

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 2008 be recommitted to a Committee of One, its author, with specific instructions to amend as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new paragraph
- 2 and insert:
- 3 "SECTION 1. IC 4-3-14-4 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE January 1, 2004]: Sec. 4. (a) The articles of
- 5 incorporation or bylaws of the corporation, as appropriate, must
- 6 provide that:
- 7 (1) the exclusive purpose of the corporation is to contribute to
- 8 the strengthening of the economy of the state by:
- 9 (A) coordinating the activities of all parties having a role in
- 10 the state's economic development through evaluating,
- 11 overseeing, and appraising those activities on an ongoing
- 12 basis;
- 13 (B) overseeing the implementation of the state's economic
- 14 development plan and monitoring the updates of that plan;
- 15 and
- 16 (C) educating and assisting all parties involved in
- 17 improving the long range vitality of the state's economy;
- 18 (2) the board **must include**:
- 19 (A) the governor;
- 20 (B) the lieutenant governor;
- 21 (C) the chief operating officer of the corporation;
- 22 (D) the chief operating officer of the corporation for
- 23 Indiana's international future; and
- 24 (E) additional persons appointed by the governor, who are

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actively engaged in Indiana in private enterprise; organized labor; state or local governmental agencies; and education; and who represent the diverse economic and regional interests throughout Indiana; is composed of the following twenty-one (21) members, none of whom may be members of the general assembly:

(A) Three (3) persons appointed by the governor who must be employed in or retired from the private or nonprofit sector but may not represent organized labor. Appointments made under this subdivision are also subject to the requirements of subsection (a)(3).

(B) Three (3) persons appointed by the lieutenant governor who must be employed in or retired from the private or nonprofit sector but may not represent organized labor. Appointments made under this subdivision are also subject to the requirements of subsection (a)(3).

(C) Two (2) persons appointed by the speaker of the house of representatives who must be employed in or retired from the private or nonprofit sector. One (1) of these appointees must represent organized labor and the other appointee may not represent organized labor.

(D) Two (2) persons appointed by the minority leader of the house of representatives who must be employed in or retired from the private or nonprofit sector. One (1) of these appointees must represent organized labor and the other appointee may not represent organized labor.

(E) Two (2) persons appointed by the president pro tempore of the senate who must be employed in or retired from the private or nonprofit sector. One (1) of these appointees must represent organized labor and the other appointee may not represent organized labor.

(F) Two (2) persons appointed by the minority leader of the senate who must be employed in or retired from the private or nonprofit sector. One (1) of these appointees must represent organized labor and the other appointee may not represent organized labor.

(G) One (1) person appointed by the president of Indiana University who must be employed in or retired from the private or nonprofit sector or academia, but may not represent organized labor.

(H) One (1) person appointed by the president of Purdue University who must be employed in or retired from the private or nonprofit sector or academia, but may not represent organized labor.

(I) One (1) person appointed by the president of Indiana State University who must be employed in or retired from the private or nonprofit sector or academia, but may not represent organized labor.

(J) One (1) person appointed by the president of Ball State University who must be employed in or retired

- 1 from the private or nonprofit sector or academia, but
 2 may not represent organized labor.
- 3 (K) One (1) person appointed by the president of the
 4 University of Southern Indiana who must be employed
 5 in or retired from the private or nonprofit sector or
 6 academia, but may not represent organized labor.
- 7 (L) One (1) person appointed by the president of Ivy
 8 Tech State College who must be employed in or retired
 9 from the private or nonprofit sector or academia, but
 10 may not represent organized labor.
- 11 (M) One (1) person appointed by the president of
 12 Vincennes University who must be employed in or
 13 retired from the private or nonprofit sector or
 14 academia, but may not represent organized labor.
- 15 (3) The governor and lieutenant governor shall coordinate
 16 their appointments under subsection (a)(2)(A) and (a)(2)(B)
 17 so that those appointments include at least one (1)
 18 representative from each of the following industry sectors:
- 19 (A) Advanced manufacturing, such as automotive,
 20 electronics, aerospace, robotics, or engineering design
 21 technology.
- 22 (B) Information technology, such as informatics,
 23 certified network administration, software development,
 24 or fiber optics.
- 25 (C) Life sciences, such as orthopedics, medical devices,
 26 biomedical research and development, pharmaceutical
 27 manufacturing, agribusiness, nanotechnology, or
 28 molecular manufacturing.
- 29 (D) Logistics, such as high technology distribution,
 30 intermodal ports,
 31 or flow and storage of goods, services, and information.
- 32 (E) Public utilities (as defined in IC 8-1-2-1).
- 33 (4) The terms of office of the members of the corporation are
 34 as follows:
- 35 (A) Members appointed by the governor, lieutenant
 36 governor, president pro tempore of the senate, or
 37 minority leader of the senate serve for terms of four (4)
 38 years.
- 39 (B) Members appointed by the speaker of the house of
 40 representatives, the minority leader of the house of
 41 representatives, or the president of a university or
 42 college serve for terms of two (2) years.
- 43 Each member shall hold office for the term of appointment
 44 and shall continue to serve after expiration of the
 45 appointment until a successor is appointed and qualified.
 46 Members are eligible for reappointment.
- 47 (5) The governor may designate a member of the board
 48 appointed by the governor under subsection (a)(2)(A) of this
 49 section to serve as chairperson. However, if the governor
 50 does not designate a chairperson, the members

- 1 shall elect a chairperson from among the members.
- 2 (6) Fourteen (14) members constitute a quorum for the
- 3 transaction of business. The affirmative vote of at least
- 4 eleven (11) members is necessary for any action to be taken
- 5 by the corporation. Members may vote by written proxy
- 6 delivered in advance to any other member who is present at
- 7 the meeting.
- 8 (7) Meetings of the corporation shall be held at the call of the
- 9 chairperson or whenever any five (5) members request a
- 10 meeting. The members shall meet at least once every three
- 11 (3) months to attend to the business of the corporation.
- 12 (8) The corporation shall determine qualifications, duties,
- 13 compensation, and terms of service for persons designated
- 14 in subsection (a)(9) and subsection(a)(10).
- 15 ~~(3)~~ the governor shall serve as chairman of the board of the
- 16 corporation; and the lieutenant governor shall serve as the chief
- 17 executive officer of the corporation;
- 18 ~~(4)~~(9) the governor shall appoint as vice chairman of the board
- 19 a member of the board engaged in private enterprise; **the board**
- 20 **shall elect an executive director of the corporation;**
- 21 ~~(5)~~(10) the lieutenant governor **executive director of the**
- 22 **corporation** shall be responsible as chief executive officer for
- 23 overseeing implementation of the state's economic development
- 24 plan as articulated by the ~~corporation~~ **board** and shall oversee
- 25 the activities of the ~~corporation's chief operating officer~~
- 26 **corporation;**
- 27 ~~(6)~~ the governor may appoint an executive committee composed
- 28 of members of the board ~~(size and structure of the executive~~
- 29 ~~committee shall be set by the articles and bylaws of the~~
- 30 ~~corporation);~~
- 31 ~~(7)~~ (11) the corporation may receive funds from any source and
- 32 may expend funds for any activities necessary, convenient, or
- 33 expedient to carry out its purposes;
- 34 ~~(8)~~ (12) any amendments to the articles of incorporation or
- 35 bylaws of the corporation must be approved by the ~~governor;~~
- 36 **board;**
- 37 ~~(9)~~ (13) the corporation shall submit an annual report to the
- 38 governor, **lieutenant governor** and to the Indiana general
- 39 assembly on or before the first day of November for each year;
- 40 ~~(10)~~(14) the corporation shall conduct an annual public hearing
- 41 to receive comment from interested parties regarding the annual
- 42 report, and notice of the hearing shall be given at least fourteen
- 43 (14) days prior to the hearing in accordance with
- 44 IC 5-14-1.5-5(b); and
- 45 ~~(11)~~ (15) the corporation is subject to an annual audit by the
- 46 state board of accounts, and the corporation shall bear the full
- 47 costs of this audit.
- 48 **(b) The members of the corporation are entitled to a salary per**
- 49 **diem for attending meetings equal to the per diem provided by law**
- 50 **for members of the general assembly. The members of the**

1 **corporation shall receive reimbursement for actual and necessary**
 2 **expenses on the same basis as state employees.**

3 **(c) Employees of the corporation are not employees of the**
 4 **state.**

5 **(d) The corporation may, without the approval of the attorney**
 6 **general or any other state officer, employ bond counsel, other legal**
 7 **counsel, technical experts, and other officers, agents, and**
 8 **employees, permanent or temporary, the corporation considers**
 9 **necessary to carry out the efficient operation of the corporation.**

10 ~~(b)~~**(e) The corporation is granted all powers necessary or**
 11 **appropriate to carry out and effectuate the corporation's public**
 12 **and corporate purposes under this chapter.** The corporation may
 13 perform other acts and things necessary, convenient, or expedient to
 14 carry out the purposes identified in this section, and it has all rights,
 15 powers, and privileges granted to corporations by IC 23-17 and by
 16 common law."

17 Page 50, between lines 16 and 17, begin a new paragraph and
 18 insert:

19 "SECTION 28. IC 6-1.1-3-22, AS ADDED BY P.L.192-2002(ss),
 20 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2003]: Sec. 22. (a) Except to the extent that it conflicts with
 22 a statute, 50 IAC 4.2 (as in effect January 1, 2001) is incorporated by
 23 reference into this section.

24 (b) Tangible personal property within the scope of 50 IAC 4.2 (as
 25 in effect January 1, 2001) shall be assessed on the assessment dates in
 26 calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as
 27 in effect January 1, 2001), **except that the rate of total valuation**
 28 **percentage to apply to a taxpayer in a taxing district under 50**
 29 **IAC 4.2-4-9 is the following:**

30 **(1) Twenty-five percent (25%) on an assessment date in 2004**
 31 **for property taxes first due and payable in 2005.**

32 **(2) Twenty percent (20%) on an assessment date in 2005 for**
 33 **property taxes first due and payable in 2006 and on an**
 34 **assessment date each year thereafter through payable 2010.**

35 (c) The publisher of the Indiana Administrative Code may
 36 continue to publish 50 IAC 4.2

37 (as in effect January 1, 2001) in the Indiana Administrative Code.

38 (d) 50 IAC 4.3 and any other rule to the extent that it conflicts
 39 with this section is void.

40 (e) A reference in 50 IAC 4.2 to a governmental entity that has
 41 been terminated or a statute that has been repealed or amended
 42 shall be treated as a reference to its successor.

43 SECTION 29. IC 6-1.1-8-44, AS ADDED BY P.L.192-2002(ss),
 44 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 45 JULY 1, 2003]: Sec. 44.(a) Except to the extent that it conflicts with a
 46 statute, 50 IAC 5.1 (as in effect January 1, 2001) is incorporated by
 47 reference into this section.

48 (b) Tangible personal property within the scope of 50 IAC 5.1 (as
 49 in effect January 1, 2001) shall be assessed on the assessment dates in
 50 calendar years 2003 and thereafter in conformity with 50 IAC 5.1 (as

1 in effect January 1, 2001), **except that the rate of total valuation**
 2 **percentage to apply to a taxpayer in a taxing district under 50**
 3 **IAC 5.1-6-9 is the following:**

4 **(1) Twenty-five percent (25%) on an assessment date in 2004**
 5 **for property taxes first due and payable in 2005.**

6 **(2) Twenty percent (20%) on an assessment date in 2005 for**
 7 **property taxes first due and payable in 2006 and on an**
 8 **assessment date each year thereafter through payable 2010.**

9 (c) The publisher of the Indiana Administrative Code may
 10 continue to publish 50 IAC 5.1 (as in effect January 1, 2001) in the
 11 Indiana Administrative Code.

12 (d) 50 IAC 5.2 and any other rule to the extent that it conflicts with
 13 this section is void.

14 (e) A reference in 50 IAC 5.1 to a governmental entity that has
 15 been terminated or a statute that has been repealed or amended shall be
 16 treated as a reference to its successor.

17 SECTION 30. IC 6-3.1-4-6, AS AMENDED BY
 18 P.L.192-2002(ss), SECTION 90, IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. Notwithstanding the
 20 other provisions of this chapter, a taxpayer is not entitled to a credit for
 21 Indiana qualified research expense incurred after December 31, ~~2004~~
 22 **2010**. Notwithstanding Section 41 of the Internal Revenue Code, the
 23 termination date in Section 41(h) of the Internal Revenue Code does
 24 not apply to a taxpayer who is eligible for the credit under this chapter
 25 for the taxable year in which the Indiana qualified research expense is
 26 incurred."

27 Page 52, between lines 20 and 21, begin a new paragraph and
 28 insert:

29 "SECTION 32. IC 6-3.1-26 IS ADDED TO THE INDIANA
 30 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2003]:

32 **Chapter 26. Indiana Growth Scholars Tax Credit**

33 **Sec. 1. As used in this chapter, "eligible taxpayer" means an**
 34 **individual who satisfies the following requirements:**

35 **(1) The individual participated in the Indiana growth**
 36 **scholars program established under IC 20-12-20.3.**

37 **(2) The individual received provisional tax credits under the**
 38 **program described in subdivision (1).**

39 **(3) The individual graduated from a certified degree**
 40 **program (as defined in IC 20-12-20.3-1).**

41 **(4) The individual is employed in Indiana.**

42 **Sec. 2. As used in this chapter, "state income tax liability"**
 43 **means an individual's adjusted gross income tax liability under**
 44 **IC 6-3.**

45 **Sec. 3. (a) Beginning with the eligible taxpayer's first taxable**
 46 **year that begins after the date that the eligible taxpayer graduated**
 47 **from a certified degree program, an eligible taxpayer is entitled to**
 48 **a refundable credit against the eligible taxpayer's state income tax**
 49 **liability. The amount of the tax credit is equal to the amount of the**
 50 **provisional credit awarded to the eligible taxpayer in the academic**

1 year that corresponds to the number of taxable years following the
2 eligible taxpayer's graduation as follows:

3 Taxable year following	Academic year in the
4 graduation	program
5 1st	1st
6 2nd	2nd
7 3rd	3rd
8 4th	4th

9 (b) If the amount of the credit under this chapter exceeds the
10 eligible taxpayer's state tax liability for the taxable year, the excess
11 shall be refunded to the eligible taxpayer.

12 **Sec. 4.** To obtain the credit provided by this chapter, an eligible
13 taxpayer must file with the department information proving the
14 amount of the provisional tax credits awarded to the eligible
15 taxpayer as a student participating in the Indiana growth scholars
16 program and any other information required by the department."

17 Page 75, between lines 22 and 23, begin a new paragraph and insert:
18 "SECTION 65. IC 20-12-20.3 IS ADDED TO THE INDIANA
19 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2003]:

21 **Chapter 20.3. Indiana Growth Scholars Program**

22 **Sec. 1.** As used in this chapter, "certified degree program" has
23 the meaning set forth in IC 22-4.1-7-1.

24 **Sec. 2.** As used in this chapter, "commission" refers to the
25 student assistance commission established by IC 20-12-21-4.

26 **Sec. 3.** As used in this chapter, "eligible employer" means an
27 employer that provides employment to an eligible student in
28 targeted employment (as defined in IC 22-4.1-7-6) through the
29 internship component of a certified degree program under
30 IC 22-4.1-7. The term includes the following:

- 31 (1) A person (as defined in IC 6-3-1-14) acting as a sole
32 proprietor.
- 33 (2) A corporation (as defined in IC 6-3-1-10).
- 34 (3) A partnership (as defined in IC 6-3-1-19).

35 **Sec. 4.** As used in this chapter, "eligible student" means a
36 student (as defined in IC 22-4.1-7-5) who:

- 37 (1) is enrolled full time as an undergraduate in a certified
38 degree program through an institution of higher learning;
- 39 (2) is an Indiana resident;
- 40 (3) has achieved a Core 40 or an Academic Honors Diploma,
41 or the equivalent of a Core 40 or an Academic Honors
42 Diploma, as determined by the commission; and
- 43 (4) has a cumulative high school grade point average of at
44 least 3.0 on a 4.0 scale.

45 The commission may impose additional eligibility requirements,
46 including requirements set forth in IC 20-12-21-6.

47 **Sec. 5.** As used in this chapter, "institution of higher learning"
48 means:

- 49 (1) a state educational institution (as defined in
50 IC 20-12-0.5-1); or

1 (2) a private institution of higher education (as defined in
2 IC 20-12-63-3(10)).

3 **Sec. 6. (a) The Indiana growth scholars program is established.**
4 **(b) The commission shall administer the program.**

5 **Sec. 7. The executive director of the commission may employ or**
6 **contract for clerical and professional staff and administrative**
7 **support necessary to implement this chapter.**

8 **Sec. 8. (a) The commission shall award a provisional tax credit**
9 **to an eligible student who:**

10 (1) is enrolled in good standing in a certified degree program;

11 (2) enters into an agreement with the commission under this
12 chapter; and

13 (3) complies with the requirements established under the rules
14 of the commission.

15 **(b) An eligible student may not claim a tax credit against the**
16 **student's Indiana adjusted gross income tax under this chapter.**
17 **However, proof of the provisional tax credit awarded under this**
18 **chapter may be used to obtain a tax credit under IC 6-3.1-25 in a**
19 **taxable year that begins after the eligible student graduates from**
20 **a certified degree program and remains eligible for a tax credit**
21 **under the requirements of IC 6-3.1-25.**

22 **Sec. 9. (a) The amount of a provisional tax credit awarded under**
23 **section 8 of this chapter may be up to two thousand dollars (\$2,000)**
24 **per academic year.**

25 **(b) The commission may not award total provisional tax credits**
26 **in excess of twenty-eight million dollars (\$28,000,000) for any**
27 **academic year. Furthermore, the commission must limit the award**
28 **of provisional tax credits for the 2003-2004 academic year so that**
29 **the total amount of tax credits claimed under this chapter for the**
30 **2005 taxable year does not exceed seven million five hundred**
31 **thousand dollars (\$7,500,000).**

32 **(c) The commission may consider any of the following factors in**
33 **determining the amount of the grant to award under section 8 of**
34 **this chapter:**

35 (1) Whether an eligible student is enrolled in a certified
36 degree program for less than a full academic year.

37 (2) Whether a student receives additional aid from other state
38 assistance programs.

39 (3) Any other factor set forth in the rules of the commission.

40 **Sec. 10. An eligible student must enter into an agreement with**
41 **the commission to be eligible for a provisional tax credit under this**
42 **chapter. The agreement must include the following requirements:**

43 (1) The eligible student must remain enrolled in good standing
44 in a certified degree program during the academic year.

45 (2) The eligible student must remain and be employed in
46 Indiana after the student graduates from the certified degree
47 program for a period of years equal to the number of years
48 for which the student received a provisional tax credit under
49 this chapter.

50 **The agreement may include any other provisions that the**

1 **commission considers necessary to administer this chapter.**

2 **Sec. 11. The commission shall enter into agreements with**
3 **institutions of higher learning to implement this chapter.**

4 **Sec. 12. The commission may adopt rules under IC 4-22-2 that**
5 **are necessary or appropriate to implement this chapter. The rules**
6 **that are adopted under this chapter may include rules establishing**
7 **different standards or procedures for resident and nonresident**
8 **students."**

9 Page 82, between lines 38 and 39, begin a new paragraph and insert:
10 "SECTION 69. [EFFECTIVE JULY 1, 2003] (a) As used in this
11 SECTION, "commission" refers to the government efficiency
12 commission established by subsection (c).

13 (b) As used in this SECTION, "state educational institution" has
14 the meaning set forth in IC 20-12-0.5-1.

15 (c) The government efficiency commission is established.

16 (d) The commission consists of the following members:

17 (1) One (1) co-chairperson appointed before July 16, 2003, by
18 the president pro tempore of the senate.

19 (2) One (1) co-chairperson appointed before July 16, 2003, by
20 the speaker of the house of representatives.

21 (3) Ten (10) members appointed before August 16, 2003, by
22 the president pro tempore of the senate, five (5) of those
23 members appointed with the advice and consent of the
24 minority leader of the senate.

25 (4) Ten (10) members appointed before August 16, 2003, by
26 the speaker of the house of representatives, five (5) of those
27 members appointed with the advice and consent of the
28 minority leader of the house of representatives.

29 (e) The following may not be members of the commission:

30 (1) An elected or appointed state or local official.

31 (2) An employee or a person receiving a pension or other
32 retirement benefit related to service to any of the following:

33 (A) A state educational institution.

34 (B) A school corporation or a charter school.

35 (C) The state or any agency of the state.

36 (3) A person who has a direct business relationship with any
37 of the following:

38 (A) A state educational institution.

39 (B) A public school corporation.

40 (C) The state or any agency of the state.

41 (D) An elected or appointed state agency official.

42 (E) The general assembly or any of its members.

43 (f) A member of the commission is not entitled to a salary per
44 diem.

45 (g) A member of the commission is entitled to reimbursement
46 for traveling expenses and other expenses actually incurred in
47 connection with the member's duties, as provided in the legislative
48 council's travel policies and procedures.

49 (h) The commission shall meet upon the call of the co-
50 chairpersons.

1 (i) The co-chairpersons may advise the president pro tempore
 2 of the senate, the minority leader of the senate, the speaker of the
 3 house of representatives, and the minority leader of the house of
 4 representatives concerning the appointment of other members of
 5 the commission.

6 (j) A quorum of the commission must be present to conduct
 7 business. A quorum consists of a majority of the voting members
 8 appointed to the commission.

9 (k) The commission may not take an official action unless the
 10 official action has been approved by at least a majority of the
 11 voting members appointed to serve on the commission.

12 (l) The co-chairpersons shall establish and appoint commission
 13 members to four (4) subcommittees as follows:

14 (1) The K-12 education subcommittee.

15 (2) The higher education subcommittee.

16 (3) The Medicaid and human services subcommittee.

17 (4) The general government subcommittee.

18 (m) The co-chairpersons shall name the chairperson of each
 19 subcommittee.

20 (n) The commission shall do the following:

21 (1) Review all state funded agencies, departments, and
 22 programs.

23 (2) Make recommendations to improve efficiency and reduce
 24 waste or other unnecessary costs associated with any state
 25 funded agency, department, or program.

26 (o) The following persons shall serve as staff advisers to the
 27 commission:

28 (1) The state budget director.

29 (2) The commissioner of the commission for higher education.

30 (3) The Indiana state board of education administrator.

31 (4) The executive director of the legislative services agency.

32 (p) The commission shall provide its final recommendations
 33 before December 31, 2004, to the following:

34 (1) The governor.

35 (2) The general assembly.

36 (g) This SECTION expires January 1, 2005.

37 SECTION 70. [EFFECTIVE JANUARY 1, 2004]: No later than
 38 April 1, 2004, the board in SECTION 1 shall amend its bylaws in
 39 accordance with IC 4-3-14-4 as amended by this act."

40 Renumber all SECTIONS consecutively.

(Reference is to HB 2008 as printed February 26, 2003.)

Representative BOSMA

Adopted

Rejected

COMMITTEE REPORT

MR. SPEAKER:

Your Committee of One, to which was referred House Bill 2008, begs leave to report that said bill has been amended as directed.

Representative BOSMA