
HOUSE BILL No. 1109

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-20; IC 20-46-1-19.

Synopsis: Controlled projects. Adds a definition of "amount financed" to the controlled projects statute. Defines the term as meaning, for purposes of a preliminary determination to issue bonds or enter into a lease made by a political subdivision after June 30, 2013, the cost of a project minus the sum of the cash committed to payment for the project by the political subdivision itself, by the federal government, and by any other entity contributing to the project. Restates the thresholds in current law differentiating between controlled projects that are subject to the petition and remonstrance process and those that are subject to the referendum process in terms of the controlled project's amount financed instead of the controlled project's cost. Changes the waiting period required for subsequent referenda for controlled projects and for a school's referendum fund to provide that if the first referendum is held on a May or November election date, a subsequent referendum may be held at the next comparable (May or November) election date even though it may be a few days less than one full year later. Retains the one year rule if a special election is used. Makes a technical correction.

Effective: July 1, 2013.

McNamara

January 8, 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. 1109



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 6-1.1-20-0.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2013]: **Sec. 0.5. As used in this chapter,**
4 **"amount financed" means the following:**
5 **(1) For a preliminary determination to issue bonds or enter**
6 **into a lease made before July 1, 2013, the cost of the project.**
7 **(2) For a preliminary determination to issue bonds or enter**
8 **into a lease made after June 30, 2013:**
9 **(A) the cost of the project; minus**
10 **(B) the sum of:**
11 **(i) the cash available to a political subdivision that was**
12 **reserved exclusively for expenditure on the project's**
13 **costs in a resolution or ordinance adopted by the proper**
14 **officers of the political subdivision;**
15 **(ii) money received in the form of a donation or a grant**
16 **for expenditure on the project's costs from an entity not**
17 **controlled by the political subdivision; and**



1 **(iii) money for a project attributable to a grant**
 2 **commitment or similar instrument from an agency or**
 3 **affiliate of the federal government that reimburses the**
 4 **political subdivision for the political subdivision's**
 5 **expenditures on the project.**

6 SECTION 2. IC 6-1.1-20-1.1, AS AMENDED BY P.L.106-2012,
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2013]: Sec. 1.1. As used in this chapter, "controlled project"
 9 means any project financed by bonds or a lease, except for the
 10 following:

11 (1) A project for which the political subdivision reasonably
 12 expects to pay:

13 (A) debt service; or

14 (B) lease rentals;

15 from funds other than property taxes that are exempt from the
 16 levy limitations of IC 6-1.1-18.5 or (before January 1, 2009)
 17 IC 20-45-3. A project is not a controlled project even though the
 18 political subdivision has pledged to levy property taxes to pay the
 19 debt service or lease rentals if those other funds are insufficient.

20 (2) A project ~~that will not cost of~~ the political subdivision ~~more~~
 21 **than for which the amount financed will not exceed** the lesser
 22 of the following:

23 (A) Two million dollars (\$2,000,000).

24 (B) An amount equal to one percent (1%) of the total gross
 25 assessed value of property within the political subdivision on
 26 the last assessment date, if that amount is at least one million
 27 dollars (\$1,000,000).

28 (3) A project that is being refinanced for the purpose of providing
 29 gross or net present value savings to taxpayers.

30 (4) A project for which bonds were issued or leases were entered
 31 into before January 1, 1996, or where the state board of tax
 32 commissioners has approved the issuance of bonds or the
 33 execution of leases before January 1, 1996.

34 (5) A project that is required by a court order holding that a
 35 federal law mandates the project.

36 (6) A project that:

37 (A) is in response to:

38 (i) a natural disaster;

39 (ii) an accident; or

40 (iii) an emergency;

41 in the political subdivision that makes a building or facility
 42 unavailable for its intended use; and

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- 1 (B) is approved by the county council of each county in which
 2 the political subdivision is located.
- 3 (7) A project that was not a controlled project under this section
 4 as in effect on June 30, 2008, and for which:
- 5 (A) the bonds or lease for the project were issued or entered
 6 into before July 1, 2008; or
- 7 (B) the issuance of the bonds or the execution of the lease for
 8 the project was approved by the department of local
 9 government finance before July 1, 2008.
- 10 (8) A project of the Little Calumet River basin development
 11 commission for which bonds are payable from special
 12 assessments collected under IC 14-13-2-18.6.
- 13 SECTION 3. IC 6-1.1-20-3.1, AS AMENDED BY P.L.198-2011,
 14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2013]: Sec. 3.1. (a) This section applies only to the following:
- 16 (1) A controlled project (as defined in section 1.1 of this chapter
 17 as in effect June 30, 2008) for which the proper officers of a
 18 political subdivision make a preliminary determination in the
 19 manner described in subsection (b) before July 1, 2008.
- 20 (2) An elementary school building, middle school building, or
 21 other school building for academic instruction: ~~that~~:
- 22 (A) ~~that~~ is a controlled project;
- 23 (B) ~~that~~ will be used for any combination of kindergarten
 24 through grade 8;
- 25 (C) ~~that~~ will not be used for any combination of grade 9
 26 through grade 12; and
- 27 (D) ~~will not cost more than~~ **for which the amount financed**
 28 **will not exceed** ten million dollars (\$10,000,000).
- 29 (3) A high school building or other school building for academic
 30 instruction: ~~that~~:
- 31 (A) ~~that~~ is a controlled project;
- 32 (B) ~~that~~ will be used for any combination of grade 9 through
 33 grade 12;
- 34 (C) ~~that~~ will not be used for any combination of kindergarten
 35 through grade 8; and
- 36 (D) ~~will not cost more than~~ **for which the amount financed**
 37 **will not exceed** twenty million dollars (\$20,000,000).
- 38 (4) Any other controlled project ~~that~~: **of a political subdivision**:
- 39 (A) ~~that~~ is not a controlled project described in subdivision
 40 (1), (2), or (3); and
- 41 (B) ~~will not cost the political subdivision more than~~ **for which**
 42 **the amount financed will not exceed** the lesser of the

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1 following:

2 (i) Twelve million dollars (\$12,000,000).

3 (ii) An amount equal to one percent (1%) of the total gross
4 assessed value of property within the political subdivision
5 on the last assessment date, if that amount is at least one
6 million dollars (\$1,000,000).

7 (b) A political subdivision may not impose property taxes to pay
8 debt service on bonds or lease rentals on a lease for a controlled project
9 without completing the following procedures:

10 (1) The proper officers of a political subdivision shall:

11 (A) publish notice in accordance with IC 5-3-1; and

12 (B) send notice by first class mail to the circuit court clerk and
13 to any organization that delivers to the officers, before January
14 1 of that year, an annual written request for such notices;

15 of any meeting to consider adoption of a resolution or an
16 ordinance making a preliminary determination to issue bonds or
17 enter into a lease and shall conduct a public hearing on a
18 preliminary determination before adoption of the resolution or
19 ordinance. **After June 30, 2013, the resolution or ordinance
20 making a preliminary determination to issue bonds or enter
21 into a lease must include a provision that specifies the
22 amounts of the political subdivision's cash the political
23 subdivision is reserving exclusively for expenditure on the
24 controlled project, if any.**

25 (2) When the proper officers of a political subdivision make a
26 preliminary determination to issue bonds or enter into a lease for
27 a controlled project, the officers shall give notice of the
28 preliminary determination by:

29 (A) publication in accordance with IC 5-3-1; and

30 (B) first class mail to the circuit court clerk and to the
31 organizations described in subdivision (1)(B).

32 (3) A notice under subdivision (2) of the preliminary
33 determination of the political subdivision to issue bonds or enter
34 into a lease for a controlled project must include the following
35 information:

36 (A) The maximum term of the bonds or lease.

37 (B) The maximum principal amount of the bonds or the
38 maximum lease rental for the lease.

39 (C) The estimated interest rates that will be paid and the total
40 interest costs associated with the bonds or lease.

41 **(D) For a preliminary determination to issue bonds or
42 enter into a lease made after June 30, 2013, the amounts of**

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1 **the political subdivision's cash the political subdivision is**
 2 **reserving exclusively for expenditure on the controlled**
 3 **project, if any.**

4 ~~(D)~~ (E) The purpose of the bonds or lease.

5 ~~(E)~~ (F) A statement that any owners of property within the
 6 political subdivision or registered voters residing within the
 7 political subdivision who want to initiate a petition and
 8 remonstrance process against the proposed debt service or
 9 lease payments must file a petition that complies with
 10 subdivisions (4) and (5) not later than thirty (30) days after
 11 publication in accordance with IC 5-3-1.

12 ~~(F)~~ (G) With respect to bonds issued or a lease entered into to
 13 open:

14 (i) a new school facility; or

15 (ii) an existing facility that has not been used for at least
 16 three (3) years and that is being reopened to provide
 17 additional classroom space;

18 the estimated costs the school corporation expects to incur
 19 annually to operate the facility.

20 ~~(G)~~ (H) A statement of whether the school corporation expects
 21 to appeal for a new facility adjustment (as defined in
 22 IC 20-45-1-16 (repealed) before January 1, 2009) for an
 23 increased maximum permissible tuition support levy to pay the
 24 estimated costs described in clause ~~(F)~~: (G).

25 ~~(H)~~ (I) The political subdivision's current debt service levy and
 26 rate and the estimated increase to the political subdivision's
 27 debt service levy and rate that will result if the political
 28 subdivision issues the bonds or enters into the lease.

29 (4) After notice is given, a petition requesting the application of
 30 a petition and remonstrance process may be filed by the lesser of:

31 (A) one hundred (100) persons who are either owners of
 32 property within the political subdivision or registered voters
 33 residing within the political subdivision; or

34 (B) five percent (5%) of the registered voters residing within
 35 the political subdivision.

36 (5) The state board of accounts shall design and, upon request by
 37 the county voter registration office, deliver to the county voter
 38 registration office or the county voter registration office's
 39 designated printer the petition forms to be used solely in the
 40 petition process described in this section. The county voter
 41 registration office shall issue to an owner or owners of property
 42 within the political subdivision or a registered voter residing

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1 within the political subdivision the number of petition forms
 2 requested by the owner or owners or the registered voter. Each
 3 form must be accompanied by instructions detailing the
 4 requirements that:

5 (A) the carrier and signers must be owners of property or
 6 registered voters;

7 (B) the carrier must be a signatory on at least one (1) petition;

8 (C) after the signatures have been collected, the carrier must
 9 swear or affirm before a notary public that the carrier
 10 witnessed each signature; and

11 (D) govern the closing date for the petition period.

12 Persons requesting forms may be required to identify themselves
 13 as owners of property or registered voters and may be allowed to
 14 pick up additional copies to distribute to other owners of property
 15 or registered voters. Each person signing a petition must indicate
 16 whether the person is signing the petition as a registered voter
 17 within the political subdivision or is signing the petition as the
 18 owner of property within the political subdivision. A person who
 19 signs a petition as a registered voter must indicate the address at
 20 which the person is registered to vote. A person who signs a
 21 petition as an owner of property must indicate the address of the
 22 property owned by the person in the political subdivision.

23 (6) Each petition must be verified under oath by at least one (1)
 24 qualified petitioner in a manner prescribed by the state board of
 25 accounts before the petition is filed with the county voter
 26 registration office under subdivision (7).

27 (7) Each petition must be filed with the county voter registration
 28 office not more than thirty (30) days after publication under
 29 subdivision (2) of the notice of the preliminary determination.

30 (8) The county voter registration office shall determine whether
 31 each person who signed the petition is a registered voter. The
 32 county voter registration office shall, not more than fifteen (15)
 33 business days after receiving a petition, forward a copy of the
 34 petition to the county auditor. Not more than ten (10) business
 35 days after receiving the copy of the petition, the county auditor
 36 shall provide to the county voter registration office a statement
 37 verifying:

38 (A) whether a person who signed the petition as a registered
 39 voter but is not a registered voter, as determined by the county
 40 voter registration office, is the owner of property in the
 41 political subdivision; and

42 (B) whether a person who signed the petition as an owner of

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1 property within the political subdivision does in fact own
 2 property within the political subdivision.
 3 (9) The county voter registration office shall, not more than ten
 4 (10) business days after receiving the statement from the county
 5 auditor under subdivision (8), make the final determination of the
 6 number of petitioners that are registered voters in the political
 7 subdivision and, based on the statement provided by the county
 8 auditor, the number of petitioners that own property within the
 9 political subdivision. Whenever the name of an individual who
 10 signs a petition form as a registered voter contains a minor
 11 variation from the name of the registered voter as set forth in the
 12 records of the county voter registration office, the signature is
 13 presumed to be valid, and there is a presumption that the
 14 individual is entitled to sign the petition under this section. Except
 15 as otherwise provided in this chapter, in determining whether an
 16 individual is a registered voter, the county voter registration office
 17 shall apply the requirements and procedures used under IC 3 to
 18 determine whether a person is a registered voter for purposes of
 19 voting in an election governed by IC 3. However, an individual is
 20 not required to comply with the provisions concerning providing
 21 proof of identification to be considered a registered voter for
 22 purposes of this chapter. A person is entitled to sign a petition
 23 only one (1) time in a particular petition and remonstrance
 24 process under this chapter, regardless of whether the person owns
 25 more than one (1) parcel of real property, mobile home assessed
 26 as personal property, or manufactured home assessed as personal
 27 property, or a combination of those types of property within the
 28 **political** subdivision and regardless of whether the person is both
 29 a registered voter in the political subdivision and the owner of
 30 property within the political subdivision. Notwithstanding any
 31 other provision of this section, if a petition is presented to the
 32 county voter registration office within forty-five (45) days before
 33 an election, the county voter registration office may defer acting
 34 on the petition, and the time requirements under this section for
 35 action by the county voter registration office do not begin to run
 36 until five (5) days after the date of the election.
 37 (10) The county voter registration office must file a certificate and
 38 each petition with:
 39 (A) the township trustee, if the political subdivision is a
 40 township, who shall present the petition or petitions to the
 41 township board; or
 42 (B) the body that has the authority to authorize the issuance of

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1 the bonds or the execution of a lease, if the political
 2 subdivision is not a township;
 3 within thirty-five (35) business days of the filing of the petition
 4 requesting a petition and remonstrance process. The certificate
 5 must state the number of petitioners that are owners of property
 6 within the political subdivision and the number of petitioners who
 7 are registered voters residing within the political subdivision.

8 If a sufficient petition requesting a petition and remonstrance process
 9 is not filed by owners of property or registered voters as set forth in this
 10 section, the political subdivision may issue bonds or enter into a lease
 11 by following the provisions of law relating to the bonds to be issued or
 12 lease to be entered into.

13 (c) This subsection applies only to a political subdivision that, after
 14 April 30, 2011, adopts an ordinance or a resolution making a
 15 preliminary determination to issue bonds or enter into a lease subject
 16 to this section and section 3.2 of this chapter. A political subdivision
 17 may not artificially divide a capital project into multiple capital
 18 projects in order to avoid the requirements of this section and section
 19 3.2 of this chapter.

20 SECTION 4. IC 6-1.1-20-3.5, AS AMENDED BY P.L.113-2010,
 21 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2013]: Sec. 3.5. (a) This section applies only to a controlled
 23 project that meets the following conditions:

24 (1) The controlled project is described in one (1) of the following
 25 categories:

26 (A) An elementary school building, middle school building, or
 27 other school building for academic instruction: ~~that~~

28 (i) ~~that~~ will be used for any combination of kindergarten
 29 through grade 8;

30 (ii) ~~that~~ will not be used for any combination of grade 9
 31 through grade 12; and

32 (iii) ~~will cost more than for which the amount financed~~
 33 ~~will exceed~~ ten million dollars (\$10,000,000).

34 (B) A high school building or other school building for
 35 academic instruction: ~~that~~

36 (i) ~~that~~ will be used for any combination of grade 9 through
 37 grade 12;

38 (ii) ~~that~~ will not be used for any combination of
 39 kindergarten through grade 8; and

40 (iii) ~~will cost more than for which the amount financed~~
 41 ~~will exceed~~ twenty million dollars (\$20,000,000).

42 (C) Any other controlled project ~~that~~: **of a political**

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subdivision:

(i) **that** is not a controlled project described in clause (A) or (B); and

(ii) ~~will cost the political subdivision more than for which~~ **the amount financed will exceed** the lesser of twelve million dollars (\$12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars (\$1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through ~~(3)(G)~~: **(3)(I)**.

After June 30, 2013, the resolution or ordinance making a

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preliminary determination to issue bonds or enter into a lease must include a provision that specifies the amounts of the political subdivision's cash the political subdivision is reserving exclusively for expenditure on the controlled project, if any.

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

- (A) publication in accordance with IC 5-3-1; and
- (B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

- (A) The maximum term of the bonds or lease.
- (B) The maximum principal amount of the bonds or the maximum lease rental for the lease.
- (C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) For a preliminary determination to issue bonds or enter into a lease made after June 30, 2013, the amounts of the political subdivision's cash balances the political subdivision is reserving exclusively for expenditure on the controlled project, if any.

- ~~(D)~~ (E) The purpose of the bonds or lease.
- ~~(E)~~ (F) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

~~(F)~~ (G) With respect to bonds issued or a lease entered into to open:

- (i) a new school facility; or
- (ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

~~(G)~~ (H) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

~~(H)~~ (I) The information specified in subdivision (1)(A) through (1)(B).

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(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration

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1 office not more than thirty (30) days after publication under
2 subdivision (2) of the notice of the preliminary determination.

3 (8) The county voter registration office shall determine whether
4 each person who signed the petition is a registered voter.
5 However, after the county voter registration office has determined
6 that at least one hundred twenty-five (125) persons who signed
7 the petition are registered voters within the political subdivision,
8 the county voter registration office is not required to verify
9 whether the remaining persons who signed the petition are
10 registered voters. If the county voter registration office does not
11 determine that at least one hundred twenty-five (125) persons who
12 signed the petition are registered voters, the county voter
13 registration office, not more than fifteen (15) business days after
14 receiving a petition, shall forward a copy of the petition to the
15 county auditor. Not more than ten (10) business days after
16 receiving the copy of the petition, the county auditor shall provide
17 to the county voter registration office a statement verifying:

18 (A) whether a person who signed the petition as a registered
19 voter but is not a registered voter, as determined by the county
20 voter registration office, is the owner of property in the
21 political subdivision; and

22 (B) whether a person who signed the petition as an owner of
23 property within the political subdivision does in fact own
24 property within the political subdivision.

25 (9) The county voter registration office, not more than ten (10)
26 business days after determining that at least one hundred
27 twenty-five (125) persons who signed the petition are registered
28 voters or after receiving the statement from the county auditor
29 under subdivision (8) (as applicable), shall make the final
30 determination of whether a sufficient number of persons have
31 signed the petition. Whenever the name of an individual who
32 signs a petition form as a registered voter contains a minor
33 variation from the name of the registered voter as set forth in the
34 records of the county voter registration office, the signature is
35 presumed to be valid, and there is a presumption that the
36 individual is entitled to sign the petition under this section. Except
37 as otherwise provided in this chapter, in determining whether an
38 individual is a registered voter, the county voter registration office
39 shall apply the requirements and procedures used under IC 3 to
40 determine whether a person is a registered voter for purposes of
41 voting in an election governed by IC 3. However, an individual is
42 not required to comply with the provisions concerning providing

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1 proof of identification to be considered a registered voter for
 2 purposes of this chapter. A person is entitled to sign a petition
 3 only one (1) time in a particular referendum process under this
 4 chapter, regardless of whether the person owns more than one (1)
 5 parcel of real property, mobile home assessed as personal
 6 property, or manufactured home assessed as personal property or
 7 a combination of those types of property within the political
 8 subdivision and regardless of whether the person is both a
 9 registered voter in the political subdivision and the owner of
 10 property within the political subdivision. Notwithstanding any
 11 other provision of this section, if a petition is presented to the
 12 county voter registration office within forty-five (45) days before
 13 an election, the county voter registration office may defer acting
 14 on the petition, and the time requirements under this section for
 15 action by the county voter registration office do not begin to run
 16 until five (5) days after the date of the election.

17 (10) The county voter registration office must file a certificate and
 18 each petition with:

19 (A) the township trustee, if the political subdivision is a
 20 township, who shall present the petition or petitions to the
 21 township board; or

22 (B) the body that has the authority to authorize the issuance of
 23 the bonds or the execution of a lease, if the political
 24 subdivision is not a township;

25 within thirty-five (35) business days of the filing of the petition
 26 requesting the referendum process. The certificate must state the
 27 number of petitioners who are owners of property within the
 28 political subdivision and the number of petitioners who are
 29 registered voters residing within the political subdivision.

30 (11) If a sufficient petition requesting the local public question
 31 process is not filed by owners of property or registered voters as
 32 set forth in this section, the political subdivision may issue bonds
 33 or enter into a lease by following the provisions of law relating to
 34 the bonds to be issued or lease to be entered into.

35 (c) If the proper officers of a political subdivision make a
 36 preliminary determination to issue bonds or enter into a lease, the
 37 officers shall provide to the county auditor:

- 38 (1) a copy of the notice required by subsection (b)(2); and
- 39 (2) any other information the county auditor requires to fulfill the
 40 county auditor's duties under section 3.6 of this chapter.

41 SECTION 5. IC 6-1.1-20-3.6, AS AMENDED BY P.L.198-2011,
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2013]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8
2 of this chapter, this section applies only to a controlled project
3 described in section 3.5(a) of this chapter.

4 (b) If a sufficient petition requesting the application of the local
5 public question process has been filed as set forth in section 3.5 of this
6 chapter, a political subdivision may not impose property taxes to pay
7 debt service on bonds or lease rentals on a lease for a controlled project
8 unless the political subdivision's proposed debt service or lease rental
9 is approved in an election on a local public question held under this
10 section.

11 (c) Except as provided in subsection (l), the following question shall
12 be submitted to the eligible voters at the election conducted under this
13 section:

14 "Shall _____ (insert the name of the political subdivision)
15 issue bonds or enter into a lease to finance _____ (insert
16 a brief description of the controlled project), **for which is the**
17 **estimated to cost amount to be financed is** not more than
18 _____ (insert the total ~~cost of~~ **amount to be financed for**
19 project) and is estimated to increase the property tax rate for debt
20 service by _____ (insert increase in tax rate as determined
21 by the department of local government finance)?"

22 The public question must appear on the ballot in the form approved by
23 the county election board. If the political subdivision proposing to issue
24 bonds or enter into a lease is located in more than one (1) county, the
25 county election board of each county shall jointly approve the form of
26 the public question that will appear on the ballot in each county. The
27 form approved by the county election board may differ from the
28 language certified to the county election board by the county auditor.
29 If the county election board approves the language of a public question
30 under this subsection, the county election board shall submit the
31 language to the department of local government finance for review.

32 (d) This subsection applies to ballot language submitted by the
33 county election board under subsection (c) before May 1, 2011. The
34 department of local government finance shall review the language of
35 the public question to evaluate whether the description of the
36 controlled project is accurate and is not biased against either a vote in
37 favor of the controlled project or a vote against the controlled project.
38 The department of local government finance may recommend that the
39 ballot language be used as submitted or recommend modifications to
40 the ballot language as necessary to ensure that the description of the
41 controlled project is accurate and is not biased. The department of local
42 government finance shall send its recommendations to the county

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1 election board not more than ten (10) days after the language of the
 2 public question is submitted to the department for review. After
 3 reviewing the recommendations of the department of local government
 4 finance under this subsection, the county election board shall take final
 5 action to approve ballot language. The finally adopted ballot language
 6 may differ from the recommendations made by the department of local
 7 government finance.

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

30 (f) The county auditor shall certify the finally approved public
 31 question under IC 3-10-9-3 to the county election board of each county
 32 in which the political subdivision is located. The certification must
 33 occur not later than noon:

- 34 (1) sixty (60) days before a primary election if the public question
 35 is to be placed on the primary or municipal primary election
 36 ballot; or
 37 (2) August 1 if the public question is to be placed on the general
 38 or municipal election ballot.

39 Subject to the certification requirements and deadlines under this
 40 subsection and except as provided in subsection (1), the public question
 41 shall be placed on the ballot at the next primary election, general
 42 election, or municipal election in which all voters of the political

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

22 (g) The circuit court clerk shall certify the results of the public
 23 question to the following:

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

26 (2) The department of local government finance.

27 (h) Subject to the requirements of IC 6-1.1-18.5-8, the political
 28 subdivision may issue the proposed bonds or enter into the proposed
 29 lease rental if a majority of the eligible voters voting on the public
 30 question vote in favor of the public question.

31 (i) If a majority of the eligible voters voting on the public question
 32 vote in opposition to the public question, both of the following apply:

33 (1) The political subdivision may not issue the proposed bonds or
 34 enter into the proposed lease rental.

35 (2) Another public question under this section on the same or a
 36 substantially similar project may not be submitted to the voters
 37 earlier than:

38 **(A) the comparable election date in May or November in**
 39 **the immediately following year, if the vote on the previous**
 40 **public question was held on a May or November election**
 41 **date; or**

42 **(B) one (1) year after the date of the election, if the vote on**

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the previous public question was held at a special election.

(j) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(k) A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.5 of this chapter.

(l) This subsection applies to a political subdivision for which a petition requesting a public question has been submitted under section 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of the political subdivision may adopt a resolution to withdraw a controlled project from consideration in a public question. If the legislative body provides a certified copy of the resolution to the county auditor and the county election board not later than forty-nine (49) days before the election at which the public question would be on the ballot, the public question on the controlled project shall not be placed on the ballot and the public question on the controlled project shall not be held, regardless of whether the county auditor has certified the public question to the county election board. If the withdrawal of a public question under this subsection requires the county election board to reprint ballots, the political subdivision withdrawing the public question shall pay the costs of reprinting the ballots. If a political subdivision withdraws a public question under this subsection that would have been held at a special election and the county election board has printed the ballots before the legislative body of the political subdivision provides a certified copy of the withdrawal resolution to the county auditor and the county election board, the political subdivision withdrawing the public question shall pay the costs incurred by the county in printing the ballots. If a public question on a controlled project is withdrawn under this subsection, a public question under this section on the same controlled project or a substantially similar controlled project may not be submitted to the voters earlier than one (1) year after the date the resolution withdrawing the public question is adopted.

(m) If a public question regarding a controlled project is placed on the ballot to be voted on at a public question under this section, the political subdivision shall submit to the department of local government finance, at least thirty (30) days before the election, the following information regarding the proposed controlled project for posting on the department's Internet web site:

- (1) The cost per square foot of any buildings being constructed as part of the controlled project.
- (2) The effect that approval of the controlled project would have

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- 1 on the political subdivision's property tax rate.
- 2 (3) The maximum term of the bonds or lease.
- 3 (4) The maximum principal amount of the bonds or the maximum
- 4 lease rental for the lease.
- 5 (5) The estimated interest rates that will be paid and the total
- 6 interest costs associated with the bonds or lease.
- 7 **(6) For a preliminary determination to issue bonds or enter**
- 8 **into a lease made after June 30, 2013, the amounts of the**
- 9 **political subdivision's cash balances the political subdivision**
- 10 **is reserving exclusively for expenditure on the controlled**
- 11 **project, if any.**
- 12 ~~(7)~~ (7) The purpose of the bonds or lease.
- 13 ~~(8)~~ **(8) In the case of a controlled project proposed by a school**
- 14 **corporation:**
- 15 (A) the current and proposed square footage of school building
- 16 space per student;
- 17 (B) enrollment patterns within the school corporation; and
- 18 (C) the age and condition of the current school facilities.
- 19 SECTION 6. IC 6-1.1-20-13 IS ADDED TO THE INDIANA CODE
- 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 21 1, 2013]: **Sec. 13. (a) A political subdivision may, in a resolution or**
- 22 **ordinance making a preliminary determination to issue bonds or**
- 23 **enter into a lease under this chapter, reserve all or part of the cash**
- 24 **available to the political subdivision exclusively for expenditure on**
- 25 **a controlled project only if:**
- 26 **(1) the amount reserved does not exceed the cash available to**
- 27 **the political subdivision at the time the money is reserved;**
- 28 **(2) none of the amount reserved has been designated for**
- 29 **another purpose; and**
- 30 **(3) the expenditure of the amount reserved for the controlled**
- 31 **project is otherwise authorized by law.**
- 32 **(b) If a political subdivision:**
- 33 **(1) is authorized to issue bonds or enter into a lease for a**
- 34 **controlled project under this chapter;**
- 35 **(2) had reserved cash of the political subdivision exclusively**
- 36 **for expenditure on the controlled project in a resolution or**
- 37 **ordinance adopted under this chapter making a preliminary**
- 38 **determination to issue bonds or enter into a lease for the**
- 39 **controlled project;**
- 40 **(3) proceeds with the controlled project and its financing after**
- 41 **complying with the applicable provisions of this chapter; and**
- 42 **(4) does not spend the cash reserved in the preliminary**

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1 **determination described in subdivision (2);**
2 **the part of the political subdivision's levy for the controlled project**
3 **is void.**

4 **(c) If a political subdivision:**

5 **(1) has reserved cash for expenditure on a controlled project**
6 **in a preliminary determination to issue bonds or enter into a**
7 **lease; and**

8 **(2) the political subdivision:**

9 **(A) is not authorized to proceed with the controlled project**
10 **because the result of the petition and remonstrance process**
11 **or the referendum process is negative; or**

12 **(B) withdraws its intention to proceed with the controlled**
13 **project;**

14 **the cash reserved for the controlled project in the preliminary**
15 **determination to issue bonds or enter into a lease is released for**
16 **other lawful uses by the political subdivision.**

17 SECTION 7. IC 20-46-1-19, AS AMENDED BY P.L.146-2008,
18 SECTION 503, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2013]: Sec. 19. If a majority of the persons who
20 voted in the referendum did not vote "yes" on the referendum question:

21 (1) the school corporation may not make any levy for its
22 referendum tax levy fund; and

23 (2) another referendum under this section may not be held for
24 earlier than:

25 **(A) the comparable election date in May or November in**
26 **the immediately following year, if the previous referendum**
27 **was held on a May or November election date; or**

28 **(B) one (1) year after the date of the referendum, if the**
29 **previous referendum was held at a special election.**

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