



February 23, 2000

**ENGROSSED
HOUSE BILL No. 1397**

DIGEST OF HB 1397 (Updated February 22, 2000 1:54 PM - DI 51)

Citations Affected: IC 4-4.

Synopsis: Economic development. Provides appropriations for local economic development organization grants do not expire or revert. Provides that not more than 25% of the grant amounts awarded may be used for the provision or rehabilitation of low income housing.

Effective: July 1, 2000.

Bottorff, Klinker, Lutz J

(SENATE SPONSOR — LUBBERS)

January 11, 2000, read first time and referred to Committee on Ways and Means.
January 20, 2000, amended, reported — Do Pass.
January 25, 2000, read second time, ordered engrossed. Engrossed.
January 27, 2000, read third time, passed. Yeas 93, nays 0.

SENATE ACTION

January 31, 2000, read first time and referred to Committee on Planning and Economic Development.
February 22, 2000, amended, reported favorably — Do Pass.

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EH 1397—LS 7077/DI 73+



February 23, 2000

Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

ENGROSSED HOUSE BILL No. 1397

A BILL FOR AN ACT to amend the Indiana Code concerning economic development.

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

- 1 SECTION 1. IC 4-4-24-5.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2000] **Sec. 5.5. An appropriation to the program does not expire
4 or revert to the state general fund at the end of a state fiscal year.**
- 5 SECTION 2. IC 4-4-24-6 IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2000]: Sec. 6. (a) The department may provide
7 a grant under the program to an organization to assist in the operation
8 of the organization, **including any operations related to the provision
9 of low income housing or the rehabilitation of low income housing.**
10 **Not more than twenty-five percent (25%) of the grants amounts
11 awarded under this chapter may be awarded for the provision or
12 rehabilitation of low income housing.** The grant may be used by the
13 organization only to pay for the following expenses:
- 14 (1) Employee salaries.
 - 15 (2) Office and other facilities.
 - 16 (3) Professional services provided under contract to the
17 organization.

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- 1 (4) A strategic plan of economic development for any of the areas
- 2 served by the organization.
- 3 (5) Other similar administrative expenses of the organization.
- 4 (6) Expenses related to the development of specialized training
- 5 programs that benefit economic development initiatives.
- 6 (7) Expenses incurred in research and development projects
- 7 related to economic development initiatives.
- 8 (b) A grant under this chapter may not be used by the organization
- 9 to provide direct financial assistance to a business or specific
- 10 development project.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1397, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "(a) The local economic development organization" and insert "**A grant provided under the program:**

(1) is encumbered when the grant is awarded; and

(2) does not revert to the state general fund even if the grant is not expended by the recipient organization before the end of the state fiscal year."

Page 1, delete lines 4 through 16.

Page 2, line 4, delete "housing or the rehabilitation of" and insert "**low income housing or the rehabilitation of low income**".

Page 2, line 4, delete "A grant" and insert "**Not more than twenty-five percent (25%) of the grants amounts awarded**".

Page 2, line 5, delete "shall be made from the local economic development" and insert "**may be awarded for the provision or rehabilitation of low income housing**".

Page 2, delete line 6.

Page 2, delete lines 23 through 42.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1397 as introduced.)

BAUER, Chair

Committee Vote: yeas 21, nays 0.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Planning and Economic Development, to which was referred House Bill No. 1397, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 3, delete "A grant provided under" and insert "**An appropriation to**".

Page 1, line 3, delete ":" and insert "**does not expire or revert to the state general fund at the end of a state fiscal year.**".

Page 1, delete lines 4 through 7.

and when so amended that said bill do pass.

(Reference is to HB 1397 as printed January 21, 2000.)

LUBBERS, Chairperson

Committee Vote: Yeas 7, Nays 0.

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