



February 11, 2011

HOUSE BILL No. 1333

DIGEST OF HB 1333 (Updated February 10, 2011 10:26 am - DI 75)

Citations Affected: IC 6-1.1; IC 36-12.

Synopsis: Operating referenda for libraries. Provides that a public library located may hold a referendum to increase its property tax levy if the board of the public library determines that: (1) the public library will be unable to carry out its duties under the law unless the public library imposes a referendum property tax levy; or (2) the public library should impose a referendum property tax levy to replace property tax revenues lost by operation of the circuit breaker tax credit. Provides that the additional rate of the referendum tax levy and the number of calendar years for which the referendum tax levy will be imposed must be specified in the public question put to the voters.

Effective: Upon passage; July 1, 2011.

Day, Saunders, Dembowski, Moses

January 13, 2011, read first time and referred to Committee on Local Government.
February 10, 2011, amended, reported — Do Pass. Recommended to Committee on Ways and Means.

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HB 1333—LS 6358/DI 113+



February 11, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1333

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1 SECTION 1. IC 6-1.1-18.5-10.3, AS AMENDED BY P.L.146-2008,
2 SECTION 176, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2011]: Sec. 10.3. (a) This subsection does not
4 apply to property taxes first due and payable after December 31, 2008.
5 The ad valorem property tax levy limits imposed by section 3 of this
6 chapter do not apply to ad valorem property taxes imposed by a library
7 board for a capital projects fund under IC 36-12-12. However, the
8 maximum amount that is exempt from the levy limits under this section
9 may not exceed the property taxes that would be raised in the ensuing
10 calendar year with a property tax rate of one and thirty-three
11 hundredths cents (\$0.0133) per one hundred dollars (\$100) of assessed
12 valuation.

13 (b) This subsection does not apply to property taxes first due and
14 payable after December 31, 2008. For purposes of computing the ad
15 valorem property tax levy limit imposed on a library board under
16 section 3 of this chapter, the library board's ad valorem property tax
17 levy for a particular calendar year does not include that part of the levy

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1 imposed under IC 36-12-12 that is exempt from the ad valorem
2 property tax levy limits under subsection (a).

3 **(c) The ad valorem property tax limits imposed by section 3 of**
4 **this chapter do not apply to ad valorem property taxes imposed by**
5 **a library board for a referendum tax levy authorized under**
6 **IC 36-12-17.**

7 **(d) For purposes of computing the ad valorem property tax levy**
8 **limit imposed on a library board by section 3 of this chapter, the**
9 **library board's ad valorem property tax levy for a particular**
10 **calendar year does not include that part of the levy imposed under**
11 **IC 36-12-17.**

12 SECTION 2. IC 36-12-17 IS ADDED TO THE INDIANA CODE
13 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
14 UPON PASSAGE]:

15 **Chapter 17. Referendum Tax Levy**

16 **Sec. 1. For purposes of this chapter, a reference to the circuit**
17 **court clerk, the county election board, or the county fiscal body is**
18 **a reference to the circuit court clerk, the county election board, or**
19 **the county fiscal body of each county in which the library district**
20 **has territory.**

21 **Sec. 2. As used in this chapter, "fund" refers to a referendum**
22 **tax levy fund established under section 17 of this chapter.**

23 **Sec. 3. As used in this chapter, "levy" refers to the property tax**
24 **levy imposed under this chapter.**

25 **Sec. 4. As used in this chapter, "referendum" refers to a**
26 **referendum under this chapter.**

27 **Sec. 5. Notwithstanding IC 6-1.1-20.6-9.5(b), if a majority of the**
28 **individuals who vote in a referendum that is conducted in**
29 **accordance with this chapter approve the public question**
30 **submitted to the voters, a public library may impose a referendum**
31 **tax levy for the public library's fund for the duration specified in**
32 **the public question at a rate that does not exceed the maximum**
33 **property tax rate specified in the public question.**

34 **Sec. 6. (a) Subject to this chapter, the library board of a public**
35 **library may adopt a resolution to place a question in the form set**
36 **forth in section 7 of this chapter on the ballot for either of the**
37 **following purposes:**

38 **(1) The library board of the public library determines that it**
39 **cannot, in a calendar year, carry out its duties under this**
40 **article unless it imposes a referendum tax levy under this**
41 **chapter.**

42 **(2) The library board of the public library determines that a**

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1 referendum tax levy under this chapter should be imposed to
2 replace property tax revenue that the public library will not
3 receive because of the application of the credit under
4 IC 6-1.1-20.6.

5 (b) The library board of the public library shall certify a copy
6 of the resolution to the department of local government finance
7 and the county fiscal body.

8 Sec. 7. The question to be submitted to the voters in the
9 referendum must read as follows:

10 "For the __ (insert number) calendar year or years
11 immediately following the holding of the referendum, shall the
12 public library impose a property tax rate that does not exceed
13 _____ (insert amount) cents (\$0. __) (insert amount)
14 on each one hundred dollars (\$100) of assessed valuation and
15 that is in addition to all other property tax levies imposed by
16 the public library?"

17 Sec. 8. The voters in a referendum may not approve a levy that
18 is imposed for more than seven (7) years. However, a levy may be
19 reimposed or extended under this chapter.

20 Sec. 9. If a library board adopts a resolution under section 6 of
21 this chapter, the county fiscal body must under IC 3-10-9-3 certify
22 the question to be voted on at the referendum to the county election
23 board.

24 Sec. 10. The circuit court clerk shall, upon receiving the
25 question certified by the county fiscal body under this chapter, call
26 a meeting of the county election board to make arrangements for
27 the referendum.

28 Sec. 11. (a) Except as provided in subsection (b), a referendum
29 under this chapter shall be held in the next primary election,
30 general election, or municipal election after certification of the
31 question under IC 3-10-9-3, and the certification of the question
32 must occur not later than:

33 (1) noon on the date sixty (60) days before the date of the
34 primary election, if the question is to be placed on the primary
35 or municipal primary election ballot; or

36 (2) noon on August 1, if the question is to be placed on the
37 general or municipal election ballot.

38 (b) If:
39 (1) a primary election, general election, or municipal election
40 will not be held during the first year in which the public
41 question is eligible to be placed on the ballot under this
42 chapter; and

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1 (2) the public library requests the public question to be placed
 2 on the ballot at a special election;
 3 the public question shall be placed on the ballot at a special election
 4 to be held on the first Tuesday after the first Monday in May or
 5 November of the year.

6 (c) In the case of a public question placed on the ballot at a
 7 special election under subsection (b), notwithstanding IC 3-10-9-3,
 8 the certification of the question must occur not later than:

- 9 (1) noon on the date sixty (60) days before the date of the
- 10 special election, if the special election is to be held in May; or
- 11 (2) noon on August 1, if the special election is to be held in
- 12 November.

13 (d) If the referendum is not conducted at a primary election,
 14 general election, or municipal election, the public library for which
 15 the referendum is to be held shall pay all the costs of holding the
 16 referendum.

17 Sec. 12. The county election board shall cause:

- 18 (1) the question certified to the circuit court clerk by the
- 19 county fiscal body to be placed on the ballot in the form
- 20 prescribed by section 7 of this chapter and IC 3-10-9-4; and
- 21 (2) an adequate supply of ballots and voting equipment to be
- 22 delivered to the precinct election board of each precinct in
- 23 which the referendum is to be held.

24 Sec. 13. The individuals entitled to vote in the referendum are
 25 all of the registered voters resident in the library district of the
 26 public library for which the referendum is being held.

27 Sec. 14. Each precinct election board shall count the affirmative
 28 votes and the negative votes cast in the referendum and shall
 29 certify those two (2) totals to the county election board. The circuit
 30 court clerk shall, immediately after the votes cast in the
 31 referendum have been counted, certify the results of the
 32 referendum to the county fiscal body. Upon receiving the
 33 certification of all the votes cast in the referendum, the county
 34 fiscal body shall promptly certify the result of the referendum to
 35 the department of local government finance. If a majority of the
 36 individuals who voted in the referendum voted "yes" on the
 37 referendum question, the county fiscal body shall promptly notify
 38 the public library that:

- 39 (1) the public library is authorized to collect, for the calendar
- 40 year that next follows the calendar year in which the
- 41 referendum is held, a levy at a rate not greater than the rate
- 42 approved in the referendum; and

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1 (2) the levy may be imposed for the number of calendar years
2 approved by the voters, beginning with the calendar year that
3 next follows the calendar year in which the referendum is
4 held.

5 Sec. 15. A public library's levy under this chapter is in addition
6 to and may not be considered in the determination of:

- 7 (1) any other property tax levy imposed by the public library;
- 8 and
- 9 (2) any distribution of excise or income tax revenue to which
10 the public library is otherwise entitled.

11 A public library's levy under this chapter is not subject to
12 reduction or modification under IC 36-3-6-9 or any other law.

13 Sec. 16. If a majority of the persons who voted in the
14 referendum did not vote "yes" on the referendum question:

- 15 (1) the public library may not make any levy for its
16 referendum tax levy fund; and
- 17 (2) another referendum under this section may not be held for
18 one (1) year after the date of the referendum.

19 Sec. 17. (a) The library board of each public library for which
20 a levy is approved under this chapter shall establish a referendum
21 tax levy fund.

22 (b) Property tax collections from a levy authorized by this
23 chapter shall be deposited in the fund.

- 24 (c) Money in the fund:
 - 25 (1) may be used for any lawful public library expenses; and
 - 26 (2) must be budgeted and expended in the manner required by
27 law.

28 SECTION 3. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1333, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 16 through 17, begin a new paragraph and insert:

"Sec. 1. For purposes of this chapter, a reference to the circuit court clerk, the county election board, or the county fiscal body is a reference to the circuit court clerk, the county election board, or the county fiscal body of each county in which the library district has territory."

Page 3, line 4, after "the" insert "**county**".

Page 3, line 4, after "body" insert ".".

Page 3, line 4, delete "of Marion County".

Page 3, line 20, after "board" insert ".".

Page 3, line 20, delete "of Marion County".

Page 3, line 21, delete "county" and insert "**circuit court**".

and when so amended that said bill do pass.

(Reference is to HB 1333 as introduced.)

NEESE, Chair

Committee Vote: yeas 10, nays 1.

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