



February 7, 2023

HOUSE BILL No. 1345

DIGEST OF HB 1345 (Updated February 7, 2023 12:47 pm - DI 140)

Citations Affected: IC 5-35.

Synopsis: Waiver of requirements for new businesses. Establishes a "regulatory sandbox" program (program). Creates the regulatory relief office within the Indiana economic development corporation. Creates, and establishes duties for, an advisory committee within the program. Directs that the secretary of commerce, who serves as executive director of the regulatory relief office, prepare an annual report on the activities of the office. Provides for program application requirements and describes the scope of the program. Makes consumer protection provisions. Describes requirements for exiting the program and for extensions to remain in the program. Makes record keeping and reporting requirements. Provides requirements for the creation and maintenance of a regulatory relief office web page.

Effective: July 1, 2023.

Teshka, Miller D, Bartels, Genda

January 17, 2023, read first time and referred to Committee on Government and Regulatory Reform.

February 7, 2023, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

HB 1345—LS 6052/DI 134



February 7, 2023

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1345

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 5-35 IS ADDED TO THE INDIANA CODE AS A
2 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2023]:
4 **ARTICLE 35. REGULATORY SANDBOX PROGRAM**
5 **Chapter 1. Definitions**
6 **Sec. 1. The definitions in this chapter apply throughout this**
7 **article.**
8 **Sec. 2. "Advisory committee" means the regulatory sandbox**
9 **program advisory committee established by IC 5-35-3-1.**
10 **Sec. 3. "Applicable agency" means a department or agency of**
11 **the state that by law regulates a business activity and persons**
12 **engaged in such business activity, including the issuance of licenses**
13 **or other types of authorization, which the corporation determines**
14 **would otherwise regulate a sandbox participant.**
15 **Sec. 4. "Applicant" means a person that applies to participate**
16 **in the regulatory sandbox program.**
17 **Sec. 5. "Consumer" means a person that purchases or otherwise**

HB 1345—LS 6052/DI 134



1 enters into a transaction or agreement to receive an offering
 2 pursuant to a demonstration by a sandbox participant.

3 Sec. 6. "Corporation" means the Indiana economic development
 4 corporation established by IC 5-28-3-1.

5 Sec. 7. "Demonstrate" or "demonstration" means to
 6 temporarily provide an offering in accordance with the provisions
 7 of the regulatory sandbox program described in this article.

8 Sec. 8. "Executive director" means the secretary of commerce.

9 Sec. 9. "Innovation" means the use or incorporation of a new
 10 idea, a new or emerging technology, or a new use of existing
 11 technology to address a problem, provide a benefit, or otherwise
 12 offer a product, production method, or service.

13 Sec. 10. "Innovative offering" means an offering that includes
 14 an innovation.

15 Sec. 11. "Person" means an individual, a proprietorship, a
 16 partnership, a joint venture, a firm, an association, a corporation,
 17 or other legal entity.

18 Sec. 12. "Product" means a commercially distributed good that
 19 is:

- 20 (1) tangible personal property;
- 21 (2) the result of a production process; and
- 22 (3) passed through the distribution channel before
 23 consumption.

24 Sec. 13. "Production" means the method or process of creating
 25 or obtaining a good, which may include assembling, breeding,
 26 capturing, collecting, extracting, fabricating, farming, fishing,
 27 gathering, growing, harvesting, hunting, manufacturing, mining,
 28 processing, raising, or trapping a good.

29 Sec. 14. "Regulatory relief office" means the regulatory relief
 30 office established by IC 5-35-2-1.

31 Sec. 15. "Regulatory sandbox program" means the regulatory
 32 sandbox program established by IC 5-35-5-1, which allows a
 33 person to temporarily demonstrate an offering under a waiver or
 34 suspension of one (1) or more state laws or regulations.

35 Sec. 16. "Sandbox participant" means a person whose
 36 application to participate in the regulatory sandbox program is
 37 approved in accordance with the provisions of this article.

38 Sec. 17. "Secretary of commerce" means the secretary of
 39 commerce appointed under IC 5-28-3-4.

40 Sec. 18. "Service" means any commercial activity, duty, or
 41 labor performed for another person.

42 Chapter 2. Creation of Regulatory Relief Office



1 **Sec. 1. The regulatory relief office is established within the**
2 **corporation.**

3 **Sec. 2. The regulatory relief office shall be administered by an**
4 **executive director.**

5 **Sec. 3. The regulatory relief office shall:**
6 **(1) administer the provisions of this article;**
7 **(2) administer the regulatory sandbox program; and**
8 **(3) act as a liaison between businesses and applicable agencies**
9 **to identify state laws or regulations that could potentially be**
10 **waived or suspended under the regulatory sandbox program.**

11 **Sec. 4. The regulatory relief office may:**
12 **(1) review state laws and regulations that may unnecessarily**
13 **inhibit the creation and success of new companies or**
14 **industries and provide recommendations to the general**
15 **assembly on modifying such state laws and regulations;**
16 **(2) create a framework for analyzing the risk level to the**
17 **health, safety, and financial well-being of consumers related**
18 **to permanently removing or temporarily waiving laws and**
19 **regulations inhibiting the creation or success of new and**
20 **existing companies or industries;**
21 **(3) propose potential reciprocity agreements between states**
22 **that use or are proposing to use similar regulatory sandbox**
23 **programs as described in this article; and**
24 **(4) make rules necessary to:**
25 **(A) administer the regulatory sandbox program, including**
26 **making rules regarding the application process and the**
27 **reporting requirements of sandbox participants; and**
28 **(B) cooperate and consult with other agencies in the state**
29 **that administer sandbox programs.**

30 **Chapter 3. Creation and Duties of Advisory Committee**

31 **Sec. 1. The regulatory sandbox program advisory committee is**
32 **established.**

33 **Sec. 2. The advisory committee consists of eleven (11) members**
34 **appointed as follows:**

- 35 **(1) Six (6) members appointed by the executive director who**
36 **represent business interests and are selected from a variety of**
37 **industry clusters.**
38 **(2) Three (3) members appointed by the executive director**
39 **who represent state agencies that regulate businesses.**
40 **(3) One (1) member of the senate, appointed by the president**
41 **pro tempore of the senate.**
42 **(4) One (1) member of the house of representatives, appointed**



- 1 by the speaker of the house of representatives.
- 2 **Sec. 3. (a) Subject to subsection (b), members of the advisory**
 3 **committee who are not legislators shall be appointed to a four (4)**
 4 **year term.**
- 5 **(b) Notwithstanding the requirements of subsection (a), the**
 6 **executive director may adjust the length of terms of appointments**
 7 **and reappointments to the advisory committee so that**
 8 **approximately half of the advisory committee is appointed every**
 9 **two (2) years.**
- 10 **Sec. 4. The executive director shall select a chair of the advisory**
 11 **committee on an annual basis.**
- 12 **Sec. 5. A majority of the advisory committee constitutes a**
 13 **quorum for the purpose of conducting advisory committee**
 14 **business, and the action of the majority of a quorum constitutes the**
 15 **action of the advisory committee.**
- 16 **Sec. 6. The advisory committee shall advise and make**
 17 **recommendations to the regulatory relief office.**
- 18 **Sec. 7. The regulatory relief office shall provide administrative**
 19 **staff support for the advisory committee.**
- 20 **Sec. 8. (a) Members of the advisory committee who are not**
 21 **legislators may not receive compensation or benefits for their**
 22 **service, but a member appointed under section 2(1) of this chapter**
 23 **may receive per diem and travel expenses.**
- 24 **(b) Compensation and expenses of members of the advisory**
 25 **committee who are legislators are governed by IC 2-3-1.**
- 26 **Chapter 4. Annual Report**
- 27 **Sec. 1. The executive director shall prepare an annual report**
 28 **that includes a written report on the activities of the regulatory**
 29 **relief office that includes:**
- 30 **(1) information regarding each sandbox participant, including**
 31 **which industries each participant represents and the**
 32 **anticipated or actual cost savings that each participant**
 33 **experienced;**
- 34 **(2) recommendations regarding any laws or regulations that**
 35 **should be permanently modified;**
- 36 **(3) information regarding outcomes for consumers; and**
 37 **(4) recommendations for changes to the regulatory sandbox**
 38 **program or other duties of the regulatory relief office.**
- 39 **Sec. 2. Not later than October 1 of each year, the executive**
 40 **director shall submit the annual report to the general assembly in**
 41 **an electronic format under IC 5-14-6.**
- 42 **Chapter 5. Regulatory Sandbox Program and Application**



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Requirements

Sec. 1. The regulatory sandbox program is established within the corporation.

Sec. 2. In administering the regulatory sandbox program, the regulatory relief office:

- (1) shall consult with each applicable agency;**
- (2) shall establish a program to enable a person to obtain legal protections and limited access to the market in Indiana to demonstrate an innovative offering without obtaining a license or other authorization that might otherwise be required;**
- (3) may enter into agreements with or adopt the best practices of corresponding federal regulatory agencies or other states that are administering similar programs; and**
- (4) may consult with businesses in Indiana about existing or potential proposals for the regulatory sandbox program.**

Sec. 3. (a) An applicant for the regulatory sandbox program may contact the regulatory relief office to request a consultation regarding the regulatory sandbox program before submitting an application.

(b) The regulatory relief office may provide assistance to an applicant in preparing an application for submission.

Sec. 4. An applicant for the regulatory sandbox program shall provide to the regulatory relief office an application in a form prescribed by the regulatory relief office that:

- (1) confirms the applicant is subject to the jurisdiction of the state;**
- (2) confirms the applicant has established a physical or virtual location in Indiana, from which the demonstration of an innovative offering will be developed and performed and where all required records, documents, and data will be maintained;**
- (3) contains relevant personal and contact information for the applicant, including legal names, addresses, telephone numbers, electronic mail addresses, website addresses, and other information required by the regulatory relief office;**
- (4) discloses criminal convictions of the applicant or other participating personnel, if any;**
- (5) contains a description of the innovative offering to be demonstrated, including statements regarding:
 - (A) how the offering is subject to licensing, legal prohibition, or other authorization requirements, including****



- 1 any application of federal laws and regulations, outside of
2 the regulatory sandbox program;
3 **(B)** each law or regulation that the applicant seeks to have
4 waived or suspended while participating in the regulatory
5 sandbox program;
6 **(C)** how the offering would benefit consumers;
7 **(D)** how the offering is different from other offerings
8 available in Indiana;
9 **(E)** what risks might exist for consumers who use or
10 purchase the offering;
11 **(F)** how participating in the regulatory sandbox program
12 would enable a successful demonstration of the offering;
13 **(G)** a description of the proposed demonstration plan,
14 including estimated time periods for beginning and ending
15 the demonstration;
16 **(H)** recognition that the applicant will be subject to all laws
17 and regulations pertaining to the applicant's offering after
18 conclusion of the demonstration; and
19 **(I)** how the applicant will end the demonstration and
20 protect consumers if the demonstration fails;
21 **(6)** lists each government agency, if any, that the applicant
22 knows regulates the applicant's business; and
23 **(7)** provides any other required information as determined by
24 the regulatory relief office.

25 **Sec. 5.** The regulatory relief office may collect an application fee
26 from an applicant.

27 **Sec. 6.** An applicant shall file a separate application for each
28 innovative offering that the applicant wishes to demonstrate.

29 **Sec. 7.** After an application is filed the regulatory relief office
30 shall:

- 31 **(1)** classify the application and any related information
32 provided by the applicant as a protected record;
33 **(2)** consult with each applicable government agency that
34 regulates the applicant's business regarding whether more
35 information is needed from the applicant; and
36 **(3)** seek additional information from the applicant that the
37 regulatory relief office determines is necessary.

38 **Sec. 8.** Not later than five (5) business days after the day on
39 which a complete application is received by the regulatory relief
40 office, the regulatory relief office shall:

- 41 **(1)** review the application and refer the application to each
42 applicable government agency that regulates the applicant's



1 **business; and**

2 **(2) provide to the applicant:**

3 **(A) an acknowledgment of receipt of the application; and**

4 **(B) the identity and contact information of each regulatory**
5 **agency to which the application has been referred for**
6 **review.**

7 **Sec. 9. (a) Subject to subsections (c) and (g), not later than thirty**
8 **(30) days after the day on which an applicable agency receives a**
9 **complete application for review, the applicable agency shall**
10 **provide a written report to the executive director of the applicable**
11 **agency's findings.**

12 **(b) The report must:**

13 **(1) describe any identifiable, likely, and significant harm to**
14 **the health, safety, or financial well-being of consumers that**
15 **the relevant law or regulation protects against; and**

16 **(2) make a recommendation to the regulatory relief office that**
17 **the applicant either be admitted or denied entrance into the**
18 **regulatory relief sandbox.**

19 **(c) The applicable agency may request an additional five (5)**
20 **business days to deliver the written report by providing notice to**
21 **the executive director, and the request shall automatically be**
22 **granted. The applicable agency may request only one (1) extension**
23 **per application.**

24 **(d) If the applicable agency recommends an applicant under this**
25 **section be denied entrance into the regulatory sandbox program,**
26 **the written report shall include a description of the reasons for the**
27 **recommendation, including why a temporary waiver or suspension**
28 **of the relevant laws or regulations would potentially significantly**
29 **harm the health, safety, or financial well-being of consumers and**
30 **the likelihood of such harm occurring.**

31 **(e) If the agency determines that the health, safety, or financial**
32 **well-being of consumers can be protected through less restrictive**
33 **means than the existing relevant laws or regulations, the applicable**
34 **agency shall provide a recommendation of how that can be**
35 **achieved.**

36 **(f) If an applicable agency fails to deliver a written report as**
37 **described in this section, the executive director shall assume that**
38 **the applicable agency does not object to the temporary waiver or**
39 **suspension of the relevant laws or regulations for an applicant**
40 **seeking to participate in the regulatory sandbox program.**

41 **(g) Notwithstanding any other provision of this section, an**
42 **applicable agency may by written notice to the regulatory relief**



- 1 office:
- 2 (1) within thirty (30) days after the day on which the
- 3 applicable agency receives a complete application for review,
- 4 or within thirty-five (35) days if an extension has been
- 5 requested by the applicable agency, reject an application if
- 6 the applicable agency determines, in the applicable agency's
- 7 sole discretion, that the applicant's offering fails to comply
- 8 with standards or specifications:
- 9 (A) required by federal law or regulation; or
- 10 (B) previously approved for use by a federal agency; or
- 11 (2) reject an application preliminarily approved by the
- 12 regulatory relief office if the applicable agency:
- 13 (A) recommended rejection of the application in
- 14 accordance with subsection (d) in the agency's written
- 15 report; and
- 16 (B) provides in the written notice under this subsection a
- 17 description of the applicable agency's reasons why
- 18 approval of the application would create a substantial risk
- 19 of harm to the health, safety, or financial well-being of
- 20 consumers, or create unreasonable expenses for taxpayers
- 21 in Indiana.
- 22 (h) If an applicable agency rejects an application under
- 23 subsection (g), the regulatory relief office may not approve the
- 24 application.
- 25 Sec. 10. (a) Upon receiving a written report described in section
- 26 9 of this chapter, the executive director shall provide the
- 27 application and each written report to the advisory committee.
- 28 (b) The executive director may call the advisory committee to
- 29 meet as needed, but not less than once per quarter if applications
- 30 are available for review.
- 31 (c) After receiving and reviewing the application and each
- 32 written report, the advisory committee shall provide to the
- 33 executive director the advisory committee's recommendation as to
- 34 whether or not the applicant should be admitted as a sandbox
- 35 participant.
- 36 (d) As part of the advisory committee's review of each written
- 37 report, the advisory committee shall use the criteria required for
- 38 an applicable agency as described in section 9 of this chapter.
- 39 Sec. 11. (a) In reviewing an application and each applicable
- 40 agency's written report, the regulatory relief office shall consult
- 41 with each applicable agency and the advisory committee before
- 42 admitting an applicant into the regulatory sandbox program.



1 (b) The consultation with each applicable agency and the
2 consultation with the advisory committee may include seeking
3 information about whether:

4 (1) the applicable agency has previously issued a license or
5 other authorization to the applicant; and

6 (2) the applicable agency has previously investigated,
7 sanctioned, or pursued legal action against the applicant.

8 Sec. 12. In reviewing an application under this chapter, the
9 regulatory relief office and applicable agency shall consider
10 whether a competitor of the applicant is or has been a sandbox
11 participant and, if so, weigh that as a factor in favor of allowing the
12 applicant to also become a sandbox participant.

13 Sec. 13. In reviewing an application under this chapter, the
14 regulatory relief office shall consider whether:

15 (1) the applicant's plan will adequately protect consumers
16 from potential harm identified by an applicable agency in the
17 applicable agency's written report;

18 (2) the risk of harm to consumers is outweighed by the
19 potential benefits to consumers from the applicant's
20 participation in the regulatory sandbox program; and

21 (3) certain state laws or regulations that regulate an offering
22 should not be waived or suspended even if the applicant is
23 approved as a sandbox participant, including applicable
24 antifraud or disclosure provisions.

25 Sec. 14. (a) An applicant becomes a sandbox participant if the
26 regulatory relief office approves the application for the regulatory
27 sandbox program and enters into a written agreement with the
28 applicant describing the specific laws and regulations that are
29 waived or suspended as part of participation in the regulatory
30 sandbox program.

31 (b) Notwithstanding any other provision of this article, the
32 regulatory relief office may not enter into a written agreement with
33 an applicant that waives or suspends a tax, fee, or charge governed
34 by the Indiana tax code under IC 6.

35 Sec. 15. (a) The executive director may deny, at the executive
36 director's sole discretion, any application submitted under this
37 chapter for any reason, including if the executive director
38 determines that the preponderance of evidence demonstrates that
39 suspending or waiving enforcement of a law or regulation would
40 cause a significant risk of harm to consumers or residents of
41 Indiana.

42 (b) If the executive director denies an application submitted



1 under this chapter the regulatory relief office shall provide to the
 2 applicant a written description of the reasons for not allowing the
 3 applicant to be a sandbox participant.

4 (c) The denial of an application submitted under this chapter is
 5 not subject to:

6 (1) agency or judicial review; or

7 (2) the provisions under IC 4-21.5.

8 Sec. 16. The executive director shall deny an application for
 9 participation in the regulatory sandbox program described by this
 10 article if the applicant, or any person who seeks to participate with
 11 the applicant in demonstrating an offering, has been convicted,
 12 entered a plea of nolo contendere, or entered a plea of guilty or
 13 nolo contendere held in abeyance for any crime involving
 14 significant theft, fraud, or dishonesty if the crime bears a
 15 significant relationship to the applicant's or other participant's
 16 ability to safely and competently participate in the regulatory
 17 sandbox program.

18 Sec. 17. When an applicant is approved for participation in the
 19 regulatory sandbox program, the executive director may provide
 20 notice of the approval to the competitors of the applicant and to the
 21 public.

22 Chapter 6. Scope of the Regulatory Sandbox Program

23 Sec. 1. If the regulatory relief office approves an application, the
 24 sandbox participant has twelve (12) months after the day on which
 25 the application is approved to demonstrate the offering described
 26 in the sandbox participant's application.

27 Sec. 2. An offering that is demonstrated within the regulatory
 28 sandbox program is subject to the following:

29 (1) Each consumer shall be a resident of Indiana.

30 (2) No law or regulation may be waived or suspended if
 31 waiving or suspending the law or regulation would prevent a
 32 consumer from seeking restitution in the event that the
 33 consumer is harmed.

34 Sec. 3. This chapter does not restrict a sandbox participant that
 35 holds a license or other authorization in another jurisdiction from
 36 acting in accordance with that license or other authorization.

37 Sec. 4. A sandbox participant is deemed to possess an
 38 appropriate license or other authorization under the laws of
 39 Indiana for the purposes of any provision of federal law requiring
 40 licensure or other authorization.

41 Sec. 5. Subject to section 6 of this chapter:

42 (1) during the demonstration period, a sandbox participant is



1 not subject to the enforcement of state laws or regulations
 2 identified in the written agreement between the regulatory
 3 relief office and the sandbox participant;
 4 (2) a prosecutor may not file or pursue charges pertaining to
 5 a law or regulation identified in the written agreement
 6 between the regulatory relief office and the sandbox
 7 participant that occurs during the demonstration period; and
 8 (3) a state agency may not file or pursue any punitive action
 9 against a sandbox participant, including a fine or licensure
 10 suspension or revocation, for the violation of a law or
 11 regulation that:

12 (A) is identified as being waived or suspended in the
 13 written agreement between the regulatory relief office and
 14 the sandbox participant; and

15 (B) occurs during the demonstration period.

16 **Sec. 6.** Notwithstanding any other provision of this article, a
 17 sandbox participant does not have immunity related to any
 18 criminal offense not waived or suspended in the written agreement
 19 between the regulatory relief office and the sandbox participant
 20 committed during the sandbox participant's participation in the
 21 regulatory sandbox program.

22 **Sec. 7.** By written notice, the regulatory relief office may end a
 23 sandbox participant's participation in the regulatory sandbox
 24 program at any time and for any reason, including if the executive
 25 director determines that a sandbox participant is not operating in
 26 good faith to bring an innovative offering to the market.

27 **Sec. 8.** The regulatory relief office and the regulatory relief
 28 office's employees are not liable for any business losses or the
 29 recouping of application expenses or other expenses related to the
 30 regulatory sandbox program, including for:

31 (1) denying an applicant's application to participate in the
 32 regulatory sandbox program for any reason; or

33 (2) ending a sandbox participant's participation in the
 34 regulatory sandbox program at any time and for any reason.

35 **Chapter 7. Consumer Protection for the Regulatory Sandbox**
 36 **Program**

37 **Sec. 1.** Before demonstrating an offering to a consumer, a
 38 sandbox participant shall disclose the following to the consumer:

39 (1) The name and contact information of the sandbox
 40 participant.

41 (2) That the offering is authorized pursuant to the regulatory
 42 sandbox program and, if applicable, that the sandbox



- 1 participant does not have a license or other authorization to
- 2 provide an offering under state laws that regulate offerings
- 3 outside of the regulatory sandbox program.
- 4 (3) That the offering is undergoing testing and may not
- 5 function as intended and may expose the consumer to certain
- 6 risks as identified by the applicable agency's written report.
- 7 (4) That the provider of the offering is not immune from civil
- 8 liability for any losses or damages caused by the offering.
- 9 (5) That the provider of the offering is not immune from
- 10 criminal prosecution for violations of state laws or regulations
- 11 that are not suspended or waived as allowed by the regulatory
- 12 sandbox program.
- 13 (6) That the offering is a temporary demonstration that may
- 14 be discontinued at the end of the demonstration period.
- 15 (7) The expected end date of the demonstration period.
- 16 (8) That a consumer may contact the regulatory relief office
- 17 and file a complaint regarding the offering being
- 18 demonstrated. The sandbox participant shall provide the
- 19 regulatory relief office's telephone number and website
- 20 address where a complaint may be filed.

21 **Sec. 2.** The disclosures required by this chapter shall be
 22 provided to a consumer in a clear and conspicuous form and, for
 23 an Internet or application based offering, a consumer shall
 24 acknowledge receipt of the disclosure before any transaction may
 25 be completed.

26 **Sec. 3.** The regulatory relief office may require that a sandbox
 27 participant make additional disclosures to a consumer.

28 **Chapter 8. Requirements for Exiting Regulatory Sandbox**
 29 **Program**

30 **Sec. 1.** At least thirty (30) days before the end of the twelve (12)
 31 month regulatory sandbox program demonstration period, a
 32 sandbox participant shall:

- 33 (1) notify the regulatory relief office that the sandbox
- 34 participant will exit the regulatory sandbox program and
- 35 discontinue the sandbox participant's demonstration after the
- 36 day on which the twelve (12) month demonstration period
- 37 ends; or
- 38 (2) seek an extension under IC 5-35-9.

39 **Sec. 2.** Subject to section 3 of this chapter, if the regulatory
 40 relief office does not receive notification as required by section 1 of
 41 this chapter, the regulatory sandbox program demonstration
 42 period ends at the end of the twelve (12) month demonstration



1 period.

2 **Sec. 3. If a demonstration includes an offering that requires**
 3 **ongoing duties, the sandbox participant may continue to perform**
 4 **those duties but will be subject to enforcement of the laws or**
 5 **regulations that were waived or suspended as part of the**
 6 **regulatory sandbox program.**

7 **Chapter 9. Extensions**

8 **Sec. 1. Not later than thirty (30) days before the end of the**
 9 **twelve (12) month regulatory sandbox program demonstration**
 10 **period, a sandbox participant may request an extension of the**
 11 **regulatory sandbox program demonstration period.**

12 **Sec. 2. The regulatory relief office shall grant or deny a request**
 13 **for an extension in accordance with section 1 of this chapter by the**
 14 **end of the twelve (12) month regulatory sandbox program**
 15 **demonstration period.**

16 **Sec. 3. The regulatory relief office may grant an extension in**
 17 **accordance with this chapter for not more than twelve (12) months**
 18 **after the end of the regulatory sandbox program demonstration**
 19 **period.**

20 **Chapter 10. Record Keeping and Reporting Requirements**

21 **Sec. 1. A sandbox participant shall retain records, documents,**
 22 **and data produced in the ordinary course of business regarding an**
 23 **offering demonstrated in the regulatory sandbox program.**

24 **Sec. 2. If a sandbox participant ceases to provide an offering**
 25 **before the end of a demonstration period, the sandbox participant**
 26 **shall notify the regulatory relief office and each applicable agency**
 27 **and report on actions taken by the sandbox participant to ensure**
 28 **consumers have not been harmed as a result.**

29 **Sec. 3. The regulatory relief office shall establish quarterly**
 30 **reporting requirements for a sandbox participant, including**
 31 **information about any consumer complaints.**

32 **Sec. 4. The regulatory relief office may request records,**
 33 **documents, and data from a sandbox participant and, upon the**
 34 **regulatory relief office's request, the sandbox participant shall**
 35 **make such records, documents, and data available for inspection**
 36 **by the regulatory relief office.**

37 **Sec. 5. (a) The sandbox participant shall notify the regulatory**
 38 **relief office and each applicable agency of any incidents that result**
 39 **in harm to the health, safety, or financial well-being of a consumer.**

40 **(b) If a sandbox participant fails to notify the regulatory relief**
 41 **office and each applicable agency of any incidents as described in**
 42 **subsection (a), or the regulatory relief office or an applicable**



1 agency has evidence that significant harm to a consumer has
2 occurred, the regulatory relief office may immediately remove the
3 sandbox participant from the regulatory sandbox program.

4 Sec. 6. (a) Not later than thirty (30) days after the day on which
5 a sandbox participant exits the regulatory sandbox program, the
6 sandbox participant shall submit a written report to the regulatory
7 relief office and each applicable agency describing an overview of
8 the sandbox participant's demonstration, including any:

- 9 (1) incidents of harm to consumers;
- 10 (2) legal actions filed against the sandbox participant as a
11 result of the participant's demonstration; and
- 12 (3) complaints filed with an applicable agency as a result of
13 the sandbox participant's demonstration.

14 (b) Not later than thirty (30) days after the day on which an
15 applicable agency receives the quarterly report required under
16 section 3 of this chapter, or a written report from a sandbox
17 participant under subsection (a), the applicable agency shall
18 provide a written report to the regulatory relief office on the
19 demonstration that describes any statutory or regulatory reform
20 the applicable agency recommends as a result of the
21 demonstration.

22 Sec. 7. The regulatory relief office may remove a sandbox
23 participant from the regulatory sandbox program at any time if
24 the regulatory relief office determines that a sandbox participant
25 has engaged in, is engaging in, or is about to engage in any practice
26 or transaction that is in violation of this article or that constitutes
27 a violation of a law or regulation for which a suspension or waiver
28 has not been granted.

29 Chapter 11. Regulatory Relief Office Web Page

30 Sec. 1. The regulatory relief office shall create and maintain on
31 the corporation's website a web page that invites residents and
32 businesses in Indiana to make suggestions regarding laws and
33 regulations that could be modified or eliminated to reduce the
34 regulatory burden of residents and businesses in Indiana.

35 Sec. 2. On at least a quarterly basis, the regulatory relief office
36 shall compile the results of suggestions from the web page and
37 submit a report to the executive director of the legislative services
38 agency that describes the most common suggestions for
39 distribution to the members of the general assembly. The report
40 submitted to the executive director of the legislative services
41 agency must be in an electronic format under IC 5-14-6.

42 Sec. 3. In creating the report described in section 2 of this



1 **chapter, the regulatory relief office and the advisory committee:**
2 **(1) shall ensure that private information of residents and**
3 **businesses that make suggestions on the web page is not made**
4 **public; and**
5 **(2) may evaluate the suggestions and provide analysis and**
6 **suggestions regarding which state laws and regulations could**
7 **be modified or eliminated to reduce the regulatory burden of**
8 **residents and businesses in Indiana while still protecting**
9 **consumers.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1345, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1345 as introduced.)

MILLER D

Committee Vote: Yeas 9, Nays 4

