

HOUSE BILL No. 1374

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-6.5.

Synopsis: Requirements for incentive recipient employers. Specifies additional conditions pertaining to the use of secret ballot elections in unionization efforts and employee personal contact information that an employer must comply with to be eligible to receive a tax credit, tax deduction, grant, loan, or loan guarantee (job creation incentive) from the Indiana economic development corporation (IEDC). Requires the IEDC to enter into a separate agreement with a recipient of a job creation incentive to recover the value of the job creation incentive if the recipient does not comply with the conditions added by the bill. Specifies the term of the separate agreement in relation to the value of the job creation incentive. Requires the IEDC to investigate reports of noncompliance with the conditions added by the bill during the period when the separate agreement is in effect and to provide those findings to the office of the attorney general for the initiation of proceedings for recovery of job creation incentives.

Effective: July 1, 2026.

VanNatter

January 8, 2026, read first time and referred to Committee on Employment, Labor and Pensions.



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. 1374

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

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

1 SECTION 1. IC 5-28-6.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]:

4 **Chapter 6.5. Additional Conditions for the Provision of Job**
5 **Creation Incentives**

6 **Sec. 1. The following definitions apply throughout this chapter:**

7 (1) "Contract" means:

8 (A) an agreement (including any memoranda of
9 understanding) between an employer and the corporation;
10 and

11 (B) an agreement between an employer and a labor
12 organization.

13 (2) "Employee" means an individual who performs services
14 for an employer for wages that are subject to withholding
15 requirements under Section 3402 of the Internal Revenue
16 Code.

17 (3) "Employer" means a business entity that voluntarily



pursues job creation incentives or enters into an agreement with the corporation to receive a job creation incentive.

(4) "Job creation incentive" has the meaning set forth in IC 5-28-2-5.5.

(5) "Labor organization" has the meaning set forth in 29 U.S.C. 152.

(6) "Neutrality agreement" means an agreement signed with a union in which the employer agrees to conditions including committing not to speak to employees about union issues.

(7) "Personal contact information" means an employee's home address, home or personal cellular telephone number, or personal electronic mail address.

(8) "Secret ballot election" means a process conducted by the National Labor Relations Board in which an employee casts a secret ballot for or against labor organization representation.

(9) "Subcontractor" means an individual or entity that has contracted with the employer to perform work or provide services.

Sec. 2. (a) This section does not apply to a contract in effect on June 30, 2026. However, if a contract is amended, renewed, or modified on or after July 1, 2026, the contract must conform to this section.

(b) To be eligible to receive a job creation incentive, an employer must not take any of the following actions:

(1) Grant recognition rights for employees solely and exclusively on the basis of signed union authorization cards if the selection of a bargaining representative may instead be conducted through a secret ballot election.

(2) Voluntarily disclose an employee's personal contact information to a labor organization, or third party acting on behalf of a labor organization, without the employee's prior written consent, unless otherwise required by state or federal law.

(3) Sign a neutrality agreement with a labor organization.

(4) Require a subcontractor to engage in activities prohibited in subdivision (1).

The prohibitions set forth in this subsection apply to any work or service for the employer on the project for which the job creation incentive is provided.

(c) The requirements of subsection (b) are in addition to the requirements of IC 5-28-6-6 and any other terms applicable to the



1 job creation incentive.

2 **Sec. 3.** This section applies to job creation incentives disbursed
3 or provided after June 30, 2026. Before the corporation may
4 provide a job creation incentive to an employer, the corporation
5 must execute a separate agreement with the recipient of the job
6 creation incentive that reserves the right of the corporation to
7 recover the value of the job creation incentive if the recipient
8 benefitting from the job creation incentive fails to comply with
9 section 2 of this chapter. The separate agreement required by this
10 section must have a term of not less than:

11 (1) the term the corporation would require for a job creation
12 incentive of less than five million dollars (\$5,000,000); or

13 (2) twenty (20) years, for a job creation incentive of five
14 million dollars (\$5,000,000) or more.

15 This section is supplemental to the requirements of IC 5-28-6-6,
16 IC 5-28-28-7, and any other terms applicable to recovery of a job
17 creation incentive.

18 **Sec. 4. (a)** A person may report, based upon a reasonable belief,
19 a suspected violation of section 2 of this chapter to the corporation.
20 However, the report must be made during the term of the separate
21 agreement entered into between the corporation and the employer
22 under section 3 of this chapter. Upon receiving a report under this
23 section, the corporation shall determine whether a violation has
24 occurred.

25 (b) If the corporation finds that an employer has violated section
26 2 of this chapter, then the corporation shall deliver written notice
27 of the corporation's findings to the:

28 (1) employer; and

29 (2) office of the attorney general to initiate proceedings to
30 recover funds under section 3 of this chapter.

