

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6742**  
**BILL NUMBER: SB 201**

**NOTE PREPARED: Jan 24, 2011**  
**BILL AMENDED: Jan 24, 2011**

**SUBJECT:** Libraries.

**FIRST AUTHOR:** Sen. Gard  
**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) *Library Severance Pay*- The bill allows a library board of a Class 1 or Class 2 public library to provide severance pay to a library employee who is voluntarily separated from employment with the library if the library board makes certain findings.

*Appropriation of Funds for Association Memberships*- The bill allows the library board of a Class 1 or Class 2 public library to appropriate funds to provide membership of library employees in local, state, and national associations of a civic, educational, professional, or governmental nature.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Library Severance Pay*- A library would be able to provide severance pay to a voluntarily separated employee as long as the library board reduces the library's overall expenditures by the amount of expenditures for the severance pay. This provision should be expenditure neutral.

*Appropriation of Funds for Association Memberships*- The impact of this provision on library expenditures is indeterminable and would depend on future library board action.

**Background:** As of January 24, 2011, there were 234 Class 1 public libraries and four Class 2 public libraries

in Indiana. The four Class 2 public libraries are: York Township Public Library in Benton County, Tyson Library Association in Ripley County, Henry-Henley Public Library in Rush County, and Joyce Public Library in Steuben County.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Class 1 and Class 2 public library boards.

**Information Sources:** Edie Huffman, Indiana State Library.

**Fiscal Analyst:** Chris Baker, 317-232-9851.