



February 17, 2022

ENGROSSED SENATE BILL No. 74

DIGEST OF SB 74 (Updated February 16, 2022 12:02 pm - DI 140)

Citations Affected: IC 5-22.

Synopsis: Preferences in public works and public purchasing. Provides that a manufacturing business, defined as a business that processes raw materials or parts into finished goods, is not a small business if it employs more than 100 persons or if its annual sales for its most recently completed fiscal year exceed \$4,000,000. Provides that any state agency that purchases goods, supplies, or services for the state must report by October 1 of each year to the budget committee the amount of Indiana business and Indiana small business preferences granted in the agency's procurement of goods, supplies, or services for the state.

Effective: July 1, 2022.

**Boots, Walker G,
Randolph Lonnie M**
(HOUSE SPONSOR — MORRIS)

January 4, 2022, read first time and referred to Committee on Commerce and Technology.
January 18, 2022, reported favorably — Do Pass.
January 20, 2022, read second time, ordered engrossed. Engrossed.
January 24, 2022, read third time, passed. Yeas 47, nays 0.

HOUSE ACTION

January 31, 2022, read first time and referred to Committee on Government and Regulatory Reform.
February 17, 2022, reported — Do Pass.

ES 74—LS 6400/DI 134



February 17, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 74

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 5-22-14-3, AS AMENDED BY P.L.160-2006,
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2022]: Sec. 3. (a) A governmental body may adopt rules to
4 implement this chapter. The Indiana department of administration shall
5 adopt rules under IC 4-22-2 to implement this chapter.

6 (b) The rules adopted by a governmental body must establish
7 criteria for determining qualifications as a small business. In
8 establishing criteria, the rules may use any standards established for
9 determination of small business status that are used by an agency of the
10 federal government. A governmental body may also receive assistance
11 from the Indiana economic development corporation to establish
12 criteria or to implement the rules.

13 (c) The rules adopted by a governmental body may consider the
14 number of employees employed by an offeror and the dollar volume of
15 the offeror's business. The rules must provide that when computing the
16 size of an offeror, the annual sales and receipts of the offeror and all of
17 its affiliates must be included.

ES 74—LS 6400/DI 134



1 (d) The rules adopted by a governmental body must include the
2 following criteria:

3 (1) A wholesale business is not a small business if its annual sales
4 for its most recently completed fiscal year exceed four million
5 dollars (\$4,000,000).

6 (2) A construction business is not a small business if its average
7 annual receipts for the preceding three (3) fiscal years exceed four
8 million dollars (\$4,000,000).

9 (3) A retail business or business selling services is not a small
10 business if its annual sales and receipts exceed five hundred
11 thousand dollars (\$500,000).

12 (4) A manufacturing business, **defined as a business that**
13 **processes raw materials or parts into finished goods**, is not a
14 small business if it employs more than one hundred (100) persons
15 **or its annual sales for its most recently completed fiscal year**
16 **exceed four million dollars (\$4,000,000).**

17 (5) A business in any of the following sectors is not a small
18 business if it employs more than one hundred (100) persons or if
19 its annual sales exceed five million dollars (\$5,000,000):

20 (A) Information technology.

21 (B) Life sciences.

22 (C) Transportation.

23 (D) Logistics.

24 SECTION 2. IC 5-22-14-12 IS ADDED TO THE INDIANA CODE
25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
26 1, 2022]: **Sec. 12. Any state agency that purchases goods, supplies,**
27 **or services for the state must report by October 1 of each year to**
28 **the budget committee the amount of Indiana business and Indiana**
29 **small business preferences granted in the agency's procurement of**
30 **goods, supplies, or services for the state.**



COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 74, 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 to SB 74 as introduced.)

PERFECT, Chairperson

Committee Vote: Yeas 9, Nays 0

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 74, 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 SB 74 as printed January 19, 2022.)

MILLER D

Committee Vote: Yeas 8, Nays 1

