review the statement of benefits
8 required under subsection (a). The designating body shall determine
9 whether an area should be designated an economic revitalization area
10 or whether a deduction should be allowed, based on (and after it has
11 made) the following findings:

12 (1) Whether the estimate of the value of the redevelopment or
13 rehabilitation is reasonable for projects of that nature.

14 (2) Whether the estimate of the number of individuals who will be
15 employed or whose employment will be retained can be
16 reasonably expected to result from the proposed described
17 redevelopment or rehabilitation.

18 (3) Whether the estimate of the annual salaries of those
19 individuals who will be employed or whose employment will be
20 retained can be reasonably expected to result from the proposed
21 described redevelopment or rehabilitation.

22 **(4) After December 31, 1998, whether wages for the**
23 **employees listed on the statement of benefits will result in at**
24 **least the working wage (as defined in IC 1-1-4-7) for each**
25 **full-time employee, as determined under IC 4-4-6.1-9, who is**
26 **employed by the applicant.**

27 ~~(4)~~ (5) Whether any other benefits about which information was
28 requested are benefits that can be reasonably expected to result
29 from the proposed described redevelopment or rehabilitation.

30 ~~(5)~~ (6) Whether the totality of benefits is sufficient to justify the
31 deduction.

32 A designating body may not designate an area an economic
33 revitalization area or approve a deduction unless the findings required
34 by this subsection are made in the affirmative.

35 (c) Except as provided in subsections (a) through (b), the owner of
36 property which is located in an economic revitalization area is entitled
37 to a deduction from the assessed value of the property. If the area is a
38 residentially distressed area, the period is five (5) years. For all other
39 economic revitalization areas the period is three (3), six (6), or ten (10)
40 years, as determined under subsection (d). The owner is entitled to a
41 deduction if:

42 (1) the property has been rehabilitated; or



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1 (2) the property is located on real estate which has been
2 redeveloped.

3 The owner is entitled to the deduction for the first year, and any
4 successive year or years, in which an increase in assessed value
5 resulting from the rehabilitation or redevelopment occurs and for the
6 two (2), four (4), five (5), or nine (9) years immediately following each
7 such year or years, whichever is applicable. However, property owners
8 who had an area designated an urban development area pursuant to an
9 application filed prior to January 1, 1979, are only entitled to a
10 deduction for a five (5) year period. In addition, property owners who
11 are entitled to a deduction under this chapter pursuant to an application
12 filed after December 31, 1978, and before January 1, 1986, are entitled
13 to a deduction for a ten (10) year period.

14 (d) For economic revitalization areas that are not residentially
15 distressed areas, the designating body shall determine whether the
16 property owner is entitled to a deduction for three (3) years, six (6)
17 years, or ten (10) years. This determination shall be made:

- 18 (1) as part of the resolution adopted under section 2.5 of this
19 chapter; or
20 (2) by resolution adopted within sixty (60) days after receiving a
21 copy of a property owner's certified deduction application from
22 the county auditor. A certified copy of the resolution shall be sent
23 to the county auditor who shall make the deduction as provided
24 in section 5 of this chapter.

25 A determination about whether the deduction is three (3), six (6), or ten
26 (10) years that is made under subdivision (1) is final and may not be
27 changed by following the procedure under subdivision (2).

28 (e) Except for deductions related to redevelopment or rehabilitation
29 of real property in a county containing a consolidated city or a
30 deduction related to redevelopment or rehabilitation of real property
31 initiated before December 31, 1987, in areas designated as economic
32 revitalization areas before that date, a deduction for the redevelopment
33 or rehabilitation of real property may not be approved for the following
34 facilities:

- 35 (1) Private or commercial golf course.
36 (2) Country club.
37 (3) Massage parlor.
38 (4) Tennis club.
39 (5) Skating facility (including roller skating, skateboarding, or ice
40 skating).
41 (6) Racquet sport facility (including any handball or racquetball
42 court).



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- 1 (7) Hot tub facility.
 2 (8) Suntan facility.
 3 (9) Racetrack.
 4 (10) Any facility the primary purpose of which is:
 5 (A) retail food and beverage service;
 6 (B) automobile sales or service; or
 7 (C) other retail;
 8 unless the facility is located in an economic development target
 9 area established under section 7 of this chapter.
 10 (11) Residential, unless:
 11 (A) the facility is a multifamily facility that contains at least
 12 twenty percent (20%) of the units available for use by low and
 13 moderate income individuals;
 14 (B) the facility is located in an economic development target
 15 area established under section 7 of this chapter; or
 16 (C) the area is designated as a residentially distressed area.
 17 (12) A package liquor store that holds a liquor dealer's permit
 18 under IC 7.1-3-10 or any other entity that is required to operate
 19 under a license issued under IC 7.1. However, this subdivision
 20 does not apply to an applicant that:
 21 (A) was eligible for tax abatement under this chapter before
 22 July 1, 1995; or
 23 (B) is described in IC 7.1-5-7-11.
- 24 SECTION 4. IC 6-1.1-12.1-4.5 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 26 Sec. 4.5. (a) For purposes of this section, "personal property" means
 27 personal property other than inventory (as defined in IC 6-1.1-3-11(a)).
 28 (b) An applicant must provide a statement of benefits to the
 29 designating body. The applicant must provide the completed statement
 30 of benefits form to the designating body before the hearing specified in
 31 section 2.5(c) of this chapter or before the installation of the new
 32 manufacturing equipment for which the person desires to claim a
 33 deduction under this chapter. The state board of tax commissioners
 34 shall prescribe a form for the statement of benefits. The statement of
 35 benefits must include the following information:
 36 (1) A description of the new manufacturing equipment that the
 37 person proposes to acquire.
 38 (2) With respect to new manufacturing equipment not used to
 39 dispose of solid waste or hazardous waste by converting the solid
 40 waste or hazardous waste into energy or other useful products, an
 41 estimate of the number of individuals who will be employed or
 42 whose employment will be retained by the person as a result of

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1 the installation of the new manufacturing equipment and an
2 estimate of the annual salaries of these individuals.

3 (3) An estimate of the cost of the new manufacturing equipment.

4 (4) With respect to new manufacturing equipment used to dispose
5 of solid waste or hazardous waste by converting the solid waste
6 or hazardous waste into energy or other useful products, an
7 estimate of the amount of solid waste or hazardous waste that will
8 be converted into energy or other useful products by the new
9 manufacturing equipment.

10 With the approval of the state board of tax commissioners, the
11 statement of benefits may be incorporated in a designation application.
12 Notwithstanding any other law, a statement of benefits is a public
13 record that may be inspected and copied under IC 5-14-3-3.

14 (c) The designating body must review the statement of benefits
15 required under subsection (b). The designating body shall determine
16 whether an area should be designated an economic revitalization area
17 or whether the deduction shall be allowed, based on (and after it has
18 made) the following findings:

19 (1) Whether the estimate of the cost of the new manufacturing
20 equipment is reasonable for equipment of that type.

21 (2) With respect to new manufacturing equipment not used to
22 dispose of solid waste or hazardous waste by converting the solid
23 waste or hazardous waste into energy or other useful products,
24 whether the estimate of the number of individuals who will be
25 employed or whose employment will be retained can be
26 reasonably expected to result from the installation of the new
27 manufacturing equipment.

28 (3) Whether the estimate of the annual salaries of those
29 individuals who will be employed or whose employment will be
30 retained can be reasonably expected to result from the proposed
31 installation of new manufacturing equipment.

32 **(4) After December 31, 1998, whether wages for the**
33 **employees listed on the statement of benefits will result in at**
34 **least the working wage (as defined in IC 1-1-4-7) for each**
35 **full-time employee, as determined under IC 4-4-6.1-9, who is**
36 **employed by the applicant.**

37 ~~(4)~~ (5) With respect to new manufacturing equipment used to
38 dispose of solid waste or hazardous waste by converting the solid
39 waste or hazardous waste into energy or other useful products,
40 whether the estimate of the amount of solid waste or hazardous
41 waste that will be converted into energy or other useful products
42 can be reasonably expected to result from the installation of the

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1 new manufacturing equipment.

2 ~~(5)~~ (6) Whether any other benefits about which information was
3 requested are benefits that can be reasonably expected to result
4 from the proposed installation of new manufacturing equipment.

5 ~~(6)~~ (7) Whether the totality of benefits is sufficient to justify the
6 deduction.

7 The designating body may not designate an area an economic
8 revitalization area or approve the deduction unless it makes the
9 findings required by this subsection in the affirmative.

10 (d) Except as provided in subsection (f), an owner of new
11 manufacturing equipment whose statement of benefits is approved
12 before May 1, 1991, is entitled to a deduction from the assessed value
13 of that equipment for a period of five (5) years. Except as provided in
14 subsections (f) and (i), an owner of new manufacturing equipment
15 whose statement of benefits is approved after April 30, 1991, is entitled
16 to a deduction from the assessed value of that equipment for a period
17 of five (5) years or ten (10) years, as determined by the designating
18 body under subsection (h). Except as provided in subsections (f) and
19 (g) and in section 2(i)(3) of this chapter, the amount of the deduction
20 that an owner is entitled to for a particular year equals the product of:

21 (1) the assessed value of the new manufacturing equipment in the
22 year that the equipment is installed; multiplied by

23 (2) the percentage prescribed in the table set forth in subsection
24 (e).

25 (e) The percentage to be used in calculating the deduction under
26 subsection (d) is as follows:

27 (1) For deductions allowed over a five (5) year period:

28 YEAR OF DEDUCTION	PERCENTAGE
29 1st	100%
30 2nd	95%
31 3rd	80%
32 4th	65%
33 5th	50%
34 6th and thereafter	0%

35 (2) For deductions allowed over a ten (10) year period:

36 YEAR OF DEDUCTION	PERCENTAGE
37 1st	100%
38 2nd	95%
39 3rd	90%
40 4th	85%
41 5th	80%
42 6th	70%



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1	7th	55%
2	8th	40%
3	9th	30%
4	10th	25%
5	11th and thereafter	0%

6 (f) Notwithstanding subsections (d) and (e), a deduction under this
7 section is not allowed in the first year the deduction is claimed for new
8 manufacturing equipment to the extent that it would cause the assessed
9 value of all of the personal property of the owner in the taxing district
10 in which the equipment is located (excluding personal property that is
11 assessed as construction in process) to be less than the assessed value
12 of all of the personal property of the owner in that taxing district
13 (excluding personal property that is assessed as construction in
14 process) in the immediately preceding year.

15 (g) If a deduction is not fully allowed under subsection (f) in the
16 first year the deduction is claimed, then the percentages specified in
17 subsection (d) or (e) apply in the subsequent years to the amount of
18 deduction that was allowed in the first year.

19 (h) The designating body shall determine whether a property
20 owner whose statement of benefits is approved after April 30, 1991, is
21 entitled to a deduction for five (5) or ten (10) years. This determination
22 shall be made:

- 23 (1) as part of the resolution adopted under section 2.5 of this
24 chapter; or
25 (2) by resolution adopted within sixty (60) days after receiving
26 a copy of a property owner's certified deduction application from
27 the state board of tax commissioners. A certified copy of the
28 resolution shall be sent to the county auditor and the state board
29 of tax commissioners.

30 A determination about whether the deduction is for a period of five (5)
31 or ten (10) years that is made under subdivision (1) is final and may not
32 be changed by following the procedure under subdivision (2).

33 (i) The owner of new manufacturing equipment that is directly
34 used to dispose of hazardous waste is not entitled to the deduction
35 provided by this section for a particular assessment year if during that
36 assessment year the owner:

- 37 (1) is convicted of a violation under IC 13-7-13-3 (repealed),
38 IC 13-7-13-4 (repealed), or IC 13-30-6; or
39 (2) is subject to an order or a consent decree with respect to
40 property located in Indiana based on a violation of a federal or
41 state rule, regulation, or statute governing the treatment, storage,
42 or disposal of hazardous wastes that had a major or moderate



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1 potential for harm.

2 SECTION 5. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 4 Sec. 5.8. In lieu of providing the statement of benefits required by
 5 section 3 or 4.5 of this chapter and the additional information required
 6 by section 5.1 or 5.6 of this chapter, the designating body may, by
 7 resolution, waive the statement of benefits **except, after December 31,**
 8 **1998, for the statements and conditions specified in sections 3(b)(4)**
 9 **and 4.5(c)(4) of this chapter**, if the designating body finds that the
 10 purposes of this chapter are served by allowing the deduction and the
 11 property owner has, during the thirty-six (36) months preceding the
 12 first assessment date to which the waiver would apply, installed new
 13 manufacturing equipment or developed or rehabilitated property at a
 14 cost of at least ten million dollars (\$10,000,000) as determined by the
 15 state board of tax commissioners.

16 SECTION 6. IC 6-3.1-9-1 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 18 Sec. 1. ~~As used in~~ **The following definitions apply throughout** this
 19 chapter:

20 (1) "Business firm" means any business entity authorized to do
 21 business in the state of Indiana that is:
 22 (⊕) (A) subject to the gross, adjusted gross, supplemental
 23 net income, or financial institutions tax;
 24 (⊖) (B) an employer exempt from adjusted gross income tax
 25 (IC 6-3-1 through IC 6-3-7) under IC 6-3-2-2.8(2); or
 26 (⊗) (C) a partnership.

27 (2) "Community services" means any type of counseling and
 28 advice, emergency assistance, medical care, recreational
 29 facilities, housing facilities, or economic development assistance
 30 to individuals, groups, or neighborhood organizations in an
 31 economically disadvantaged area.

32 (3) "Crime prevention" means any activity which aids in the
 33 reduction of crime in an economically disadvantaged area.

34 (4) "Economically disadvantaged area" means an enterprise
 35 zone, or any area in Indiana that is certified as an economically
 36 disadvantaged area by the department of commerce after
 37 consultation with the community services agency. The
 38 certification shall be made on the basis of current indices of
 39 social and economic conditions, which shall include but not be
 40 limited to the median per capita income of the area in relation to
 41 the median per capita income of the state or standard
 42 metropolitan statistical area in which the area is located.



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- 1 (5) "Education" means any type of scholastic instruction or
- 2 scholarship assistance to an individual who resides in an
- 3 economically disadvantaged area that enables him to prepare
- 4 himself for better life opportunities.
- 5 (6) "Enterprise zone" means an enterprise zone created under
- 6 IC 4-4-6.1.
- 7 (7) "Job training" means any type of instruction to an individual
- 8 who resides in an economically disadvantaged area that enables
- 9 him to acquire vocational skills so that he can:
- 10 (A) become employable or ~~be~~ able to seek a higher grade of
- 11 employment; **and**
- 12 (B) **for credits accruing after December 31, 1998,**
- 13 **become employable at a full-time job that customarily**
- 14 **pays a working wage, as determined under IC 4-4-6.1-9,**
- 15 **in the county where the individual resides.**
- 16 (8) "Neighborhood assistance" means either:
- 17 (⊕) (A) furnishing financial assistance, labor, material, and
- 18 technical advice to aid in the physical or economic
- 19 improvement of any part or all of an economically
- 20 disadvantaged area; or
- 21 (⊖) (B) furnishing technical advice to promote higher
- 22 employment in any neighborhood in Indiana.
- 23 (9) "Neighborhood organization" means any organization,
- 24 including, but not limited to, a nonprofit development
- 25 corporation:
- 26 (⊕) (A) performing community services in an economically
- 27 disadvantaged area; and
- 28 (⊖) (B) holding a ruling:
- 29 (⊖) (i) from the Internal Revenue Service of the United
- 30 States Department of the Treasury that the organization
- 31 is exempt from income taxation under the provisions of
- 32 the Internal Revenue Code; and
- 33 (⊖) (ii) from the department of state revenue that the
- 34 organization is exempt from income taxation under
- 35 IC 6-2.1-3-20.
- 36 (10) "Person" means any individual subject to Indiana gross or
- 37 adjusted gross income tax.
- 38 (11) "State fiscal year" means a twelve (12) month period
- 39 beginning on July 1 and ending on June 30.
- 40 (12) "Tax credit" means a deduction from any tax otherwise due
- 41 and payable under IC 6-2.1, IC 6-3, or IC 6-5.5.
- 42 SECTION 7. IC 6-3.1-13-4 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)];
 2 Sec. 4. As used in this chapter, "full-time employee" means an
 3 individual who is employed for:

4 (1) consideration, **for including, in the case of agreements for**
 5 **a credit entered into with the board under this chapter after**
 6 **December 31, 1998, consideration that at least equals the**
 7 **amount of the working wage, as determined under**
 8 **IC 4-4-6.1-9; and**

9 (2) at least thirty-five (35) hours each week or who renders any
 10 other ~~standard~~ **period** of service generally accepted by custom
 11 or specified by contract as full-time employment.

12 SECTION 8. IC 6-3.1-13-6.5 IS ADDED TO THE INDIANA
 13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: **Sec. 6.5. As**
 15 **used in this chapter, "new job" means a job for a new employee.**

16 SECTION 9. IC 22-4-1-1 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
 18 Sec. 1. As a guide to the interpretation and application of this article,
 19 the public policy of this state is declared to be as follows: Economic
 20 insecurity due to unemployment is declared hereby to be a serious
 21 menace to the health, morale, and welfare of the people of this state and
 22 to the maintenance of public order within this state. Protection against
 23 this great hazard of our economic life can be provided in some measure
 24 by the required and systematic accumulation of funds during periods
 25 of employment to provide benefits to the unemployed during periods
 26 of unemployment and by encouragement of desirable stable
 27 employment. The enactment of this article to provide for payment of
 28 benefits to persons unemployed through no fault of their own, to
 29 encourage stabilization in employment, and to provide for integrated
 30 employment and training services **that, after December 31, 1998, are**
 31 **for full-time jobs that compensate employees in an amount that is**
 32 **at least the working wage, as determined under IC 4-4-6.1-9,** in
 33 support of state economic development programs, and to provide
 34 maximum job training and employment opportunities for the
 35 unemployed, underemployed, the economically disadvantaged,
 36 dislocated workers, and others with substantial barriers to employment,
 37 is, therefore, essential to public welfare; and the same is declared to be
 38 a proper exercise of the police powers of the state. To further this
 39 public policy, the state, through its department of workforce
 40 development, will maintain close coordination among all federal, state,
 41 and local agencies whose mission affects the employment or
 42 employability of the unemployed and underemployed.



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1 SECTION 10. IC 22-4-43 IS ADDED TO THE INDIANA CODE
 2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 1999 (RETROACTIVE)]:

4 **Chapter 43. Job Training Programs for Working Wage Jobs**

5 **Sec. 1. This chapter does not apply to comprehensive job**
 6 **training and related services:**

7 (1) for a resident in an enterprise zone established under
 8 IC 4-4-6.1; or

9 (2) to the extent that the application of this chapter is
 10 prohibited by federal law or the terms of a federal grant or
 11 contract.

12 **Sec. 2. As used in this chapter, "comprehensive job training**
 13 **and related services" has the meaning set forth in IC 22-4-40-2.**

14 **Sec. 3. After December 31, 1998, state or federal money may**
 15 **not be used for an expenditure that:**

16 (1) qualifies as comprehensive job training and related
 17 services; and

18 (2) primarily benefits one (1) or more identifiable employers;
 19 unless the money is directed toward employing individuals in
 20 full-time jobs that pay an amount that is at least a working wage,
 21 as determined under IC 4-4-6.1-9.

22 **Sec. 4. The department shall monitor compliance with section**
 23 **3 of this chapter. The department shall report to the budget**
 24 **committee any violation of section 3 of this chapter.**

25 **Sec. 5. If an application to an agency of the federal government**
 26 **is required to obtain authorization to use money as required by**
 27 **section 3 of this chapter, the state shall make the required**
 28 **application. The department shall monitor compliance with this**
 29 **section and report the status of all necessary applications to the**
 30 **budget committee on an annual basis.**

31 SECTION 11. [EFFECTIVE UPON PASSAGE] (a)
 32 Notwithstanding IC 1-1-4-7 and IC 4-4-6.1-9, both as added by this
 33 act, the department of labor may establish interim guidelines for
 34 the application of IC 1-1-4-7 and IC 4-4-6.1-9, both as added by
 35 this act. The initial guidelines must be issued before July 1, 1999.
 36 Interim guidelines issued under this SECTION expire on the
 37 earliest of the following:

38 (1) The date that the department of labor issues a
 39 replacement interim guideline.

40 (2) The date that the department of labor adopts a rule
 41 under IC 4-22-2 to replace an interim guideline.

42 (3) January 1, 2001.



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1 **(b) This SECTION expires July 2, 2001.**
2 **SECTION 12. An emergency is declared for this act.**

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