
HOUSE BILL No. 1032

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-20-3.6; IC 20-46-1.

Synopsis: Referenda for projects and school levies. Provides that a referendum on a controlled project may be held only at a general election, if the preliminary determination to issue bonds or enter into a lease for the controlled project is made after June 30, 2013. Provides that a referendum for a referendum tax levy of a school corporation may be held only at a general election, if the resolution to hold the referendum is adopted after June 30, 2013.

Effective: July 1, 2013.

Frizzell

January 7, 2013, read first time and referred to Committee on Ways and Means.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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HOUSE BILL No. 1032



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

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

- 1 SECTION 1. IC 6-1.1-20-3.6, AS AMENDED BY P.L.198-2011,
- 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2013]: Sec. 3.6. (a) ~~Except as provided in sections 3.7 and 3.8~~
- 4 ~~of this chapter~~; This section applies only to a controlled project
- 5 ~~described in section 3.5(a) of this chapter.~~ (b) **If for which:**
- 6 (1) a sufficient petition requesting the application of the local
- 7 public question process has been filed as set forth in section 3.5
- 8 of this chapter; **or**
- 9 (2) **a resolution specifying the application of the local public**
- 10 **question process has been adopted under section 3.7 or 3.8 of**
- 11 **this chapter.**
- 12 (b) A political subdivision may not impose property taxes to pay
- 13 debt service on bonds or lease rentals on a lease for a controlled project
- 14 **to which this section applies** unless the political subdivision's
- 15 proposed debt service or lease rental is approved in an election on a
- 16 local public question held under this section.
- 17 (c) **If a preliminary determination to issue bonds or enter into**



1 **a lease for a controlled project to which this section applies is made**
 2 **after June 30, 2013, the election on the local public question for the**
 3 **controlled project may be held only at a general election.**

4 ~~(c)~~ **(d)** Except as provided in subsection ~~(t)~~; **(n)**, the following
 5 question shall be submitted to the eligible voters at the election
 6 conducted under this section:

7 "Shall _____ (insert the name of the political subdivision)
 8 issue bonds or enter into a lease to finance _____ (insert
 9 a brief description of the controlled project), which is estimated
 10 to cost not more than _____ (insert the total cost of the project)
 11 and is estimated to increase the property tax rate for debt service
 12 by _____ (insert increase in tax rate as determined by the
 13 department of local government finance)?"

14 The public question must appear on the ballot in the form approved by
 15 the county election board. If the political subdivision proposing to issue
 16 bonds or enter into a lease is located in more than one (1) county, the
 17 county election board of each county shall jointly approve the form of
 18 the public question that will appear on the ballot in each county. The
 19 form approved by the county election board may differ from the
 20 language certified to the county election board by the county auditor.
 21 If the county election board approves the language of a public question
 22 under this subsection, the county election board shall submit the
 23 language to the department of local government finance for review.

24 ~~(d)~~ **(e)** This subsection applies to ballot language submitted by the
 25 county election board under subsection ~~(c)~~ **(d)** before May 1, 2011. The
 26 department of local government finance shall review the language of
 27 the public question to evaluate whether the description of the
 28 controlled project is accurate and is not biased against either a vote in
 29 favor of the controlled project or a vote against the controlled project.
 30 The department of local government finance may recommend that the
 31 ballot language be used as submitted or recommend modifications to
 32 the ballot language as necessary to ensure that the description of the
 33 controlled project is accurate and is not biased. The department of local
 34 government finance shall send its recommendations to the county
 35 election board not more than ten (10) days after the language of the
 36 public question is submitted to the department for review. After
 37 reviewing the recommendations of the department of local government
 38 finance under this subsection, the county election board shall take final
 39 action to approve ballot language. The finally adopted ballot language
 40 may differ from the recommendations made by the department of local
 41 government finance.

42 ~~(e)~~ **(f)** This subsection applies to ballot language submitted by the

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1 county election board under subsection ~~(e)~~ (d) after April 30, 2011.
 2 The department of local government finance shall review the language
 3 of the public question to evaluate whether the description of the
 4 controlled project is accurate and is not biased against either a vote in
 5 favor of the controlled project or a vote against the controlled project.
 6 The department of local government finance may either approve the
 7 ballot language as submitted or recommend that the ballot language be
 8 modified as necessary to ensure that the description of the controlled
 9 project is accurate and is not biased. The department of local
 10 government finance shall certify its approval or recommendations to
 11 the county auditor and the county election board not more than ten (10)
 12 days after the language of the public question is submitted to the
 13 department for review. If the department of local government finance
 14 recommends a modification to the ballot language, the county election
 15 board shall, after reviewing the recommendations of the department of
 16 local government finance, submit modified ballot language to the
 17 department for the department's approval or recommendation of any
 18 additional modifications. The public question may not be certified by
 19 the county auditor under subsection ~~(f)~~ (g) or (h), as applicable, unless
 20 the department of local government finance has first certified the
 21 department's final approval of the ballot language for the public
 22 question.

23 ~~(f)~~ (g) **This subsection applies only to the certification of a local**
 24 **public question concerning a controlled project for which a**
 25 **preliminary determination to issue bonds or enter into a lease is**
 26 **made before July 1, 2013.** The county auditor shall certify the finally
 27 approved public question under IC 3-10-9-3 to the county election
 28 board of each county in which the political subdivision is located. The
 29 certification must occur not later than noon:

30 (1) sixty (60) days before a primary election if the public question
 31 is to be placed on the primary or municipal primary election
 32 ballot; or

33 (2) August 1 if the public question is to be placed on the general
 34 or municipal election ballot.

35 Subject to the certification requirements and deadlines under this
 36 subsection and except as provided in subsection ~~(f)~~, (n), the public
 37 question shall be placed on the ballot at the next primary election,
 38 general election, or municipal election in which all voters of the
 39 political subdivision are entitled to vote. However, if a primary
 40 election, general election, or municipal election will not be held during
 41 the first year in which the public question is eligible to be placed on the
 42 ballot under this section and if the political subdivision requests the



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1 public question to be placed on the ballot at a special election, the
 2 public question shall be placed on the ballot at a special election to be
 3 held on the first Tuesday after the first Monday in May or November
 4 of the year. The certification must occur not later than noon sixty (60)
 5 days before a special election to be held in May (if the special election
 6 is to be held in May) or noon on August 1 (if the special election is to
 7 be held in November). However, in 2009, a political subdivision may
 8 hold a special election under this section on any date scheduled for the
 9 special election if notice of the special election was given before July
 10 1, 2009, to the election division of the secretary of state's office as
 11 provided in IC 3-10-8-4. The fiscal body of the political subdivision
 12 that requests the special election shall pay the costs of holding the
 13 special election. The county election board shall give notice under
 14 IC 5-3-1 of a special election conducted under this subsection. A
 15 special election conducted under this subsection is under the direction
 16 of the county election board. The county election board shall take all
 17 steps necessary to carry out the special election.

18 **(h) This subsection applies only to the certification of a local**
 19 **public question concerning a controlled project for which a**
 20 **preliminary determination to issue bonds or enter into a lease is**
 21 **made after June 30, 2013. The county auditor shall certify the**
 22 **finally approved public question under IC 3-10-9-3 to the county**
 23 **election board of each county in which the political subdivision is**
 24 **located. The certification must occur not later than noon on August**
 25 **1 of the year in which the public question is to be placed on the**
 26 **general election ballot. Subject to the certification requirements**
 27 **and deadlines under this subsection and except as provided in**
 28 **subsection (n), the public question shall be placed on the ballot at**
 29 **the next general election in which all voters of the political**
 30 **subdivision are entitled to vote.**

31 ~~(g)~~ **(i)** The circuit court clerk shall certify the results of the public
 32 question to the following:

33 (1) The county auditor of each county in which the political
 34 subdivision is located.

35 (2) The department of local government finance.

36 ~~(h)~~ **(j)** Subject to the requirements of IC 6-1.1-18.5-8, the political
 37 subdivision may issue the proposed bonds or enter into the proposed
 38 lease rental if a majority of the eligible voters voting on the public
 39 question vote in favor of the public question.

40 ~~(i)~~ **(k)** If a majority of the eligible voters voting on the public
 41 question vote in opposition to the public question, both of the following
 42 apply:



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- 1 (1) The political subdivision may not issue the proposed bonds or
 2 enter into the proposed lease rental.
- 3 (2) Another public question under this section on the same or a
 4 substantially similar project may not be submitted to the voters
 5 earlier than one (1) year after the date of the election.
- 6 ~~(j)~~ **(l)** IC 3, to the extent not inconsistent with this section, applies
 7 to an election held under this section.
- 8 ~~(k)~~ **(m)** A political subdivision may not artificially divide a capital
 9 project into multiple capital projects in order to avoid the requirements
 10 of this section and section 3.5 of this chapter.
- 11 ~~(l)~~ **(n)** This subsection applies to a political subdivision for which
 12 a petition requesting a public question has been submitted under
 13 section 3.5 of this chapter. The legislative body (as defined in
 14 IC 36-1-2-9) of the political subdivision may adopt a resolution to
 15 withdraw a controlled project from consideration in a public question.
 16 If the legislative body provides a certified copy of the resolution to the
 17 county auditor and the county election board not later than forty-nine
 18 (49) days before the election at which the public question would be on
 19 the ballot, the public question on the controlled project shall not be
 20 placed on the ballot and the public question on the controlled project
 21 shall not be held, regardless of whether the county auditor has certified
 22 the public question to the county election board. If the withdrawal of
 23 a public question under this subsection requires the county election
 24 board to reprint ballots, the political subdivision withdrawing the
 25 public question shall pay the costs of reprinting the ballots. If a political
 26 subdivision withdraws a public question under this subsection that
 27 would have been held at a special election and the county election
 28 board has printed the ballots before the legislative body of the political
 29 subdivision provides a certified copy of the withdrawal resolution to
 30 the county auditor and the county election board, the political
 31 subdivision withdrawing the public question shall pay the costs
 32 incurred by the county in printing the ballots. If a public question on a
 33 controlled project is withdrawn under this subsection, a public question
 34 under this section on the same controlled project or a substantially
 35 similar controlled project may not be submitted to the voters earlier
 36 than one (1) year after the date the resolution withdrawing the public
 37 question is adopted.
- 38 ~~(m)~~ **(o)** If a public question regarding a controlled project is placed
 39 on the ballot to be voted on at a public question under this section, the
 40 political subdivision shall submit to the department of local
 41 government finance, at least thirty (30) days before the election, the
 42 following information regarding the proposed controlled project for

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1 posting on the department's Internet web site:

2 (1) The cost per square foot of any buildings being constructed as
3 part of the controlled project.

4 (2) The effect that approval of the controlled project would have
5 on the political subdivision's property tax rate.

6 (3) The maximum term of the bonds or lease.

7 (4) The maximum principal amount of the bonds or the maximum
8 lease rental for the lease.

9 (5) The estimated interest rates that will be paid and the total
10 interest costs associated with the bonds or lease.

11 (6) The purpose of the bonds or lease.

12 (7) In the case of a controlled project proposed by a school
13 corporation:

14 (A) the current and proposed square footage of school building
15 space per student;

16 (B) enrollment patterns within the school corporation; and

17 (C) the age and condition of the current school facilities.

18 SECTION 2. IC 20-46-1-14, AS AMENDED BY P.L.113-2010,
19 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2013]: Sec. 14. **(a) This section applies only to a
21 referendum specified in a resolution adopted under section 8 of this
22 chapter before July 1, 2013.**

23 ~~(a)~~ **(b)** The referendum shall be held in the next primary election,
24 general election, or municipal election in which all the registered voters
25 who are residents of the appellant school corporation are entitled to
26 vote after certification of the question under IC 3-10-9-3. The
27 certification of the question must occur not later than noon:

28 (1) sixty (60) days before a primary election if the question is to
29 be placed on the primary or municipal primary election ballot; or

30 (2) August 1 if the question is to be placed on the general or
31 municipal election ballot.

32 However, if a primary election, general election, or municipal election
33 will not be held during the first year in which the public question is
34 eligible to be placed on the ballot under this chapter and if the
35 appellant school corporation requests the public question to be placed
36 on the ballot at a special election, the public question shall be placed
37 on the ballot at a special election to be held on the first Tuesday after
38 the first Monday in May or November of the year. The certification
39 must occur not later than noon sixty (60) days before a special election
40 to be held in May (if the special election is to be held in May) or noon
41 on August 1 (if the special election is to be held in November).

42 ~~(b)~~ **(c)** If the referendum is not conducted at a primary election,

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1 general election, or municipal election, the appellant school
2 corporation in which the referendum is to be held shall pay all the costs
3 of holding the referendum.

4 SECTION 3. IC 20-46-1-14.5 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2013]: **Sec. 14.5. (a) This section applies only**
7 **to a referendum specified in a resolution adopted under section 8**
8 **of this chapter after June 30, 2013.**

9 **(b) The referendum shall be held in the next general election in**
10 **which all the registered voters who are residents of the appellant**
11 **school corporation are entitled to vote after certification of the**
12 **question under IC 3-10-9-3. The certification of the question must**
13 **occur not later than noon on August 1 of the year in which the**
14 **referendum is held.**

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