

HOUSE BILL No. 1189

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-15-15.

Synopsis: Labor requirements for data center incentives. Requires that an agreement between a qualified data center user or quantum computing research, advanced computing, and defense infrastructure network operator and the Indiana economic development corporation for a specific transaction award certificate includes a requirement that the user or operator limit bids or requests for proposals for the project to labor unions or employers that have project labor agreements.

Effective: July 1, 2026.

Novak

January 5, 2026, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1189

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

1 SECTION 1. IC 6-2.5-15-15, AS AMENDED BY P.L.178-2025,
2 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 15. The following apply if the corporation
4 approves an application for a specific transaction award certificate:

5 (1) The corporation shall require the qualified data center user or
6 quantum computing research, advanced computing, and defense
7 infrastructure network operator, as applicable, to enter into an
8 agreement with the corporation as a condition of receiving a
9 specific transaction award certificate under this chapter.

10 (2) The agreement with the corporation must include:

11 (A) a detailed description of the project that is the subject of
12 the agreement that includes documentation of compliance with
13 the requirement that the investment be specific to
14 infrastructure for the Indiana defense industry or quantum
15 computing research or advanced computing;

16 **(B) a requirement that the qualified data center user or**
17 **quantum computing research, advanced computing, and**



1 **defense infrastructure network operator, as applicable,**
2 **limit bids or requests for proposals for the project to labor**
3 **unions or employers that have project labor agreements;**
4 ~~(B)~~ **(C)** the duration of the specific transaction award
5 certificate and the first taxable year for which the award
6 provided by this chapter may be used; and
7 ~~(C)~~ **(D)** a requirement that the qualified data center user or
8 quantum computing research, advanced computing, and
9 defense infrastructure network operator, as applicable,
10 annually report to the corporation on the amount of taxes that
11 were not paid by the qualified data center user or quantum
12 computing research, advanced computing, and defense
13 infrastructure network operator in connection with the
14 purchase of data center equipment or quantum computing
15 research, advanced computing, and defense infrastructure
16 network equipment, as applicable.

