
SENATE BILL No. 336

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28.

Synopsis: Indiana economic development corporation. Provides that the Indiana economic development corporation (IEDC) may enter into a contract only if the contract is reviewed and approved by the attorney general in the same manner provided by law for the attorney general's review and approval of contracts to which a state agency is a party. Specifies that in carrying out its duties (including making or approving any grants, loans, loan guarantees, or tax credits), the IEDC board shall act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. Provides that in addition to any other requirements, the IEDC board may not approve an application for a grant or loan from the twenty-first century research and technology fund unless the applicant matches the grant or loan at a rate that is not less than \$4 of private capital for each \$1 granted or loaned from the fund to the applicant. Requires the IEDC board to review applications for a grant or loan from the twenty-first century research and technology fund to determine that the resources the applicant and other entities have committed to the financing of the project are likely to be available for use in financing the project. Provides that the IEDC board may require an applicant to post a bond or deposit an amount with a depository or trustee or in an escrow account to ensure that the resources committed to the financing of the project will be available.

Effective: July 1, 2012.

Waltz

January 9, 2012, read first time and referred to Committee on Commerce & Economic Development.

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Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

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SENATE BILL No. 336



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 5-28-5-3, AS ADDED BY P.L.4-2005, SECTION
2 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2012]: Sec. 3. (a) Subject to approval by the budget agency, the
4 corporation may, without the approval of the attorney general, employ
5 legal counsel, technical experts, and other officers, agents, and
6 employees, permanent or temporary, the corporation considers
7 necessary to carry out the efficient operation of the corporation.
8 (b) ~~Subject to approval by the budget agency,~~ The corporation may
9 enter into contracts ~~without the approval of a contract only if the~~
10 **contract is reviewed and approved by the attorney general in the**
11 **same manner provided in IC 4-13-2-14.3 for the attorney general's**
12 **review and approval of contracts to which a state agency is a party.**
13 **This subsection applies to all contracts entered into by the**
14 **corporation, including any agreements related to loans, grants, or**
15 **other incentives provided by the corporation or provided under a**
16 **program administered by the corporation.**
17 SECTION 2. IC 5-28-6-1.5 IS ADDED TO THE INDIANA CODE



1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 2 1, 2012]: **Sec. 1.5. In carrying out its duties, including making or**
 3 **approving any grants, loans, loan guarantees, or tax credits under**
 4 **this article or any other law, the board shall act with the care, skill,**
 5 **prudence, and diligence that a prudent person acting in a like**
 6 **capacity and familiar with such matters would use in the conduct**
 7 **of an enterprise of a like character with like aims.**

8 SECTION 3. IC 5-28-16-3, AS ADDED BY P.L.4-2005, SECTION
 9 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 10 2012]: Sec. 3. (a) An application requesting a grant or loan from the
 11 fund must be targeted to one (1) or more of the areas listed in section
 12 2 of this chapter.

13 (b) A successful applicant for a grant or loan from the fund must
 14 meet the requirements of this section and be approved by the board. An
 15 application for a grant or loan from the fund must be made on an
 16 application form prescribed by the board. An applicant shall provide all
 17 information that the board finds necessary to make the determinations
 18 required by this chapter.

19 (c) All applications for a grant or loan from the fund must include
 20 the following:

21 (1) A fully elaborated technical research or business plan,
 22 whichever applies, that is appropriate for review by outside
 23 experts as provided in this chapter.

24 (2) A detailed financial analysis that includes the commitment of
 25 resources by other entities that will be involved in the project.

26 (3) A statement of the economic development potential of the
 27 project, such as:

28 (A) a statement of the way in which support from the fund will
 29 lead to significantly increased funding from federal or private
 30 sources and from private sector research partners; or

31 (B) a projection of the jobs to be created.

32 (4) The identity, qualifications, and obligations of the applicant.

33 (5) Any other information that the board considers appropriate.

34 An applicant for a grant or loan from the fund may request that certain
 35 information that is submitted by the applicant be kept confidential. The
 36 board shall make a determination of confidentiality as soon as is
 37 practicable. If the board determines that the information should not be
 38 kept confidential, the applicant may withdraw the application, and the
 39 board must return the information before making it part of any public
 40 record.

41 (d) An application for a grant or loan from the fund submitted by an
 42 academic researcher must be made through the office of the president

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1 of the researcher's academic institution with the express endorsement
2 of the institution's president. An application for a grant or loan from the
3 fund submitted by a private researcher must be made through the office
4 of the highest ranking officer of the researcher's institution with the
5 express endorsement of the institution. Any other application must be
6 made through the office of the highest ranking officer of the entity
7 submitting the application. In the case of an application for a grant or
8 loan from the fund that is submitted jointly by one (1) or more
9 researchers or entities, the application must be endorsed by each
10 institution or entity as required by this subsection.

11 **(e) In addition to any other requirements, the board may not**
12 **approve an application for a grant or loan from the fund that will**
13 **be made after June 30, 2012, unless the following conditions are**
14 **satisfied:**

15 **(1) The applicant must match the grant or loan from the fund**
16 **at a rate that is at least four dollars (\$4) of private capital that**
17 **will be invested in the project for each one dollar (\$1) granted**
18 **or loaned from the fund to the applicant.**

19 **(2) The board:**

20 **(A) reviews the provisions in the application concerning**
21 **the proposed financing of the project by the applicant and**
22 **other entities that will be involved in the project; and**

23 **(B) makes the finding required under subdivision (3).**

24 **(3) After conducting the review under subdivision (2), the**
25 **board makes a finding that the resources the applicant and**
26 **the other entities have committed to the financing of the**
27 **project are likely to be available for use in financing the**
28 **project. The board may require an applicant to post a bond or**
29 **deposit an amount with a depository or trustee or in an**
30 **escrow account to ensure that the resources committed to the**
31 **financing of the project will be available.**

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