
PRELIMINARY DRAFT
No. 3098

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2006 GENERAL ASSEMBLY

DIGEST

Citations Affected: IC 4-4; IC 4-6-12-4; IC 4-13-1.4-9; IC 4-23; IC 5-20-4-15; IC 5-28; IC 6-1.1-21-5.5; IC 8-1-8.8-13; IC 12-13-12-3; IC 13-20-13; IC 24-9-4; IC 36-1-12.5; IC 36-7.

Synopsis: Indiana economic development corporation. Deletes references to the department of commerce (which was abolished in 2005) and specifies the entities that assume certain duties formerly assigned to the department. Makes other technical corrections related to the abolishment of the department, the establishment of the Indiana economic development corporation, and the transfer of certain duties to the lieutenant governor. Repeals an obsolete definition and an obsolete statute concerning the microenterprise partnership program (which were both replaced by 2005 legislation).

Effective: July 1, 2006.



A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-2.5-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. ~~(a)~~ In all cases where
3 the lieutenant governor is a member of a state agency, committee,
4 division, board, authority, or other organization created by law, the
5 lieutenant governor may designate another individual to serve on the
6 agency, committee, division, board, authority, or organization in place
7 of the lieutenant governor as a member for all purposes. A designation
8 under this section becomes effective when filed in the official records
9 of the agency, committee, division, board, authority, or organization
10 and remains in effect until the designation lapses in accordance with its
11 terms.

12 ~~(b) Whenever an employee of the department of commerce is made~~
13 ~~a member of a board, commission, or committee, such employee shall~~
14 ~~mean the lieutenant governor or the lieutenant governor's designee.~~

15 SECTION 2. IC 4-4-9.3-3, AS AMENDED BY P.L.83-2005,
16 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2006]: Sec. 3. (a) The rural development administration
18 advisory board is established to make recommendations concerning the
19 expenditure of money from the fund.

20 (b) The advisory board shall meet at least four (4) times per year and
21 shall also meet at the call of the executive director of the rural
22 development council.

23 (c) The advisory board consists of the following members:

24 (1) The executive director of the Indiana rural development
25 council, who serves as an ex officio member and as the
26 chairperson of the advisory board.

27 (2) Two (2) members of the senate, who may not be members of
28 the same political party, and who are appointed by the president
29 pro tempore of the senate.

30 (3) Two (2) members of the house of representatives, who may
31 not be members of the same political party, and who are



- 1 appointed by the speaker of the house of representatives.
 2 (4) The secretary of agriculture and rural development or the
 3 secretary's designee.
 4 (5) A representative of the ~~department of commerce~~, **Indiana**
 5 **economic development corporation**, to be appointed by the
 6 governor.
 7 (6) A representative of the department of workforce development,
 8 to be appointed by the governor.
 9 (7) Two (2) persons with knowledge and experience in state and
 10 regional economic needs, to be appointed by the governor.
 11 (8) A representative of a local rural economic development
 12 organization, to be appointed by the governor.
 13 (9) A representative of a small town or rural community, to be
 14 appointed by the governor.
 15 (10) A representative of the rural development council, to be
 16 appointed by the governor.
 17 (11) A representative of rural education, to be appointed by the
 18 governor.
 19 (12) A representative of the league of regional conservation and
 20 development districts, to be appointed by the governor.
 21 (13) A person currently enrolled in rural secondary education, to
 22 be appointed by the governor.
 23 (d) The members of the advisory board listed in subsection (c)(1)
 24 through (c)(3) are nonvoting members.
 25 (e) The term of office of a legislative member of the advisory board
 26 is four (4) years. However, a legislative member of the advisory board
 27 ceases to be a member if the member:
 28 (1) is no longer a member of the chamber from which the member
 29 was appointed; or
 30 (2) is removed from the advisory board by the appointing
 31 authority who appointed the legislator.
 32 (f) The term of office of a voting member of the advisory board is
 33 four (4) years. However, these members serve at the pleasure of the
 34 governor and may be removed for any reason.
 35 (g) If a vacancy exists on the advisory board, the appointing
 36 authority who appointed the former member whose position has
 37 become vacant shall appoint an individual to fill the vacancy for the
 38 balance of the unexpired term.
 39 (h) Six (6) voting members of the advisory board constitute a
 40 quorum for the transaction of business at a meeting of the advisory
 41 board. The affirmative vote of at least six (6) voting members is
 42 necessary for the advisory board to take action.
 43 SECTION 3. IC 4-4-11-43 IS AMENDED TO READ AS
 44 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 43. (a) In addition to
 45 the findings of fact set forth in section 2 of this chapter, the general
 46 assembly finds that:



- 1 (1) the federal Clean Air Act, as implemented, will have a
2 harmful and injurious effect on the state's coal industry, resulting
3 in critical and chronic conditions of unemployment affecting the
4 unemployed workers and their families and communities and,
5 ultimately, the state;
- 6 (2) there exists clean coal technology that, if successfully
7 implemented, will increase the fortunes of the coal industry and,
8 as a result, workers in the industry and their families and
9 communities and, ultimately, the state; and
- 10 (3) implementation of clean coal technology consistent with the
11 findings of fact set forth in subdivisions (1) and (2) serves the
12 public purposes of public health, welfare, safety, and economic
13 development.
- 14 (b) For purposes of this section, "political subdivision" has the
15 meaning set forth in IC 36-1-2-13.
- 16 (c) There is created within the authority a clean coal technology
17 program. The authority shall manage the clean coal technology
18 program with the advice of the ~~department of commerce~~. **lieutenant**
19 **governor**.
- 20 (d) Subject to subsection (i), the authority is authorized and directed
21 to issue revenue bonds, or to guarantee its revenue bonds, in an amount
22 not to exceed forty million dollars (\$40,000,000), under this chapter to
23 finance clean coal technology projects, including all costs related to the
24 financing. Subject to subsection (i), as an alternative to issuing revenue
25 bonds, and notwithstanding any other law, the authority may guarantee
26 revenue bonds issued by another body politic and corporate of the state
27 or a political subdivision for these purposes. Revenue bonds or
28 guarantees are payable solely from or secured by:
- 29 (1) revenues from the clean coal technology projects;
30 (2) contributions made by and to the authority for the clean coal
31 technology program;
32 (3) appropriations made by the general assembly; and
33 (4) appropriations or pledges made by other bodies corporate and
34 politic of the state and political subdivisions.
- 35 (e) Notwithstanding any other law or provisions of this chapter,
36 revenue bonds may be issued or guaranteed under this section by
37 resolution of the authority. Subject to subsection (i), no other
38 procedures or findings, including procedures or findings required under
39 this chapter for revenue bonds or guarantees, are required to be
40 followed. The terms of the revenue bonds or the guarantee must be set
41 forth in the resolution in the discretion of the authority.
- 42 (f) Bodies corporate and politic of the state and political
43 subdivisions, including cities, towns, and counties, may make
44 appropriations to the clean coal technology program and clean coal
45 technology projects and, notwithstanding any other law, may pledge
46 county option and economic development income tax revenues to the



1 clean coal technology program or one (1) or more clean coal
2 technology projects or to revenue bonds issued or guaranteed for the
3 program or projects, whether by the authority or otherwise.

4 (g) Revenue bonds and guarantees of the authority under this
5 section do not constitute debt of the state, and the general assembly
6 shall not be obligated to make appropriations to the authority for such
7 purposes.

8 (h) In addition to other powers granted to the authority or a political
9 subdivision under this chapter, the authority or a political subdivision
10 may lease clean coal technology projects under this section from a
11 lessor corporation or authority and sublease the project to any entity.
12 Bonds issued by any lessor corporation or authority shall be considered
13 revenue bonds of a body politic and corporate of the state or a political
14 subdivision for all purposes of this section.

15 (i) The authority may not issue revenue bonds to finance a clean
16 coal technology project, guarantee revenue bonds issued by another
17 body corporate and politic of Indiana or a political subdivision to
18 finance a clean coal technology project, or enter into a lease in
19 connection with a clean coal technology project unless and until:

20 (1) the ~~state department of commerce lieutenant governor~~
21 evaluates in writing the technical merits and feasibility of the
22 clean coal technology project and the ~~department lieutenant~~
23 **governor** presents the evaluation with a recommendation to
24 proceed to the budget committee for review;

25 (2) the authority, in cooperation with the budget agency, evaluates
26 the financial merits and feasibility of the clean coal technology
27 project (including a plan of finance for the project and appropriate
28 assurances that the project will be constructed as contemplated)
29 and the authority presents the evaluation with a recommendation
30 to proceed to the budget committee for review;

31 (3) the budget committee completes the reviews described in this
32 subsection and makes a recommendation to proceed to the state
33 board of finance; and

34 (4) the ~~state~~ board of finance approves the undertaking of the
35 clean coal technology project and plan of finance.

36 (j) In evaluating the technical merits and feasibility of the clean coal
37 technology project, the ~~department of commerce lieutenant governor~~
38 may rely upon the written testimony of outside experts retained for this
39 purpose.

40 (k) The plan of finance described in subsection (i) must indicate
41 whether, in the authority's opinion, state appropriations will be needed
42 to support the project and if so, the anticipated times and amounts of
43 the appropriations.

44 (l) In creating the clean coal technology program and in authorizing
45 the financing of clean coal technology projects, the general assembly
46 expects that the plan of finance for each project will take into account



1 revenues from the project and contributions from the beneficiaries of
 2 the program. For purposes of this section, "beneficiaries" means
 3 corporate and individual sponsors and proponents of projects, the coal
 4 industry and coal users, and employees of the coal industry and coal
 5 users, and political subdivisions whose economies are dependent in
 6 whole or in part on the coal industry. Contributions may be in cash, in
 7 kind, or in any combination of in cash and in kind, and may include
 8 real and personal property and interests in real and personal property
 9 and in technology, patents, licenses, franchises, marketing agreements,
 10 and shares and other interests in any of the foregoing. In evaluating and
 11 reviewing projects and plans of finance under this section, the
 12 authority, the ~~department of commerce~~, **lieutenant governor**, the
 13 budget agency, the budget committee, and the state board of finance
 14 shall be guided by the general assembly's expectation as to
 15 contributions from the beneficiaries of the program as described in this
 16 subsection. However, failure of any particular beneficiary to contribute
 17 to a project shall not in itself disqualify a project.

18 (m) This section only applies to the clean coal technology program
 19 and clean coal technology projects and not to any other programs or
 20 projects undertaken by the authority.

21 SECTION 4. IC 4-4-15-3 IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2006]: Sec. 3. The ~~department of commerce~~
 23 **lieutenant governor** may make grants from the fund to eligible entities
 24 for the following purposes in order to promote economic development,
 25 community development, or both, in Indiana:

- 26 (1) Planning market research activities.
- 27 (2) Obtaining technical assistance from universities.
- 28 (3) Conducting feasibility studies.
- 29 (4) Conducting studies or surveys to gather information required
 30 to obtain federal funding.
- 31 (5) Developing and conducting marketing campaigns for
 32 economic development purposes.
- 33 (6) Conducting studies of the steps necessary to permit a
 34 community's industrial and business establishments to recover
 35 from a fire, flood, tornado, or other natural disaster.
- 36 (7) Other similar purposes approved by the ~~department of~~
 37 ~~commerce~~ **lieutenant governor**.

38 However, each grant must be matched by funds provided by the
 39 applicant, and the ~~department of commerce~~ **lieutenant governor** may
 40 not provide more than one-half (1/2) the funds for the project. The
 41 matching funds required by the applicant may be provided by any
 42 source except other state funds.

43 SECTION 5. IC 4-4-15-5 IS AMENDED TO READ AS FOLLOWS
 44 [EFFECTIVE JULY 1, 2006]: Sec. 5. After consideration of the general
 45 merits, potential effectiveness, total cost, and other factors affecting a
 46 proposed project, the ~~department of commerce~~ **lieutenant governor**



1 shall approve or disapprove the application in whole or in part.

2 SECTION 6. IC 4-4-15-6 IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2006]: Sec. 6. If an application is approved, the
4 ~~department of commerce~~ **lieutenant governor** shall determine the
5 amount of the grant to be made from the fund for the project and shall
6 pay the sum granted from the fund to the eligible entity from which the
7 application originated.

8 SECTION 7. IC 4-4-15-7 IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2006]: Sec. 7. All promotional materials
10 produced with the assistance of funds provided under this chapter must
11 include the following statement: "Produced in cooperation with the
12 **Office of the Indiana Department of Commerce- Lieutenant**
13 **Governor.**".

14 SECTION 8. IC 4-4-19-1 IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2006]: Sec. 1. As used in this chapter,
16 ~~"department"~~ **"corporation"** refers to the ~~department of commerce-~~
17 **Indiana economic development corporation established by**
18 **IC 5-28-3-1.**

19 SECTION 9. IC 4-4-19-3 IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) ~~Before July 1, 2004,~~ The
21 ~~department corporation~~ shall devise a distinctive trademark and
22 register it with the secretary of state under IC 24-2-1. The trademark
23 must indicate in some way that the product to which it is affixed is
24 substantially produced or assembled in Indiana.

25 (b) The ~~department corporation~~ shall register the trademark with
26 the United States Patent and Trademark Office.

27 SECTION 10. IC 4-4-19-4 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. A person may apply
29 to the ~~department corporation~~ for permission to use the trademark.

30 SECTION 11. IC 4-4-19-5 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. The ~~department~~
32 **corporation** may adopt rules under IC 4-22-2 or establish policies to
33 provide:

34 (1) the conditions under which the trademark may be used, which
35 may include such criteria as the extent to which the product is
36 actually produced or assembled in Indiana; and

37 (2) a procedure under which application for use of the trademark
38 may be made.

39 SECTION 12. IC 4-4-30-7 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. To carry out the
41 center's duties described in section 5 of this chapter, the ~~director~~
42 **lieutenant governor** or the ~~director's lieutenant governor's~~ designee,
43 acting on behalf of the center, may:

44 (1) organize the center in the manner necessary to implement this
45 chapter;

46 (2) execute contractual agreements, including contracts for:



- 1 (A) the operation of the center;
 2 (B) the performance of any of the duties described in section
 3 5 of this chapter; and
 4 (C) any other services necessary to carry out this chapter;
 5 (3) receive money from any source for purposes of this chapter;
 6 (4) expend money for an activity appropriate to the purposes of
 7 this chapter;
 8 (5) execute agreements and cooperate with:
 9 (A) Purdue University and other state educational institutions;
 10 (B) a state or federal department or agency;
 11 (C) a political subdivision; and
 12 (D) interest groups representing business, the environment,
 13 industry, science, and technology; and
 14 (6) subject to the approval of the budget agency, employ
 15 personnel as necessary for the efficient administration of this
 16 chapter.

17 SECTION 13. IC 4-4-30-8 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) The coal
 19 technology research fund is established to provide money for the center
 20 for coal technology research and for the ~~director~~ **lieutenant governor**
 21 to carry out the duties specified under this chapter. The budget agency
 22 shall administer the fund.

23 (b) The fund consists of the following:

- 24 (1) Money appropriated or otherwise designated or dedicated by
 25 the general assembly.
 26 (2) Gifts, grants, and bequests.

27 (c) The treasurer of state shall invest the money in the fund not
 28 currently needed to meet the obligations of the fund in the same
 29 manner as the treasurer may invest other public funds.

30 (d) Money in the fund at the end of a state fiscal year does not revert
 31 to the state general fund.

32 SECTION 14. IC 4-6-12-4 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The following
 34 may cooperate with the unit to implement this chapter:

- 35 (1) The Indiana professional licensing agency and the appropriate
 36 licensing boards with respect to persons licensed under IC 25.
 37 (2) The department of financial institutions.
 38 (3) The department of insurance with respect to the sale of
 39 insurance in connection with mortgage lending.
 40 (4) The securities division of the office of the secretary of state.
 41 (5) The supreme court disciplinary commission with respect to
 42 attorney misconduct.
 43 (6) The Indiana housing finance authority.
 44 (7) The department of state revenue.
 45 (8) The state police department.
 46 (9) A prosecuting attorney.



1 (10) Local law enforcement agencies.

2 (11) The ~~department of commerce~~; **lieutenant governor**.

3 (b) Notwithstanding IC 5-14-3, the entities listed in subsection (a)
4 may share information with the unit.

5 SECTION 15. IC 4-13-1.4-9 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. Each year the
7 department shall, in cooperation with the ~~department of commerce~~
8 ~~created by IC 4-4-3~~; **lieutenant governor**, host at least one (1)
9 conference to bring together the following:

10 (1) Purchasing agents.

11 (2) Suppliers of products made from recycled materials.

12 SECTION 16. IC 4-23-5.5-1 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. As used in this
14 chapter,

15 (1) "board" means the Indiana recycling and energy development
16 board created by this chapter.

17 (2) "department" means the ~~department of commerce~~; and

18 (3) "director" refers to the ~~director of the office of energy policy~~
19 ~~of the department~~.

20 SECTION 17. IC 4-23-5.5-2 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) The Indiana
22 recycling and energy development board is created and constitutes a
23 public instrumentality of the state. The exercise by the board of the
24 powers conferred by this chapter is an essential governmental function.

25 (b) The board consists of thirteen (13) members, one (1) of whom
26 shall be the lieutenant governor or the lieutenant governor's designee
27 and twelve (12) of whom shall be appointed by the governor for four
28 (4) year terms. The governor's appointees shall be chosen from among
29 representatives of:

30 (1) the coal industry;

31 (2) other regulated and nonregulated energy related industries;

32 (3) Indiana universities and colleges with expertise in:

33 (A) recycling research and development; or

34 (B) energy research and development;

35 (4) agriculture;

36 (5) labor;

37 (6) industrial and commercial consumers;

38 (7) environmental groups; and

39 (8) private citizens with a special interest in:

40 (A) recycling; or

41 (B) energy resources development.

42 No more than six (6) appointive members shall be of the same political
43 party.

44 (c) A vacancy in the office of an appointive member, other than by
45 expiration, shall be filled in like manner as the original appointment for
46 the remainder of the term of that retiring member. Appointed members



1 may be removed by the governor for cause.

2 (d) The board shall have ~~eight (8)~~ **seven (7)** ex officio advisory
3 members as follows:

4 (1) The governor.

5 ~~(2) The director of the office of energy policy of the department.~~

6 ~~(3)~~ **(2)** The director of the department of natural resources.

7 ~~(4)~~ **(3)** The commissioner of the department of environmental
8 management.

9 ~~(5)~~ **(4)** Two (2) members from the house of representatives of
10 opposite political parties appointed by the speaker of the house of
11 representatives for two (2) year terms.

12 ~~(6)~~ **(5)** Two (2) members from the senate of opposite political
13 parties appointed by the president pro tempore of the senate for
14 two (2) year terms.

15 (e) The ~~department office of the lieutenant governor~~ shall serve as
16 the staff of the board.

17 SECTION 18. IC 4-23-5.5-4 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. The ~~director~~
19 **lieutenant governor or the lieutenant governor's designee** shall be
20 the chief administrative officer for the board and shall direct and
21 supervise the administrative affairs and technical activities of the board
22 in accordance with rules, regulations, and policies established by the
23 board. The ~~director lieutenant governor or the lieutenant governor's~~
24 **designee** may appoint ~~such the~~ employees as the board may require
25 and ~~such the~~ agents or consultants as may be necessary for
26 implementing this chapter. The ~~director lieutenant governor or the~~
27 **lieutenant governor's designee** shall prepare an annual administrative
28 budget for review by the budget agency and the budget committee.

29 SECTION 19. IC 4-23-5.5-6 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) The board shall
31 do the following:

32 (1) Adopt procedures for the regulation of its affairs and the
33 conduct of its business.

34 (2) Meet at the offices of the ~~department lieutenant governor~~ on
35 call of the ~~director, lieutenant governor or the lieutenant~~
36 **governor's designee** at least once each calendar quarter. The
37 meetings shall be upon ten (10) days written notification, shall be
38 open to the public, and shall have official minutes recorded for
39 public scrutiny.

40 (3) Report annually in an electronic format under IC 5-14-6 to the
41 legislative council the projects in which it has participated and is
42 currently participating with a complete list of expenditures for
43 those projects.

44 (4) Annually prepare an administrative budget for review by the
45 budget agency and the budget committee.

46 (5) Keep proper records of accounts and make an annual report of



- 1 its condition to the state board of accounts.
- 2 (b) The board may request that the ~~department~~ **lieutenant governor**
 3 conduct assessments of the opportunities and constraints presented by
 4 all sources of energy. The board shall encourage the balanced use of all
 5 sources of energy with primary emphasis on:
- 6 (1) the utilization of Indiana's high sulphur coal; and
 - 7 (2) the utilization of Indiana's agricultural and forest resources
 8 and products for the production of alcohol fuel.
- 9 However, the board shall seek to avoid possible undesirable
 10 consequences of total reliance on a single source of energy.
- 11 (c) The board shall consider projects involving the creation of the
 12 following:
- 13 (1) Markets for products made from recycled materials.
 - 14 (2) New products made from recycled materials.
- 15 (d) The board may promote, fund, and encourage programs
 16 facilitating the development and effective use of all sources of energy
 17 in Indiana.
- 18 SECTION 20. IC 4-23-5.5-16 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) As used in this
 20 section, "center" refers to the center for coal technology research
 21 established by IC 4-4-30-5.
- 22 (b) The Indiana coal research grant fund is established for the
 23 purpose of providing grants for research and other projects designed to
 24 develop and expand markets for Indiana coal. The fund shall be
 25 administered by the center.
- 26 (c) Sources of money for the fund consist of the following:
- 27 (1) Appropriations from the general assembly.
 - 28 (2) Donations, gifts, and money received from any other source,
 29 including transfers from other funds or accounts.
- 30 (d) Money remaining in the fund at the end of a state fiscal year
 31 does not revert to the state general fund.
- 32 (e) The treasurer of state shall invest the money in the fund not
 33 currently needed to meet the obligations of the fund in the same
 34 manner as other public funds may be invested. Interest that accrues
 35 from these investments shall be deposited in the fund.
- 36 (f) The center shall establish:
- 37 (1) amounts for grants under this section; and
 - 38 (2) criteria for awarding grants under this section.
- 39 (g) A person, business, or manufacturer that wants a grant from the
 40 fund must file an application in the manner prescribed by the center.
- 41 (h) The center shall appoint a panel of at least eight (8) members to
 42 review and make recommendations to the center about each application
 43 filed under this section. To be a member of the panel, an individual
 44 must be a scientist, a professional engineer registered under
 45 IC 25-31-1, or another professional who is familiar with coal
 46 combustion, coal properties, coal byproducts, and other coal uses.



1 (i) The ~~department~~ **lieutenant governor** shall pursue available
2 private and public sources of money for the fund.

3 SECTION 21. IC 4-23-24.1-7 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) Each member of
5 the commission who is not a state employee is entitled to the minimum
6 salary per diem provided by IC 4-10-11-2.1(b). The member is also
7 entitled to reimbursement for traveling expenses as provided under
8 IC 4-13-1-4 and other expenses actually incurred in connection with
9 the member's duties as provided in the state policies and procedures
10 established by the Indiana department of administration and approved
11 by the budget agency. Expenses incurred under this subsection shall be
12 paid out of the funds appropriated to the ~~department of commerce~~
13 **lieutenant governor** or the civil rights commission.

14 (b) Each member of the commission who is a state employee but
15 who is not a member of the general assembly is entitled to
16 reimbursement for traveling expenses as provided under IC 4-13-1-4
17 and other expenses actually incurred in connection with the member's
18 duties as provided in the state policies and procedures established by
19 the Indiana department of administration and approved by the budget
20 agency.

21 (c) Each member of the commission who is a member of the general
22 assembly is entitled to receive the same per diem, mileage, and travel
23 allowances paid to members of the general assembly serving on interim
24 study committees established by the legislative council.

25 SECTION 22. IC 4-23-28-4 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The commission
27 consists of twenty (20) members appointed as follows:

28 (1) Two (2) members of the senate who may not be affiliated with
29 the same political party, to be appointed by the president pro
30 tempore of the senate.

31 (2) Two (2) members of the house of representatives who may not
32 be affiliated with the same political party, to be appointed by the
33 speaker of the house of representatives.

34 (3) Four (4) members of the Hispanic/Latino community who are
35 not members of the general assembly, to be appointed by the
36 president pro tempore of the senate.

37 (4) Four (4) members of the Hispanic/Latino community who are
38 not members of the general assembly, to be appointed by the
39 speaker of the house of representatives.

40 (5) The secretary of family and social services or a designee of the
41 secretary who is a Hispanic or Latino employee of the office of
42 the secretary of family and social services.

43 (6) The commissioner of the state department of health or a
44 designee of the commissioner who is a Hispanic or Latino
45 employee of the state department of health.

46 (7) The state superintendent of public instruction or a designee of



- 1 the superintendent who is a Hispanic or Latino employee of the
2 department of education.
- 3 (8) The commissioner of the department of correction or a
4 designee of the commissioner who is a Hispanic or Latino
5 employee of the department of correction.
- 6 (9) The director of the civil rights commission or a designee of the
7 director who is a Hispanic or Latino employee of the civil rights
8 commission.
- 9 (10) The ~~director of the department of commerce~~ **lieutenant**
10 **governor** or a designee of the ~~director~~ **lieutenant governor** who
11 is a Hispanic or Latino employee of the ~~department of commerce~~.
12 **lieutenant governor.**
- 13 (11) A Hispanic or Latino business person, appointed by the
14 governor.
- 15 (12) The commissioner of workforce development or a designee
16 of the commissioner who is a Hispanic or Latino employee of the
17 department of workforce development, who shall serve as an ex
18 officio member of the commission.
- 19 In making their appointments under this section, the president pro
20 tempore of the senate and the speaker of the house of representatives
21 shall attempt to have the greatest possible number of counties
22 represented on the commission.
- 23 (b) If a legislative member of the commission ceases to be a
24 member of the chamber from which the member was appointed, the
25 member also ceases to be a member of the commission.
- 26 (c) A member of the commission may be removed at any time by the
27 appointing authority who appointed the member.
- 28 (d) If a vacancy on the commission occurs, the appointing authority
29 who appointed the former member whose position has become vacant
30 shall appoint an individual to fill the vacancy.
- 31 SECTION 23. IC 5-20-4-15 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) The housing
33 trust fund advisory committee is established.
- 34 (b) The committee consists of sixteen (16) members to be appointed
35 by the governor as follows:
- 36 (1) One (1) member of the division of mental health and
37 addiction.
- 38 (2) One (1) member of the division of family and children.
- 39 (3) One (1) member of the division of disability, aging, and
40 rehabilitative services.
- 41 (4) One (1) member of the ~~department of commerce~~ **office of the**
42 **lieutenant governor.**
- 43 (5) One (1) member to represent residential real estate developers.
- 44 (6) One (1) member to represent construction trades.
- 45 (7) One (1) member to represent banks and other lending
46 institutions.



- 1 (8) One (1) member to represent the interests of persons with
 2 disabilities.
 3 (9) One (1) member to represent service providers.
 4 (10) Two (2) members to represent neighborhood groups.
 5 (11) One (1) member to represent low income families.
 6 (12) One (1) member to represent nonprofit community based
 7 organizations and community development corporations.
 8 (13) One (1) member to represent real estate brokers or
 9 salespersons.
 10 (14) One (1) member to represent the Indiana Apartment Owner's
 11 Association.
 12 (15) One (1) member to represent the manufactured housing
 13 industry.

14 At least three (3) members of the committee shall be from a city with
 15 a population of less than thirty-five thousand (35,000), a town, or a
 16 rural area.

17 (c) Members of the advisory committee shall serve a term of three
 18 (3) years. However, the governor may remove for cause an appointed
 19 member of the advisory committee and fill vacancies of appointed
 20 members on the advisory committee.

21 (d) The advisory committee shall make recommendations to the
 22 housing finance authority regarding:

- 23 (1) the development of policies and procedures under section 14
 24 of this chapter; and
 25 (2) long term sources to capitalize the housing trust fund,
 26 including the following:
 27 (A) Revenue from development ordinances, fees, or taxes.
 28 (B) Market based or private revenue.
 29 (C) Revenue generated from government programs,
 30 foundations, private individuals, or corporations.

31 (e) The advisory committee shall prepare and present an annual
 32 report that:

- 33 (1) describes disbursements under the housing trust fund; and
 34 (2) makes recommendations to the board of the Indiana housing
 35 finance authority regarding long term sources to capitalize the
 36 housing trust fund.

37 SECTION 24. IC 5-28-9-20, AS ADDED BY P.L.4-2005,
 38 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2006]: Sec. 20. (a) For industrial development projects (as
 40 defined in IC 4-4-10.9-11(a)) that have a cost of the project (as defined
 41 in IC 4-4-10.9-5) greater than one hundred million dollars
 42 (\$100,000,000), the corporation may coordinate a loan to a county, city,
 43 or town under this chapter that is to be funded under IC 6-1.1-39 with
 44 a simultaneous or successive sale of the note or other debt obligation
 45 issued or to be issued by the county, city, or town to evidence the
 46 borrowing under this chapter. For such a coordinated or simultaneous



1 lending and sale, the sale proceeds may be applied to the funding of the
2 loan to the county, city, or town.

3 (b) Notes or other debt obligations of a county, city, or town that
4 may be sold by the corporation under this section **or section 19 of this**
5 **chapter** are declared to be legal investments for:

6 (1) all insurance companies and associations and other persons
7 carrying on an insurance business; and

8 (2) all banks, bankers, banking associations, trust companies,
9 savings associations including savings and loan associations,
10 building and loan associations, investment companies, and other
11 persons carrying on a banking business.

12 These entities may invest their funds, including capital, in the notes or
13 other debt obligations, notwithstanding any law to the contrary.

14 SECTION 25. IC 5-28-19-12, AS ADDED BY P.L.4-2005,
15 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2006]: Sec. 12. The corporation may use money in the
17 microenterprise partnership program fund established by IC 5-28-18-7
18 or any other money available to the ~~committ~~ **corporation** to carry out
19 this chapter.

20 SECTION 26. IC 6-1.1-21-5.5 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.5. ~~(a)~~ An economic
22 development district that is located in one (1) or more taxing districts
23 in a county qualifies that county and the taxpayers located in those
24 taxing districts for additional distributions and credits under this
25 chapter if the following requirements are met:

26 (1) The economic development district was established under
27 IC 6-1.1-39.

28 (2) The economic development district was established before
29 January 1, 1988.

30 (3) The additional distributions and credits for the economic
31 development district were approved by the department of
32 commerce **(before its abolishment)** before January 1, 1988.

33 ~~(b) The department of commerce may not issue more than three (3)~~
34 ~~approvals under this section:~~

35 SECTION 27. IC 8-1-8.8-13 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. An eligible
37 business shall file a monthly report with the ~~department of commerce~~
38 **lieutenant governor** stating the following information:

39 (1) The amount of Illinois Basin coal, if any, purchased during the
40 previous month for use in a new energy generating facility.

41 (2) The amount of any fuel produced by a coal gasification facility
42 and purchased by the eligible business during the previous month.

43 (3) Any other information the ~~department of commerce~~
44 **lieutenant governor** may reasonably require.

45 SECTION 28. IC 12-13-12-3 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The commission



- 1 consists of nineteen (19) members appointed as follows:
- 2 (1) Two (2) members of the senate, who are not members of the
- 3 same political party, appointed by the president pro tempore of
- 4 the senate with the advice of the minority leader of the senate.
- 5 (2) Two (2) members of the house of representatives, who are not
- 6 members of the same political party, appointed by the speaker of
- 7 the house of representatives with the advice of the minority leader
- 8 of the house of representatives.
- 9 (3) The director of the division of family and children or the
- 10 director's designee.
- 11 (4) The director of the division of mental health and addiction or
- 12 the director's designee.
- 13 (5) The commissioner of the state department of health or the
- 14 commissioner's designee.
- 15 (6) The superintendent of public instruction or the
- 16 superintendent's designee.
- 17 (7) The commissioner of the department of correction or the
- 18 commissioner's designee.
- 19 (8) The director of the civil rights commission or the director's
- 20 designee.
- 21 (9) The commissioner of the **Indiana** department of
- 22 administration or the commissioner's designee.
- 23 (10) The ~~director of the department of commerce~~ **lieutenant**
- 24 **governor** or the ~~director's~~ **lieutenant governor's** designee.
- 25 (11) A minority business person, appointed by the governor.
- 26 (12) Three (3) persons appointed by the president pro tempore of
- 27 the senate who are not members of the general assembly. Not
- 28 more than two (2) of the persons appointed under this subdivision
- 29 may be members of the same political party.
- 30 (13) Three (3) persons appointed by the speaker of the house of
- 31 representatives who are not members of the general assembly. Not
- 32 more than two (2) of the persons appointed under this subdivision
- 33 may be members of the same political party.
- 34 SECTION 29. IC 13-20-13-8 IS AMENDED TO READ AS
- 35 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) Except as
- 36 provided in subsection (d)(2), (d)(3), (d)(6), and (d)(7), the waste tire
- 37 management fund is established for the following purposes:
- 38 (1) Thirty-five percent (35%) of the money deposited in the fund
- 39 each year shall be used to assist the department:
- 40 (A) in the removal and disposal of waste tires from sites where
- 41 the waste tires have been disposed of improperly;
- 42 (B) in operating the waste tire education program under
- 43 section 15 of this chapter; and
- 44 (C) to pay the expenses of administering the programs
- 45 described in clause (B).
- 46 (2) Sixty-five percent (65%) of the money deposited in the fund



1 each year shall be used to assist the ~~department of commerce~~
 2 **lieutenant governor:**

3 (A) in providing grants and loans to persons involved in waste
 4 tire management activities under section 9 of this chapter; and

5 (B) to pay the expenses of administering the programs
 6 described in clause (A).

7 (b) The expenses of administering the fund shall be paid from
 8 money in the fund.

9 (c) Money in the fund at the end of a state fiscal year does not revert
 10 to the state general fund.

11 (d) Sources of money for the fund are the following:

12 (1) Fees paid under section 4(a)(6) of this chapter and
 13 IC 13-20-14-5(e).

14 (2) Fees collected under section 7 of this chapter. All money
 15 deposited in the fund under this subdivision may be used by the
 16 department for waste reduction, recycling, removal, or
 17 remediation projects.

18 (3) Costs and damages recovered from a person under section 14
 19 of this chapter or IC 13-20-14-8. All money deposited in the fund
 20 under this subdivision may be used by the department for removal
 21 and remediation projects.

22 (4) Fees established by the general assembly for the purposes of
 23 this chapter.

24 (5) Appropriations made by the general assembly.

25 (6) Gifts and donations intended for deposit in the fund. A gift or
 26 donation deposited in the fund under this subdivision may be
 27 specified to be entirely for the use of the department or the
 28 ~~department of commerce~~ **lieutenant governor**.

29 (7) Civil penalties collected under IC 13-30-4 for violations of:

30 (A) this chapter;

31 (B) IC 13-20-14; and

32 (C) rules adopted under section 11 of this chapter and
 33 IC 13-20-14-6.

34 All money deposited in the fund under this subdivision may be
 35 used by the department for waste tire removal and remediation
 36 projects.

37 SECTION 30. IC 13-20-13-9 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) The department
 39 may use money in the fund to assist the department in:

40 (1) removing waste tires from sites where waste tires have been
 41 disposed of improperly;

42 (2) properly managing waste tires;

43 (3) performing surveillance and enforcement activities used to
 44 implement proper waste tire management; and

45 (4) conducting the waste tire education program under section 15
 46 of this chapter.



1 (b) The ~~department of commerce~~ **lieutenant governor** may use
 2 money in the fund to provide grants and loans to persons to establish
 3 and operate programs involving the following:

- 4 (1) Recycling or reuse of waste tires.
 5 (2) Using waste tires as a source of fuel.
 6 (3) Developing markets for waste tires and products containing
 7 recycled or reused waste tires.

8 (c) The ~~department of commerce~~ **lieutenant governor** may adopt
 9 rules under IC 4-22-2 necessary to implement this section.

10 SECTION 31. IC 24-9-4-7 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. A creditor may not
 12 make a high cost home loan without first providing the borrower
 13 information to facilitate contact with a nonprofit counseling agency
 14 certified by:

- 15 (1) the United States Department of Housing and Urban
 16 Development; or
 17 (2) the ~~department of commerce~~ **Indiana housing and**
 18 **community development authority** under ~~IC 4-4-3-8(b)(15);~~
 19 **IC 5-20-1-4(g);**

20 at the same time as the good faith estimates are provided to the
 21 borrower in accordance with the requirements of the federal Real
 22 Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) as amended.

23 SECTION 32. IC 24-9-4-11 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. A creditor may not
 25 make a high cost home loan unless the creditor has given the following
 26 notice, in writing, to the borrower not later than the time that notice is
 27 required under 12 CFR 226.31(c):

28 "NOTICE TO BORROWER

29 YOU SHOULD BE AWARE THAT YOU MIGHT BE ABLE TO
 30 OBTAIN A LOAN AT A LOWER COST. YOU SHOULD
 31 COMPARE LOAN RATES, COSTS, AND FEES. MORTGAGE
 32 LOAN RATES AND CLOSING COSTS AND FEES VARY
 33 BASED ON MANY FACTORS, INCLUDING YOUR
 34 PARTICULAR CREDIT AND FINANCIAL
 35 CIRCUMSTANCES, YOUR EMPLOYMENT HISTORY, THE
 36 LOAN-TO-VALUE REQUESTED, AND THE TYPE OF
 37 PROPERTY THAT WILL SECURE YOUR LOAN. THE LOAN
 38 RATE, COSTS, AND FEES COULD ALSO VARY BASED ON
 39 WHICH CREDITOR OR BROKER YOU SELECT.

40 IF YOU ACCEPT THE TERMS OF THIS LOAN, THE
 41 CREDITOR WILL HAVE A MORTGAGE LIEN ON YOUR
 42 HOME. YOU COULD LOSE YOUR HOME AND ANY
 43 MONEY YOU HAVE PAID IF YOU DO NOT MEET YOUR
 44 PAYMENT OBLIGATIONS UNDER THE LOAN.

45 YOU SHOULD CONSULT AN ATTORNEY AND A
 46 QUALIFIED INDEPENDENT CREDIT COUNSELOR OR



1 OTHER EXPERIENCED FINANCIAL ADVISER REGARDING
 2 THE RATE, FEES, AND PROVISIONS OF THIS MORTGAGE
 3 LOAN BEFORE YOU PROCEED. A LIST OF QUALIFIED
 4 COUNSELORS IS AVAILABLE FROM THE INDIANA
 5 ~~DEPARTMENT OF COMMERCE.~~ **HOUSING AND**
 6 **COMMUNITY DEVELOPMENT AUTHORITY.**

7 YOU ARE NOT REQUIRED TO COMPLETE THIS LOAN
 8 AGREEMENT MERELY BECAUSE YOU HAVE RECEIVED
 9 THIS DISCLOSURE OR HAVE SIGNED A LOAN
 10 APPLICATION. REMEMBER, PROPERTY TAXES AND
 11 HOMEOWNER'S INSURANCE ARE YOUR
 12 RESPONSIBILITY. NOT ALL CREDITORS PROVIDE
 13 ESCROW SERVICES FOR THESE PAYMENTS. YOU
 14 SHOULD ASK YOUR CREDITOR ABOUT THESE
 15 SERVICES.

16 ALSO, YOUR PAYMENTS ON EXISTING DEBTS
 17 CONTRIBUTE TO YOUR CREDIT RATINGS. YOU SHOULD
 18 NOT ACCEPT ANY ADVICE TO IGNORE YOUR REGULAR
 19 PAYMENTS TO YOUR EXISTING CREDITORS."

20 SECTION 33. IC 36-1-12.5-10 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. The governing body
 22 shall:

23 (1) provide to the ~~department of commerce~~ **lieutenant governor**
 24 not more than sixty (60) days after the date of execution of the
 25 guaranteed energy savings contract:

26 (A) a copy of the executed guaranteed energy savings contract;

27 (B) the energy consumption costs before the date of execution
 28 of the guaranteed energy savings contract; and

29 (C) the documentation using industry engineering standards
 30 for:

31 (i) stipulated savings; and

32 (ii) related capital expenditures; and

33 (2) annually report to the ~~department of commerce,~~ **lieutenant**
 34 **governor**, in accordance with procedures established by the
 35 ~~department of commerce,~~ **lieutenant governor**, the savings
 36 resulting in the previous year from the guaranteed energy savings
 37 contract or utility energy efficiency program.

38 SECTION 34. IC 36-1-12.5-12 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) An
 40 improvement that is not causally connected to an energy conservation
 41 measure may be included in a guaranteed energy savings contract if:

42 (1) the total value of the improvement does not exceed fifteen
 43 percent (15%) of the total value of the guaranteed energy savings
 44 contract; and

45 (2) either:

46 (A) the improvement is necessary to conform to a law, a rule,



- 1 or an ordinance; or
 2 (B) an analysis within the guaranteed energy savings contract
 3 demonstrates that:
 4 (i) there is an economic advantage to the political
 5 subdivision in implementing an improvement as part of the
 6 guaranteed energy savings contract; and
 7 (ii) the savings justification for the improvement is
 8 documented by industry engineering standards.
 9 (b) The information required under subsection (a) must be reported
 10 to the ~~department of commerce~~ **lieutenant governor**.

11 SECTION 35. IC 36-7-12-36 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 36. In order to:

- 13 (1) disseminate information describing the benefits of all
 14 economic development commissions;
 15 (2) provide for efficient operations of all commissions; and
 16 (3) allow the ~~department of commerce~~, **Indiana economic**
 17 **development corporation**, on a recommendation basis, to assist
 18 all commissions in their endeavors;

19 each commission shall file a report, within thirty (30) days after its
 20 initial meeting and on each subsequent January 31, with the fiscal body
 21 that it serves and with the director of the ~~department of commerce~~.
 22 **Indiana economic development corporation**. These reports must be
 23 in writing on a form prescribed by the ~~department of commerce~~
 24 **Indiana economic development corporation** and must contain all
 25 information required in that form.

26 SECTION 36. IC 36-7-34-5, AS ADDED BY P.L.203-2005,
 27 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2006]: Sec. 5. The ~~department of commerce~~ **Indiana**
 29 **economic development corporation** shall do the following:

- 30 (1) Coordinate area development activities.
 31 (2) Serve as a catalyst for area development.
 32 (3) Promote each area to outside groups and individuals.
 33 (4) Establish a formal line of communication with businesses in
 34 each area.
 35 (5) Act as a liaison between businesses and local governments for
 36 any development activity that may affect each area.
 37 (6) Act as a liaison between each area and residents of nearby
 38 communities.

39 SECTION 37. THE FOLLOWING ARE REPEALED [EFFECTIVE
 40 JULY 1, 2006]: IC 4-4-30-2; IC 4-4-32.4.

