



# Indiana Technology & Innovation Association

## Capital Policy Priorities

*Investable capital is required for technology-based companies to start and grow. While the tech industry is among our fastest growing sectors, Indiana ranks low in the amount of venture capital being deployed to Indiana companies and low for entrepreneurship, which are critical drivers for the industry. The Indiana Chamber of Commerce 2021 Report Card shows that while investment dollars to Indiana companies have increased in recent years, the state's ranking for venture capital activity declined from 30th to 36th compared to other states. Indiana also ranks 42nd out of 50 states for entrepreneurship, according to the Kauffman Entrepreneurial Index.*

*Incentivizing and increasing the speed of capital to new and young companies and entrepreneurs will accelerate the growth of Indiana's technology industry, encourage new business creation and help us remain a leader in the 21st Century, data-centric economy.*

## 2022 Agenda

- ITIA supports policies to accelerate deployment of **Next Level Fund** dollars, direct investment into Indiana-based funds and companies, and support the creation of new Indiana-based venture capital funds.

## Additional and Ongoing Priorities

- Increased investment in the **21st Century Research and Technology Fund**, which funds critical and proven programs including Elevate Ventures and the SBIR/STTR matching grant program as well as other technology research and development efforts, including public-partnerships with universities.
- Ongoing commitment to the **Venture Capital Investment Tax Credit program**, which provides a 25% transferable tax credit for investments made into early stage Indiana firms or Indiana-based funds and a 30% credit for investments made into women, minority or veteran owned firms.
- Increasing the State's Phase 1 and Phase 2 matches for the federal **Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants**; Phase 1 is currently matched at 50% and Phase 2 offers up to \$75,000 per award. ITIA also supports expanded efforts to raise the profile of the state's match program, provide support for entrepreneurs to help them navigate the application process, and assist SBIR/STTR grant recipients with raising additional funding and commercializing their technology.
- Efforts to fund and grow **regional programs to accelerate new, Indiana-based innovation companies** and encourage the development of regional tech and innovation hubs.



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## Talent Policy Priorities

*Technology jobs are growing rapidly in our state as the technology industry itself expands and as other industries transition to the innovation and data-driven economy. In 2020, Indiana's technology industry posted 184,000 net tech jobs and generated a \$16.2 billion impact on our economy. ([CompTIA Cyberstates 2021](#)). With an average wage of \$69,813, median tech wages in Indiana are 73% higher than the median state wage, and IT and Software Services are the fastest-growing sectors ([CompTIA Cyberstates 2021](#)). To embrace this tech job growth, we must ensure Indiana has the trained workforce to match.*

## 2022 Agenda

- ITIA supports state- and local-based **incentives for attracting individuals to move to Indiana who can work remotely.**
- ITIA supports innovative ways to **update the state's economic development tools to assist in bringing high-value talent to Indiana**, as well as ways to help communities finance talent attraction efforts that drive regional growth.
- ITIA supports new incentives or adjusting Indiana's existing incentives, such as the Skills Enhancement Fund (SEF) or EDGE tax credits, to include the **creation of internship or apprenticeship programs** that train tech talent and lead to employment.

## Additional and Ongoing Priorities

- Incentives such as **tuition reimbursement or tax credits for students who graduate from an Indiana postsecondary institution with a degree in a high-demand field and choose to stay in Indiana** for a set period of time after graduation.
- Encouraging the Indiana Destination Development Corporation to incorporate **targeted and data-driven tactics to recruit tech workers** to relocate to Indiana.
- Ensuring **IT credentials** are a key part of higher education offerings and state workforce programs, incentivizing institutions to offer this credentialing or partner with entities that do so, and ongoing funding to encourage credential attainment, such as through Next Level Jobs and the Indiana Career Accelerator Fund.
- Continued funding and efforts to ensure K-12 schools can meet the requirement to offer **computer science education**, including resources to train or hire computer science educators or partner with third party entities to offer computer science education.
- Adding the Science Indiana Learning Evaluation Assessment Readiness Network (ILEARN) score to the school report card to encourage a stronger focus on **STEM curriculum** in K-12.
- Efforts to expand technology- and innovation-based **Career & Technical Education (CTE)** pathways.
- Funding and incentives for **technology-focused career exploration and discovery programs** in schools, such as tech competitions, robotics clubs, scholastic e-sports and makerspaces. ITIA supports specific funding for **robotics programs and robotics coaches** at the K-12 level.
- Efforts to **connect more industry professionals to the classroom**, including streamlining the licensure process and offering incentives for industry professionals to teach.
- Enabling and incentivizing K-12 teachers or third parties to **skill up in STEM, computer science, cyber security and IT** in order to effectively teach these skills to students.



# Indiana Technology & Innovation Association

## 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.*

## 2022 Agenda

- ITIA supports efforts to accelerate **fiber deployment** to improve connectivity across the State.
- ITIA supports the continued expansion of high performing **Certified Tech Parks (CTPs)** by increasing the maximum allowable CTP capture per year from \$100,000 to \$500,000.

## Additional and Ongoing Priorities

- Ongoing investment in the **Next Level Connections Broadband Grant** program, and the creation of state and local programs that help increase **broadband adoption** among consumers and businesses.
- Encouraging the state to verify and ensure that essential security controls are properly implemented on cloud systems that process, store, and/or transmit government data, and to facilitate the development of **cybersecurity guidelines and best practices** as a resource for state and local government.
- Efforts to grow Indiana's network of **coworking spaces and innovation hubs** that facilitate entrepreneurship and remote work.
- Continued investment in adding more **non-stop domestic and international flights**.
- Continued **exemption of software as a service** from the state's sales tax.
- Adoption of **federal data privacy legislation**, rather than a patchwork of state-by-state regulations in order to provide certainty and consistency to both consumers and businesses.
- A state-level policy framework and rules of operation for the testing and deployment of **autonomous vehicle technology**, as well as allowing for certain vehicles to operate without drivers (full level five automation).
- Efforts to facilitate and accelerate Indiana's transition to clean energy, and to embrace **clean energy technology and innovation**, including electric vehicle development, battery storage and more.
- Encouraging the Indiana Destination Development Corporation to highlight companies, entrepreneurs and tech talent who have chosen Indiana as part of its efforts to **rebrand and promote the state**.
- Ensuring that any attempts to legislate how **social media platforms moderate content** clearly exclude the wide range of technology platforms that allow communication between users, but do not meet the standard of a social media platform.



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## Equity Policy Priorities

*We simply cannot have a thriving technology and innovation community in Indiana without diversity, inclusion and equity. Our industry recognizes the gap in tech talent representation affecting women and People of Color. According to a 2021 report on the State of DEI in Tech by BuiltIn, 44 percent of tech companies surveyed report that their teams are at least 71 percent White, and 53 percent said women make up less than 40 percent of their workforce. Of users surveyed, nearly half (47 percent) identify as White, 21 percent identify as Black and 12 percent identify as LatinX or Hispanic. Indiana should position itself as a leader in closing these gaps to ensure our growing tech and innovation community is vibrant, diverse and representative. We should also aim to change policies that create or fuel disparities.*

## 2022 Agenda

- ITIA supports efforts to promote and market state **job training and workforce programs**, specifically in tech fields, to women, minorities and veterans.

## Additional and Ongoing Priorities

- Efforts to **demystify tech** and further **expand the term “Computer Science”** to be more representative of various tech disciplines to help attract K-12 students, especially girls and students of color to pursue tech credentials.
- Efforts to recruit and support **diverse teachers**, particularly in STEM fields.
- Efforts to expand the **Last Mile program** in Indiana, which prepares incarcerated individuals for successful reentry through business and technology training.
- Recommending that any State-funded entities, such as Elevate Ventures and Next Level Fund, that invest in Indiana businesses **record and report annually on the number of investments and the amount of money invested into women, minority and veteran owned companies**. ITIA also recommends that any venture fund receiving state dollars record and report annually on the number of investments and the amount of money invested into women, minority and veteran owned companies.
- Encouraging State agencies and State-funded entities that support the tech and innovation community, such as the IEDC, Elevate Ventures and the Next Level Fund, to **prioritize diversity within their own organizations** and ensure underrepresented populations have positions on staff and in leadership and decision-making roles.
- Ongoing efforts to report and identify disparities through the **Public Disparity Data Portal** to show how our state programs are working.
- Efforts to combat **bias, discrimination and racism** in Indiana, and improve quality of life and place for impacted populations so that they can succeed in the workforce and beyond.