

HOUSE BILL No. 1251

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-35.

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. Requires annual reporting on the impact of the program.

Effective: July 1, 2011.

**Ellspermann, Bacon, Davisson,
Stemler**

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

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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.

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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 the following:

- (1) The start-up needs for the proposed business.
- (2) The applicant's preferred locations.
- (3) The minimum bid acceptable to the applicant.

Sec. 5. (a) The corporation shall annually 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.

(b) Applications are due at least thirty (30) days before the date of an auction preview event conducted under section 9 of this chapter.

Sec. 6. The corporation shall publish notice of the corporation's intent to conduct an auction at least six (6) months before the date of the auction in the student newspaper of each state educational institution offering a major or minor in an entrepreneurial program. 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) 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 requirements of the minimum bid required by each young entrepreneur.

(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.

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

5 **Sec. 9. The corporation shall conduct a preview event not more**
6 **than six (6) weeks before an auction held under section 6 of this**
7 **chapter. The preview event must be designed to introduce the**
8 **young entrepreneurs selected for the auction to interested**
9 **communities and economic development organizations. The**
10 **preview event may be held at a state educational institution or a**
11 **state government location in Indianapolis.**

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

16 **Sec. 11. The corporation, before November 1 of each year, shall**
17 **submit an annual report to the legislative council concerning the**
18 **program established under this chapter. The report must be in an**
19 **electronic format under IC 5-14-6 and must contain the following**
20 **information:**

- 21 **(1) The number of young entrepreneurs participating in the**
- 22 **program in that particular year.**
- 23 **(2) The location of each business established through the**
- 24 **program as of the date of the report.**
- 25 **(3) A summary of the state and local incentives provided to**
- 26 **each business established through the program as of the date**
- 27 **of the report.**
- 28 **(4) The number of jobs created and the average salary paid by**
- 29 **each business established through the program as of the date**
- 30 **of the report.**

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