



January 26, 2024

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## SENATE BILL No. 295

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DIGEST OF SB 295 (Updated January 25, 2024 12:04 pm - DI 119)

**Citations Affected:** IC 5-28; IC 36-7.

**Synopsis:** Indiana economic development corporation. Provides for appointment to the board of the Indiana economic development corporation (IEDC) of two nonvoting, advisory members who are members of the general assembly. Requires the IEDC, before purchasing land in a county that exceeds 100 acres, to first give notice to the county or municipality, or both, in which the land is located not later than 30 days before the closing date for the purchase. Provides that a school corporation that receives a transfer of incremental property tax revenue from a local innovation development district fund may use those funds with no restrictions or specified uses.

**Effective:** July 1, 2024.

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**Buchanan, Charbonneau, Deery,  
Gaskill, Rogers**

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January 16, 2024, read first time and referred to Committee on Commerce and Technology.  
January 25, 2024, amended, reported favorably — Do Pass.

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SB 295—LS 7020/DI 120





January 26, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

## SENATE BILL No. 295

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 5-28-4-2, AS AMENDED BY P.L.237-2017,  
2 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2024]: Sec. 2. (a) The board is composed of the following  
4 members: ~~none of whom may be members of the general assembly~~:

5 (1) The governor.

6 (2) Eleven (11) individuals appointed by the governor.

7 (3) The members (if any) appointed by the governor under  
8 subsection (c).

9 **(4) Two (2) nonvoting, advisory members who are members  
10 of the general assembly appointed under subsection (d).**

11 The individuals appointed under subdivision (2) and the individuals  
12 appointed under subsection (c) must be employed in or retired from the  
13 private or nonprofit sector or academia **and may not be members of  
14 the general assembly.**

15 (b) When making appointments under subsection (a)(2), the  
16 governor shall appoint the following:

17 (1) At least five (5) members belonging to the same political party

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- 1 as the governor.
- 2 (2) At least three (3) members who belong to a major political
- 3 party (as defined in IC 3-5-2-30) other than the party of which the
- 4 governor is a member.
- 5 (c) In addition to the members appointed under subsection (a)(2),
- 6 the governor may appoint not more than three (3) additional members
- 7 to the board. If the governor appoints more than one (1) additional
- 8 member to the board under this subsection, at least one (1) of the
- 9 additional members must belong to a major political party (as defined
- 10 in IC 3-5-2-30) other than the party of which the governor is a member.
- 11 **(d) The members described in subsection (a)(4) are appointed as**
- 12 **follows:**
- 13 **(1) The speaker of the house of representatives shall appoint**
- 14 **one (1) individual who is a member of the house of**
- 15 **representatives.**
- 16 **(2) The president pro tempore of the senate shall appoint one**
- 17 **(1) individual who is a member of the senate.**
- 18 **(e) The following apply to the members appointed under**
- 19 **subsection (d):**
- 20 **(1) A member appointed under subsection (d):**
- 21 **(A) serves at the pleasure of the member's appointing**
- 22 **authority; and**
- 23 **(B) may be reappointed to successive terms.**
- 24 **(2) A vacancy in an appointment under subsection (d)(1) shall**
- 25 **be filled by the speaker of the house of representatives.**
- 26 **(3) A vacancy in an appointment under subsection (d)(2) shall**
- 27 **be filled by the president pro tempore of the senate.**
- 28 **(4) An individual appointed to fill a vacancy in an**
- 29 **appointment under subsection (d) serves for the unexpired**
- 30 **term of the individual's predecessor.**
- 31 SECTION 2. IC 5-28-4-3, AS AMENDED BY P.L.237-2017,
- 32 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2024]: Sec. 3. (a) **Except as provided in subsection (d)**, the
- 34 term of office of an appointed member of the board is four (4) years.
- 35 (b) Each member **appointed under section 2(a)(2) or 2(c) of this**
- 36 **chapter** holds office for the term of appointment and continues to serve
- 37 after expiration of the appointment until a successor is appointed and
- 38 qualified. A member is eligible for reappointment.
- 39 (c) Members of the board appointed under section 2(a)(2) or 2(c) of
- 40 this chapter serve at the pleasure of the governor.
- 41 **(d) This subsection applies to a member of the board appointed**
- 42 **under section 2(d) of this chapter. The initial term of a member is**



1 **one (1) year and expires June 30, 2025. The term of a member**  
 2 **appointed thereafter is two (2) years and expires June 30 of the**  
 3 **odd-numbered year.**

4 SECTION 3. IC 5-28-4-5, AS ADDED BY P.L.4-2005, SECTION  
 5 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 6 2024]: Sec. 5. (a) The members of the board **who are not members of**  
 7 **the general assembly:**

8 (1) are entitled to a salary per diem for attending meetings equal  
 9 to the per diem provided by law for members of the general  
 10 assembly; ~~The members of the board and~~

11 (2) are ~~also~~ entitled to receive reimbursement for traveling  
 12 expenses as provided under IC 4-13-1-4 and other expenses  
 13 actually incurred in connection with the members' duties as  
 14 approved by the budget agency.

15 (b) **Each member of the board who is a member of the general**  
 16 **assembly is entitled to receive the same per diem, mileage, and**  
 17 **travel allowances paid to legislative members of interim study**  
 18 **committees established by the legislative council. Per diem,**  
 19 **mileage, and travel allowances paid under this subsection shall be**  
 20 **paid from appropriations made to the legislative council or the**  
 21 **legislative services agency.**

22 SECTION 4. IC 5-28-4-6, AS AMENDED BY P.L.237-2017,  
 23 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2024]: Sec. 6. (a) The following constitutes a quorum for the  
 25 transaction of business by the board of the corporation:

26 (1) Seven (7) **voting members of the board**, if:

27 (A) no additional members are appointed under section 2(c) of  
 28 this chapter; or

29 (B) one (1) additional member is appointed under section 2(c)  
 30 of this chapter.

31 (2) Eight (8) **voting members of the board**, if either two (2) or  
 32 three (3) additional members are appointed under section 2(c) of  
 33 this chapter.

34 (b) The following number of affirmative votes is necessary for  
 35 action to be taken by the board:

36 (1) The affirmative vote of at least seven (7) members, if:

37 (A) no additional members are appointed under section 2(c) of  
 38 this chapter; or

39 (B) one (1) additional member is appointed under section 2(c)  
 40 of this chapter.

41 (2) The affirmative vote of at least eight (8) members, if either  
 42 two (2) or three (3) additional members are appointed under



1 section 2(c) of this chapter.

2 (c) Members of the board may not vote by proxy.

3 SECTION 5. IC 5-28-5-2, AS ADDED BY P.L.4-2005, SECTION  
4 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
5 2024]: Sec. 2. (a) **Subject to subsection (b)**, the corporation is granted  
6 all powers necessary or appropriate to carry out the corporation's public  
7 and corporate purposes under this chapter.

8 **(b) Before the corporation may purchase land in a county that**  
9 **in total exceeds one hundred (100) acres whether acquired in one**  
10 **(1) or a series of transactions, the corporation must first give notice**  
11 **to the county or municipality, or both, in which the land is located**  
12 **not later than thirty (30) days before the closing date for the**  
13 **purchase or purchases.**

14 SECTION 6. IC 36-7-32.5-12, AS ADDED BY P.L.135-2022,  
15 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JULY 1, 2024]: Sec. 12. (a) If the total costs and benefits of the  
17 proposed investment of an innovation development district are  
18 expected to be an amount less than two billion dollars  
19 (\$2,000,000,000), the following apply:

20 (1) The executive, or, if applicable, the executives, and the  
21 corporation shall enter into an agreement establishing the terms  
22 and conditions governing the innovation development district in  
23 accordance with this section.

24 (2) If the executive, or, if applicable, the executives, and the  
25 corporation cannot enter into an agreement under subdivision (1),  
26 the designation of territory under section 9 of this chapter is no  
27 longer effective and the innovation development district may not  
28 be designated or otherwise established under this chapter.

29 (b) The agreement must include the following provisions:

30 (1) A description of the area, including a list of all parcels to be  
31 included within the innovation development district.

32 (2) Covenants and restrictions, if any, upon all or a part of the  
33 properties contained within the innovation development district  
34 and terms of enforcement of any covenants or restrictions.

35 (3) The due diligence and financial commitments of any party to  
36 the agreement and of any owner or developer of property within  
37 the innovation development district.

38 (4) The financial projections of the innovation development  
39 district.

40 (5) The proposed use of the:

41 (A) net increment; and

42 (B) incremental property tax amount described in section 14(c)



- 1           of this chapter;  
 2           that is captured within the innovation development district.  
 3           (6) The aggregate percentage of annual incremental property tax  
 4           revenue that will be transferred to the city, town, county, or school  
 5           corporation, or, if applicable, the cities, towns, counties, or school  
 6           corporations, under section 19(e) of this chapter. The aggregate  
 7           percentage transferred may not be less than twelve percent (12%)  
 8           of the annual amount of incremental property tax revenue  
 9           deposited in the local innovation development district fund  
 10          established by section 19 of this chapter. **A school corporation**  
 11          **that receives a portion of the aggregate percentage of**  
 12          **incremental property tax revenue transferred under this**  
 13          **chapter may use those funds with no restrictions or specified**  
 14          **uses.**  
 15          (7) Subject to the limitations of this chapter, the duration of the  
 16          designation of an area as an innovation development district.  
 17          (8) The terms of enforcement of the agreement, which may  
 18          include the definition of events of default, cure periods, legal and  
 19          equitable remedies and rights, and penalties and damages, actual  
 20          or liquidated, upon the occurrence of an event of default.  
 21          (9) The public facilities to be developed for the innovation  
 22          development district and the estimated costs of those public  
 23          facilities.  
 24          (c) An executive may discuss the terms of the agreement described  
 25          in this section and hold a meeting as an executive session under  
 26          IC 5-14-1.5-6.1 with:  
 27                  (1) in the case of a city other than a consolidated city, the  
 28                  common council;  
 29                  (2) in the case of a consolidated city, or a county having a  
 30                  consolidated city, the city-county council;  
 31                  (3) in the case of a town, the town council; and  
 32                  (4) in the case of a county that does not have a consolidated city,  
 33                  the board of county commissioners.  
 34          (d) Within fifteen (15) days of entering into an agreement under  
 35          subsection (a), the corporation shall submit a written report on the  
 36          agreement to the budget committee.  
 37          (e) Neither an executive nor the corporation may exercise the power  
 38          of eminent domain within an innovation development district.



## COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 295, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, delete lines 11 through 27, begin a new paragraph and insert:

**"(d) The members described in subsection (a)(4) are appointed as follows:**

**(1) The speaker of the house of representatives shall appoint one (1) individual who is a member of the house of representatives.**

**(2) The president pro tempore of the senate shall appoint one (1) individual who is a member of the senate.**

**(e) The following apply to the members appointed under subsection (d):**

**(1) A member appointed under subsection (d):**

**(A) serves at the pleasure of the member's appointing authority; and**

**(B) may be reappointed to successive terms.**

**(2) A vacancy in an appointment under subsection (d)(1) shall be filled by the speaker of the house of representatives.**

**(3) A vacancy in an appointment under subsection (d)(2) shall be filled by the president pro tempore of the senate.**

**(4) An individual appointed to fill a vacancy in an appointment under subsection (d) serves for the unexpired term of the individual's predecessor."**

Page 3, delete lines 1 through 14, begin a new paragraph and insert:

**"SECTION 3. IC 5-28-4-5, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 5. (a) The members of the board who are not members of the general assembly:**

**(1) are entitled to a salary per diem for attending meetings equal to the per diem provided by law for members of the general assembly; ~~The members of the board and~~**

**(2) are ~~also~~ entitled to receive reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the members' duties as approved by the budget agency.**

**(b) Each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and**

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**travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.**

SECTION 4. IC 5-28-4-6, AS AMENDED BY P.L.237-2017, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 6. (a) The following constitutes a quorum for the transaction of business by the board of the corporation:

(1) Seven (7) **voting members of the board**, if:

(A) no additional members are appointed under section 2(c) of this chapter; or

(B) one (1) additional member is appointed under section 2(c) of this chapter.

(2) Eight (8) **voting members of the board**, if either two (2) or three (3) additional members are appointed under section 2(c) of this chapter.

(b) The following number of affirmative votes is necessary for action to be taken by the board:

(1) The affirmative vote of at least seven (7) members, if:

(A) no additional members are appointed under section 2(c) of this chapter; or

(B) one (1) additional member is appointed under section 2(c) of this chapter.

(2) The affirmative vote of at least eight (8) members, if either two (2) or three (3) additional members are appointed under section 2(c) of this chapter.

(c) Members of the board may not vote by proxy."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 295 as introduced.)

BUCHANAN, Chairperson

Committee Vote: Yeas 10, Nays 0.

