



March 9, 2011

**ENGROSSED
HOUSE BILL No. 1251**

DIGEST OF HB 1251 (Updated March 7, 2011 12:52 pm - DI 113)

Citations Affected: IC 5-28.

Synopsis: Young entrepreneur program. Requires the Indiana economic development corporation (IEDC) to establish a young entrepreneurs program to promote the business proposals of students in entrepreneurial programs at state educational institutions. Provides that the program must include at least one auction per year in which communities bid for the opportunity to locate a young entrepreneur's start-up business in their community. Requires the office of community and rural affairs to assist rural communities in preparing for an auction.

Effective: July 1, 2011.

**Ellspermann, Bacon, Davisson,
Stemler**

(SENATE SPONSORS — YOUNG R MICHAEL, TOMES,
YOUNG R, ECKERTY)

January 12, 2011, read first time and referred to Committee on Commerce, Small Business and Economic Development.

January 31, 2011, amended, reported — Do Pass.

February 8, 2011, read second time, ordered engrossed. Engrossed.

February 10, 2011, read third time, passed. Yeas 94, nays 0.

SENATE ACTION

February 17, 2011, read first time and referred to Committee on Commerce and Economic Development.

March 8, 2011, reported favorably — Do Pass.

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EH 1251—LS 7015/DI 92+



March 9, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1251

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 5-28-35 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2011]:

4 **Chapter 35. Young Entrepreneurs Program**

5 **Sec. 1. As used in this chapter, "young entrepreneur" means an**
6 **individual who:**

7 **(1) is enrolled in a state educational institution and pursuing**
8 **a major or minor in an entrepreneurial program; or**

9 **(2) graduated from a state educational institution with a**
10 **major or minor in an entrepreneurial program not more than**
11 **three (3) years before submitting an application to participate**
12 **in a program established under section 2 of this chapter.**

13 **Sec. 2. (a) The corporation shall establish a program to promote**
14 **young entrepreneurs who wish to start a business in Indiana.**

15 **(b) The corporation shall cooperate with the office of**
16 **community and rural affairs established by IC 4-4-9.7-4 to inform**
17 **rural communities of the opportunity to seek economic**

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development opportunities under the program.

(c) Notwithstanding any other law, the corporation may use any money available to the corporation under this article to implement this chapter.

Sec. 3. A program established under section 2 of this chapter must include at least one (1) auction per year in which interested communities and economic development organizations bid on the opportunity to locate a young entrepreneur's business in the community or territory served by the economic development organization.

Sec. 4. A young entrepreneur who wishes to participate in the program must apply on a form prescribed by the corporation. The application must describe the young entrepreneur's proposals for starting a business in Indiana, including start up needs for the proposed business and the applicant's preferred locations.

Sec. 5. The corporation shall review the applications submitted under section 4 of this chapter and select the young entrepreneurs permitted to participate in an auction conducted under section 6 of this chapter.

Sec. 6. The corporation shall publicly announce the corporation's intent to conduct an auction and the auction guidelines. The corporation may conduct an auction held under this section in person or in an online format at a state educational institution or a state government location in Indianapolis.

Sec. 7. (a) Communities and economic development organizations may submit bids to the corporation for the auction consistent with the guidelines announced by the corporation. The corporation shall review each bid submitted at the auction to identify the communities and economic development organizations that submitted bids that meet or exceed the needs of the selected young entrepreneurs.

(b) The corporation shall review the bids identified under subsection (a) and assist the young entrepreneur in selecting a winning community or economic development organization from among the identified bids. A bid selected by a young entrepreneur under this subsection is legally binding upon the parties in accordance with the terms of the selected bid.

Sec. 8. The corporation may assist each young entrepreneur selected to participate in the program with the development of the young entrepreneur's business proposal to ensure that each proposal is professionally presented to interested bidders.

Sec. 9. The corporation shall conduct a preview event before an

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1 auction held under section 6 of this chapter. The preview event
2 must be designed to introduce the young entrepreneurs selected for
3 the auction to interested communities and economic development
4 organizations. The preview event may be held at a state
5 educational institution or a state government location in
6 Indianapolis.

7 Sec. 10. The office of community and rural affairs shall assist
8 rural communities and economic development organizations
9 serving rural communities in reviewing business proposals and
10 preparing bids for an auction held under section 6 of this chapter.

11 Sec. 11. The corporation may impose a reasonable fee on a
12 community or economic development organization that
13 participates in an auction conducted under this chapter.

14 Sec. 12. This chapter expires December 31, 2014.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1251, 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 2, line 14, delete **"the following:"** and insert **"start up needs for the proposed business and the applicant's preferred locations."**.

Page 2, delete lines 15 through 17.

Page 2, line 18, delete "(a)".

Page 2, line 18, delete "annually".

Page 2, delete lines 22 through 24.

Page 2, line 25, delete "publish notice of" and insert **"publicly announce"**.

Page 2, line 26, delete "at least six (6) months before the date" and insert **"and the auction guidelines."**.

Page 2, delete lines 27 through 28.

Page 2, line 29, delete "program."

Page 2, line 32, after "(a)" insert **"Communities and economic development organizations may submit bids to the corporation for the auction consistent with the guidelines announced by the corporation."**.

Page 2, line 35, delete "requirements" and insert **"needs"**.

Page 2, line 35, delete "minimum bid required by each" and insert **"selected"**.

Page 2, line 36, delete "entrepreneur." and insert **"entrepreneurs."**.

Page 3, line 1, delete "shall" and insert **"may"**.

Page 3, line 5, delete "not more".

Page 3, line 6, delete "than six (6) weeks".

Page 3, delete lines 16 through 30, begin a new paragraph and insert:

"Sec. 11. The corporation may impose a reasonable fee on a community or economic development organization that participates in an auction conducted under this chapter.

Sec. 12. This chapter expires December 31, 2014."

and when so amended that said bill do pass.

(Reference is to HB 1251 as introduced.)

MESSMER, Chair

Committee Vote: yeas 11, nays 0.

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COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Economic Development, to which was referred House Bill No. 1251, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1251 as printed February 1, 2011.)

YOUNG R MICHAEL, Chairperson

Committee Vote: Yeas 8, Nays 0.

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