



Indiana Technology & Innovation Association

Capital Policy Priorities

Investable capital is required for technology-based companies to start and grow. While technology is Indiana's fastest growing sector, our state ranks low in the amount of venture capital being deployed to Indiana companies. Indiana ranks 30th in America for venture capital deployment, lagging behind all of our neighboring states (PwC analysis). Incentivizing and increasing the speed of capital to companies at all stages will accelerate the growth of Indiana's technology industry and help us remain a leader in the 21st Century, data-centric economy.

ITIA supports policies that expand access to capital for tech companies at all stages of growth, and help educate and connect Indiana entrepreneurs to available sources of capital. ITIA also supports policies to encourage the creation of more state- and local-based venture capital funds, as well as make Indiana more competitive for national venture capital investment. As part of these efforts, ITIA encourages a focus on ensuring women, minority and veteran entrepreneurs have access to capital at all stages.

2020 AGENDA

- **Innovation Research and Technology Transfer Grants:** ITIA supports expanded efforts to promote the state's 50% match of the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants, to provide support for entrepreneurs to help them navigate the application process, and to assist SBIR/STTR grant recipients with raising additional funding and commercializing their technology.
- **Investment Reporting:** ITIA recommends that state investments record and report annually on the number of investments and the amount of money invested into women, minority, and veteran-owned companies to encourage a focus on diversity.

LOOKING FORWARD, LONG-TERM PRIORITIES

- **Venture Capital Investment Tax Credits:** ITIA supports raising the Venture Capital Investment tax credit to better compete with neighboring states. ITIA also supports raising the cap on the total amount of credits provided to all investors for any single qualified Indiana company as well as raising the overall cap on the program.
- **21 Fund:** ITIA supports increased investment in the 21st Century Research and Technology Fund, which provides funding for Elevate Ventures and the SBIR/STTR matching grant program as well as other technology research and development efforts, including partnerships with universities.
- **Next Level Fund:** ITIA supports policies to invest in, expand and accelerate deployment of the Next Level Fund.



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Place Policy Priorities

Indiana has built a reputation as a low-tax, low-cost, business-friendly state, and these efforts have helped attract companies and jobs in recent years. To continue this momentum as we transition to a 21st-century, technology-driven economy, Indiana must position and brand itself as a welcoming and attractive place to live and work in tech. Efforts to ensure Indiana has a thriving tech ecosystem and support structure are critical to our industry's ability to attract and retain top tech talent, investment and resources. Also important to making Indiana an attractive place for the tech economy are policies that improve the quality of life metrics important to today's workforce, including diversity, equality, sustainability and more.

2020 AGENDA

- **Nonstop Flights:** ITIA supports continued investment in adding more non-stop domestic and international flights to help connect Indiana businesses with major industry hubs.
- **Certified Tech Parks:** ITIA supports the expansion of high performing Certified Tech Parks (CTPs) by increasing the maximum allowable CTP capture per year from \$100,000 to \$500,000 and removing the automatic reset of the CTP base year once the initial \$5 million cap is reached.
- **Smart Cities:** ITIA supports a dedicated effort by the state to add smart technology products and providers to the state's list of Quantity Purchase Agreements to help local governments access and implement these technologies to more effectively and efficiently deliver city services.
- **Data Privacy:** ITIA supports the adoption of federal data privacy legislation to protect consumer data, rather than a patchwork of state-by-state regulations in order to provide certainty and consistency to both consumers and businesses.
- **Cybersecurity:** ITIA encourages the state to facilitate the development of cybersecurity guidelines and best practices as a resource for local governments and help them access vetted cybersecurity products and providers.

LOOKING FORWARD, LONG-TERM PRIORITIES

- **Broadband:** ITIA supports Governor Holcomb's Next Level Connections Broadband Grant program to deploy broadband to unserved areas, and encourages continued investment throughout the state to foster connectivity as well as innovation and advancements in broadband technologies.
- **SaaS Tax:** ITIA supports the continued exemption of software as a service from the state's sales tax in order to facilitate continued growth in the industry.



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Talent Policy Priorities

Technology jobs are growing rapidly in our state. Technology job postings in Indiana increased by 85% over the last year, with more than 184,000 new tech jobs added to our economy (CompTIA Cyberstates 2019). Indiana tech employment is projected to grow nearly 7.6% between 2018 and 2026; more than Illinois (5.1%), Michigan (5.6%) and Ohio (4.6%) (CompTIA Cyberstates 2019). To embrace this tech growth, we must ensure Indiana has the trained workforce to match. Indiana's technology companies are currently struggling to attract and retain skilled talent to fill available jobs, and this will only get more difficult as the industry grows.

ITIA supports policies to better educate and train Indiana students in technical trades and expose students to careers in technology and innovation, skill up our current Hoosier workforce, and retain and attract technically trained workers to fill the growing demand for tech jobs in our state. ITIA supports efforts to promote diversity within the tech ecosystem by ensuring women and minority populations have exposure, training and access to careers in tech.

2020 AGENDA

- **Next Level Jobs:** ITIA supports efforts to update and expand the Next Level Jobs program to ensure that the definition of in-demand jobs and trainings that are eligible for grant funding includes the technology jobs of tomorrow and to increase the number of IT training providers of high demand credentials (i.e. Comp TIA A+, Security+ and Network+) available to applicants.
- **Talent Recruitment:** ITIA urges the state to incorporate talent recruitment as a core tenet of economic development similar to how traditional strategies have focused on company relocation, and implement targeted and data-driven approaches to attract tech workers to relocate to Indiana.
- **Relocation Costs:** ITIA supports updating existing tools and incentives, like the IEDC's Skills Enhancement Fund which provides assistance for employee training, to include employee relocation costs to assist in bringing high-value talent to Indiana, in particular for smaller employers.

LOOKING FORWARD, LONG-TERM PRIORITIES

- **Career Exploration and Discovery:** ITIA supports funding and incentives for technology-focused career exploration and discovery programs in schools, including tech competitions, clubs, scholastic Esports, robotics and efforts to expose students to technology job opportunities in Indiana.
- **Tech Career Pathways:** ITIA supports increasing the number of pathways available to students during and after high school into the technology industry by incentivizing and providing support for apprenticeships, internships and tech trade schools.
- **Teacher Training & Recruitment:** ITIA supports enabling and incentivizing K-12 teachers or third parties to skill up in STEM, computer science, cyber security and IT to teach these skills to students.
- **Degree Requirements:** ITIA supports encouraging and incentivizing postsecondary Teacher Colleges to build in stackable high demand IT credentials as part of the degree requirements to become an educator.