

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1086 be amended to read as follows:

- 1 Page 13, between lines 24 and 25, begin a new paragraph and insert:
- 2 "SECTION 15. IC 6-1.1-17-20, AS AMENDED BY
- 3 P.L.182-2009(ss), SECTION 124, IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) This section
- 5 applies to each governing body of a taxing unit that:
- 6 (1) is not comprised of a majority of officials who are elected to
- 7 serve on the governing body; and
- 8 (2) either:
- 9 (A) is:
- 10 (i) a conservancy district subject to IC 14-33-9;
- 11 (ii) a solid waste management district subject to IC 13-21;
- 12 or
- 13 (iii) a fire protection district subject to IC 36-8-11-18; or
- 14 (B) has a percentage increase in the proposed budget for the
- 15 taxing unit for the ensuing calendar year that is more than the
- 16 result of:
- 17 (i) the assessed value growth quotient determined under
- 18 IC 6-1.1-18.5-2 for the ensuing calendar year; minus
- 19 (ii) one (1).
- 20 For purposes of this section, an individual who qualifies to be
- 21 appointed to a governing body or serves on a governing body because
- 22 of the individual's status as an elected official of another taxing unit
- 23 shall be treated as an official who was not elected to serve on the
- 24 governing body.
- 25 (b) As used in this section, "taxing unit" has the meaning set forth
- 26 in IC 6-1.1-1-21, except that the term does not include:
- 27 (1) a school corporation; or
- 28 (2) an entity whose tax levies are subject to review and
- 29 modification by a city-county legislative body under IC 36-3-6-9.
- 30 (c) If:
- 31 (1) the assessed valuation of a taxing unit is entirely contained

- 1 within a city or town; or
- 2 (2) the assessed valuation of a taxing unit is not entirely contained
- 3 within a city or town but the taxing unit was originally established
- 4 by the city or town;
- 5 the governing body shall submit its proposed budget and property tax
- 6 levy to the city or town fiscal body. The proposed budget and levy shall
- 7 be submitted at least thirty (30) days before the city or town fiscal body
- 8 is required to hold budget approval hearings under this chapter.
- 9 **However, in the case of a public library that is subject to this**
- 10 **section and is described in subdivision (2), the public library shall**
- 11 **submit its proposed budget and property tax levy to the county**
- 12 **fiscal body in the manner provided in subsection (d), rather than**
- 13 **to the city or town fiscal body, if more than fifty percent (50%) of**
- 14 **the parcels of real property within the jurisdiction of the public**
- 15 **library are located outside the city or town.**
- 16 (d) If subsection (c) does not apply, the governing body of the taxing
- 17 unit shall submit its proposed budget and property tax levy to the
- 18 county fiscal body in the county where the taxing unit has the most
- 19 assessed valuation. The proposed budget and levy shall be submitted
- 20 at least thirty (30) days before the county fiscal body is required to hold
- 21 budget approval hearings under this chapter.
- 22 (e) The fiscal body of the city, town, or county (whichever applies)
- 23 shall review each budget and proposed tax levy and adopt a final
- 24 budget and tax levy for the taxing unit. The fiscal body may reduce or
- 25 modify but not increase the proposed budget or tax levy.
- 26 (f) If a taxing unit fails to file the information required in subsection
- 27 (c) or (d), whichever applies, with the appropriate fiscal body by the
- 28 time prescribed by this section, the most recent annual appropriations
- 29 and annual tax levy of that taxing unit are continued for the ensuing
- 30 budget year.
- 31 (g) If the appropriate fiscal body fails to complete the requirements
- 32 of subsection (e) before the adoption deadline in section 5 of this
- 33 chapter for any taxing unit subject to this section, the most recent
- 34 annual appropriations and annual tax levy of the city, town, or county,
- 35 whichever applies, are continued for the ensuing budget year.
- 36 SECTION 16. IC 6-1.1-17-20.5, AS AMENDED BY
- 37 P.L.182-2009(ss), SECTION 125, IS AMENDED TO READ AS
- 38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20.5. (a) This
- 39 section applies to the governing body of a taxing unit unless a majority
- 40 of the governing body is comprised of officials who are elected to serve
- 41 on the governing body. For purposes of this section, an individual who
- 42 qualifies to be appointed to a governing body or serves on a governing
- 43 body because of the individual's status as an elected official of another
- 44 taxing unit shall be treated as an official who was not elected to serve
- 45 on the governing body.
- 46 (b) As used in this section, "taxing unit" has the meaning set forth
- 47 in IC 6-1.1-1-21, except that the term does not include:

- 1 (1) a school corporation; or
 2 (2) an entity whose tax levies are subject to review and
 3 modification by a city-county legislative body under IC 36-3-6-9.

- 4 (c) If:
 5 (1) the assessed valuation of a taxing unit is entirely contained
 6 within a city or town; or
 7 (2) the assessed valuation of a taxing unit is not entirely contained
 8 within a city or town but the taxing unit was originally established
 9 by the city or town;

10 the governing body of the taxing unit may not issue bonds or enter into
 11 a lease payable in whole or in part from property taxes unless it obtains
 12 the approval of the city or town fiscal body.

13 **(d) However, in the case of a public library that is subject to this**
 14 **section and is described in subsection (c), the public library may**
 15 **not issue bonds or enter into a lease payable in whole or in part**
 16 **from property taxes unless it obtains the approval of the county**
 17 **fiscal body, rather than the city or town fiscal body, if more than**
 18 **fifty percent (50%) of the parcels of real property within the**
 19 **jurisdiction of the public library are located outside the city or**
 20 **town. The requirement that the public library must obtain the**
 21 **approval of the county fiscal body (rather than the city or town**
 22 **fiscal body) if more than fifty percent (50%) of the parcels of real**
 23 **property within the jurisdiction of the public library are located**
 24 **outside the city or town does not apply to the issuance of bonds or**
 25 **the execution of a lease:**

- 26 (1) for which a decision or preliminary determination was
 27 made under IC 6-1.1-20 before December 31, 2010; or
 28 (2) that is approved by the city or town fiscal body under
 29 IC 6-1.1-17-20.5(c) or the county fiscal body under subsection
 30 (e) before December 31, 2010.

31 ~~(d)~~ (f) This subsection applies to a taxing unit not described in
 32 subsection (c) or (d). The governing body of the taxing unit may not
 33 issue bonds or enter into a lease payable in whole or in part from
 34 property taxes unless it obtains the approval of the county fiscal body
 35 in the county where the taxing unit has the most net assessed
 36 valuation."

37 Page 45, between lines 24 and 25, begin a new paragraph and insert:
 38 "SECTION 43. IC 36-12-2-8, AS ADDED BY P.L.1-2005,
 39 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 8. (a) Except as provided in subsection (b), an
 41 appointee to a library board may not serve more than four (4)
 42 consecutive terms on the library board. **An unexpired term of two (2)**
 43 **years or less that an individual serves in filling a vacancy on the**
 44 **library board may not be counted in computing consecutive terms**
 45 **for purposes of this subsection.** The consecutive terms are computed
 46 without regard to a change in the appointing authority that appointed
 47 the member. ~~or the length of any term served by the appointee.~~ If:

1 (1) a member's term is interrupted due to the merger of at least
2 two (2) public libraries under IC 36-12-4; and

3 (2) the member is reappointed to the merged public library board;
4 the term that was interrupted may not be considered in determining the
5 number of consecutive terms a member may serve on a library board.
6 **An appointee who has served four (4) consecutive terms may be**
7 **reappointed to the board at least four (4) years after the date the**
8 **appointee's most recent term ended.**

9 (b) This subsection applies to a library board for a library district
10 having a population of less than three thousand (3,000). If an
11 appointing authority conducts a diligent but unsuccessful search for a
12 qualified individual who wishes to be appointed to serve on the library
13 board:

14 (1) the appointing authority may reappoint a board member who
15 has served four (4) or more consecutive terms; and

16 (2) state funds may not be withheld from distribution to the
17 library.

18 The appointing authority shall file with the library board a written
19 description of the search that was conducted under this subsection. The
20 record becomes a part of the official records of the library board.

21 SECTION 44. IC 36-12-2-18, AS ADDED BY P.L.1-2005,
22 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2010]: Sec. 18. (a) Subject to subsection (b), the term of a
24 library board member is four (4) years. A member may continue to
25 serve on a library board after the member's term expires until the
26 member's successor is qualified under section 19 of this chapter. The
27 term of the member's successor is not extended by the time that has
28 elapsed before the successor's appointment and qualification. If a
29 member is appointed to fill a vacancy on a library board, the member's
30 term is the unexpired term of the member being replaced.

31 (b) Except for a library board whose membership is established
32 under section 15 of this chapter, for purposes of establishing staggered
33 terms for the members of a library board, the initial members shall
34 serve the following terms:

35 (1) One (1) year for one (1) member appointed under section 9(1),
36 9(5), 16(b)(1), 16(b)(2), or 17(1) of this chapter.

37 (2) Two (2) years for one (1) member appointed under section
38 9(3)(A), 9(4), 16(b)(3), 16(b)(4), or 17(2) of this chapter.

39 (3) Three (3) years for one (1) member appointed under section
40 9(2), 9(3)(A), 16(b)(4), 16(b)(5), or 17(1) of this chapter.

41 (4) Four (4) years for one (1) member appointed under section
42 9(3)(B), 16(b)(6), or 17(2) of this chapter.

43 (c) When an appointing authority appoints members to terms of
44 different length under subsection (b), the appointing authority shall
45 designate which member serves each term.

46 **(d) A member may not serve more than four (4) consecutive**
47 **terms as provided in section 8 of this chapter.**

1 SECTION 45. IC 36-12-2-25, AS AMENDED BY P.L.91-2009,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2010]: Sec. 25. (a) The residents or real property taxpayers of
 4 the library district taxed for the support of the library may use the
 5 facilities and services of the public library without charge for library or
 6 related purposes. However, the library board may:

- 7 (1) fix and collect fees and rental charges; and
 8 (2) assess fines, penalties, and damages for the:
 9 (A) loss of;
 10 (B) injury to; or
 11 (C) failure to return;

12 any library property or material.

13 (b) A library board may issue local library cards to:

- 14 (1) residents of the library district; ~~or~~
 15 (2) Indiana residents who are not residents of the library district;
 16 **(3) library employees of the library district; or**
 17 **(4) employees of a school corporation or nonpublic school**
 18 **located in the library district;**

19 who apply for the cards.

20 (c) Except as provided in subsections (d) and (e), a library board
 21 must set and charge a fee for a local library card issued under
 22 subsection (b)(2). The minimum fee that the board may set under this
 23 subsection is the greater of the following:

- 24 (1) The library district's operating fund expenditure per capita in
 25 the most recent year for which that information is available in the
 26 Indiana state library's annual "Statistics of Indiana Libraries".
 27 (2) Twenty-five dollars (\$25).

28 (d) A library board may charge a reduced fee or not charge a fee for
 29 a local library card under subsection (c) that is issued to an Indiana
 30 resident who is:

- 31 (1) a student enrolled in a public school corporation that is located
 32 at least in part in the library district; and
 33 (2) not a resident of the library district.

34 (e) A library board may charge a reduced fee or not charge a fee for
 35 a local library card under subsection (c) that is issued to an Indiana
 36 resident who is a student enrolled in a nonpublic school that is located
 37 at least in part in the library district.

38 **(f) A library board may issue a local library card under**
 39 **subsection (b)(3) or (b)(4):**

- 40 **(1) to an individual who is not a resident of the library**
 41 **district; and**
 42 **(2) without charging a fee for the card;**

43 **if the board adopts a resolution that is approved by an affirmative**
 44 **vote of a majority of the members appointed to the library board.**

45 SECTION 46. IC 36-12-2-26 IS ADDED TO THE INDIANA
 46 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 47 [EFFECTIVE JULY 1, 2010]: **Sec. 26. (a) Dissolution of a library**

1 **district is initiated when the legislative body of each municipality,**
 2 **township, or county that is a part of the district and library board**
 3 **of the district adopt identical resolutions proposing to dissolve the**
 4 **district by an affirmative vote of a majority of the voting members**
 5 **of each legislative body and library board.**

6 **(b) Copies of the resolutions adopted under subsection (a) shall**
 7 **be filed not later than ten (10) days after the resolution is adopted**
 8 **with:**

9 **(1) the state library; and**

10 **(2) the county recorder of each county in which the library**
 11 **district is located.**

12 **(c) A dissolution does not take effect until:**

13 **(1) all legal and fiscal obligations of the library district have**
 14 **been satisfied;**

15 **(2) the assets of the district have been distributed; and**

16 **(3) a notice is filed with the agencies listed in subsection (b),**
 17 **indicating that the actions described in subdivisions (1) and**

18 **(2) have been completed and the dissolution is final."**

19 Page 45, between lines 40 and 41, begin a new paragraph and insert:

20 "SECTION 48. IC 36-12-3-18, AS ADDED BY P.L.1-2005,
 21 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2010]: Sec. 18. (a) ~~Subject to subsection (d)~~; A library board
 23 or a person designated in writing by the library board may:

24 (1) collect money or library property; or

25 (2) compromise the amount of money;

26 that is owed to the library.

27 (b) A library board:

28 (1) shall determine the costs of collecting money or library
 29 property under this section; and

30 (2) may add the costs of collection, including reasonable
 31 attorney's fees, to money or library property that is owed and
 32 collected under this section.

33 (c) A library board or the library board's agent that collects money
 34 under this section shall deposit the money, less the costs of collection,
 35 in the account required by law.

36 ~~(d) A person designated by the library board under subsection (a)~~
 37 ~~may collect money from a person for the library only if the amount to~~
 38 ~~be collected from the person is more than ten dollars (\$10).~~

39 ~~(e)~~ **(d)** A library board may compromise claims made against the
 40 library.

41 SECTION 49. IC 36-12-7-3, AS ADDED BY P.L.1-2005,
 42 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 43 JULY 1, 2010]: Sec. 3. (a) A library board may issue local library cards
 44 to:

45 (1) residents of the library district; ~~and~~

46 (2) Indiana residents who are not residents of the library district;

47 **(3) library employees of the library district; or**

1 **(4) employees of a school corporation or nonpublic school**
 2 **located in the library district;**

3 who apply for the cards.

4 (b) Except as provided in subsection (c), a library board must set
 5 and charge a fee for a local library card issued under subsection (a)(2).
 6 The minimum fee that the board may set under this subsection is the
 7 greater of the following:

8 (1) The library district's operating fund expenditure per capita in
 9 the most recent year for which that information is available in the
 10 Indiana state library's annual "Statistics of Indiana Libraries".

11 (2) Twenty-five dollars (\$25).

12 (c) A library board may charge a reduced fee or not charge a fee for
 13 a local library card under subsection (b) that is issued to an Indiana
 14 resident who is:

15 (1) a student enrolled in a public school corporation that is located
 16 at least in part in the library district; and

17 (2) not a resident of that library district.

18 **(d) A library board may issue a local library card under**
 19 **subsection (a)(3) or (a)(4):**

20 **(1) to an individual who is not a resident of the library**
 21 **district; and**

22 **(2) without charging a fee for the card;**

23 **if the board adopts a resolution that is approved by an affirmative**
 24 **vote of a majority of the members appointed to the library board.**

25 SECTION 50. IC 36-12-7-9 IS ADDED TO THE INDIANA CODE
 26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 27 1, 2010]: **Sec. 9. (a) Dissolution of a library district is initiated when**
 28 **the legislative body of each municipality, township, or county that**
 29 **is a part of the district and library board of the district adopt**
 30 **identical resolutions proposing to dissolve the district by an**
 31 **affirmative vote of a majority of the voting members of each**
 32 **legislative body and library board.**

33 **(b) Copies of the resolutions adopted under subsection (a) shall**
 34 **be filed not later than ten (10) days after the resolution is adopted**
 35 **with:**

36 **(1) the state library; and**

37 **(2) the county recorder of each county in which the library**
 38 **district is located.**

39 **(c) A dissolution does not take effect until:**

40 **(1) all legal and fiscal obligations of the library district have**
 41 **been satisfied;**

42 **(2) the assets of the district have been distributed; and**

43 **(3) a notice is filed with the agencies listed in subsection (b),**
 44 **indicating that the actions described in subdivisions (1) and**

45 **(2) have been completed and the dissolution is final."**

46 Page 46, between lines 14 and 15, begin a new paragraph and insert:
 47 "SECTION 52. IC 36-12-7-11 IS ADDED TO THE INDIANA

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2010]: **Sec. 11. (a) A library board or a**
3 **person designated in writing by the library board may:**
4 (1) **collect money or library property; or**
5 (2) **compromise the amount of money;**
6 **that is owed to the library.**
7 (b) **A library board:**
8 (1) **shall determine the costs of collecting money or library**
9 **property under this section; and**
10 (2) **may add the costs of collection, including reasonable**
11 **attorney's fees, to money or library property that is owed and**
12 **collected under this section.**
13 (c) **A library board or the library board's agent that collects**
14 **money under this section shall deposit the money, less the costs of**
15 **collection, in the account required by law.**
16 (d) **A library board may compromise claims made against the**
17 **library."**
18 Renumber all SECTIONS consecutively.
(Reference is to EHB 1086 as printed February 19, 2010.)

Senator GARD