



Reprinted  
February 19, 2019

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## HOUSE BILL No. 1343

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DIGEST OF HB 1343 (Updated February 18, 2019 6:57 pm - DI 133)

**Citations Affected:** IC 6-1.1.

**Synopsis:** Libraries. Provides that, in the case of a public library outside Marion County, the fiscal body of a city, town, or county that established a public library the governing body of which is not comprised of a majority of officials who are elected to serve on the governing body may adopt a resolution to require the public library to submit its proposed budget and property tax levy to the city, town, or county fiscal body for binding review and approval in the same manner that is required under current law if the public library's budget is increasing faster than the assessed value growth quotient.

**Effective:** July 1, 2019.

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### Leonard, Sullivan, Frye R

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January 14, 2019, read first time and referred to Committee on Local Government.  
February 14, 2019, amended, reported — Do Pass.  
February 18, 2019, read second time, amended, ordered engrossed.

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HB 1343—LS 7012/DI 120





Reprinted  
February 19, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1343

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 6-1.1-17-20.3, AS ADDED BY P.L.137-2012,  
2 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 20.3. (a) **Except as provided in subsection (h)**,  
4 this section applies only to the governing body of a public library that:  
5 (1) is not comprised of a majority of officials who are elected to  
6 serve on the governing body; and  
7 (2) has a percentage increase in the proposed budget for the  
8 taxing unit for the ensuing calendar year that is more than the  
9 result of:  
10 (A) the assessed value growth quotient determined under  
11 IC 6-1.1-18.5-2 for the ensuing calendar year; minus  
12 (B) one (1).  
13 For purposes of this section, an individual who qualifies to be  
14 appointed to a governing body or serves on a governing body because  
15 of the individual's status as an elected official of another taxing unit  
16 shall be treated as an official who was not elected to serve on the  
17 governing body.

HB 1343—LS 7012/DI 120



1 (b) This section does not apply to an entity whose tax levies are  
 2 subject to review and modification by a city-county legislative body  
 3 under IC 36-3-6-9.

4 (c) If:

5 (1) the assessed valuation of a public library is entirely contained  
 6 within a city or town; or

7 (2) the assessed valuation of a public library is not entirely  
 8 contained within a city or town but the public library was  
 9 originally established by the city or town;

10 the governing body shall submit its proposed budget and property tax  
 11 levy to the city or town fiscal body in the manner prescribed by the  
 12 department of local government finance before September 2 of a year.  
 13 However, the governing body shall submit its proposed budget and  
 14 property tax levy to the county fiscal body in the manner provided in  
 15 subsection (d), rather than to the city or town fiscal body, if more than  
 16 fifty percent (50%) of the parcels of real property within the  
 17 jurisdiction of the public library are located outside the city or town.

18 (d) If subsection (c) does not apply, the governing body of the public  
 19 library shall submit its proposed budget and property tax levy to the  
 20 county fiscal body in the county where the public library has the most  
 21 assessed valuation. The proposed budget and levy shall be submitted  
 22 to the county fiscal body in the manner prescribed by the department  
 23 of local government finance before September 2 of a year.

24 (e) The fiscal body of the city, town, or county (whichever applies)  
 25 shall review each budget and proposed tax levy and adopt a final  
 26 budget and tax levy for the public library. The fiscal body may reduce  
 27 or modify but not increase the proposed budget or tax levy.

28 (f) If a public library fails to file the information required in  
 29 subsection (c) or (d), whichever applies, with the appropriate fiscal  
 30 body by the time prescribed by this section, the most recent annual  
 31 appropriations and annual tax levy of that public library are continued  
 32 for the ensuing budget year.

33 (g) If the appropriate fiscal body fails to complete the requirements  
 34 of subsection (e) before the adoption deadline in section 5 of this  
 35 chapter for any public library subject to this section, the most recent  
 36 annual appropriations and annual tax levy of the city, town, or county,  
 37 whichever applies, are continued for the ensuing budget year.

38 **(h) Notwithstanding subsection (a)(2), the fiscal body of a city,**  
 39 **town, or county that established a public library the governing**  
 40 **body of which is not comprised of a majority of officials who are**  
 41 **elected to serve on the governing body may adopt a resolution to**  
 42 **require the public library to submit its proposed budget and**



1 **property tax levy to the city, town, or county fiscal body as set**  
 2 **forth in subsection (c) or (d) (whichever is applicable) for binding**  
 3 **review and approval as set forth under this section. However, the**  
 4 **fiscal body of the city, town, or county may not reduce a public**  
 5 **library's proposed operating budget in a budget year under this**  
 6 **subsection by a greater percentage than the percentage reduction**  
 7 **of any other taxing unit's operating budget over which the fiscal**  
 8 **body of the city, town, or county has oversight for the budget year.**  
 9 **A resolution may not be adopted under this subsection later than**  
 10 **sixty (60) days before the date on which the governing body is**  
 11 **required to submit its proposed budget and property tax levy**  
 12 **under this section. A resolution adopted under this subsection**  
 13 **remains in full force and effect until repealed by the fiscal body.**

14 SECTION 2. IC 6-1.1-18-5, AS AMENDED BY P.L.184-2016,  
 15 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2019]: Sec. 5. (a) If the proper officers of a political  
 17 subdivision desire to appropriate more money for a particular year than  
 18 the amount prescribed in the budget for that year as finally determined  
 19 under this article, they shall give notice of their proposed additional  
 20 appropriation. The notice shall state the time and place at which a  
 21 public hearing will be held on the proposal. The notice shall be given  
 22 once in accordance with IC 5-3-1-2(b).

23 (b) If the additional appropriation by the political subdivision is  
 24 made from a fund that receives:

25 (1) distributions from the motor vehicle highway account  
 26 established under IC 8-14-1-1 or the local road and street account  
 27 established under IC 8-14-2-4; or

28 (2) revenue from property taxes levied under IC 6-1.1;

29 the political subdivision must report the additional appropriation to the  
 30 department of local government finance. If the additional appropriation  
 31 is made from a fund described under this subsection, subsections (f),  
 32 (g), (h), and (i) apply to the political subdivision.

33 (c) However, if the additional appropriation is not made from a fund  
 34 described under subsection (b), subsections (f), (g), (h), and (i) do not  
 35 apply to the political subdivision. Subsections (f), (g), (h), and (i) do  
 36 not apply to an additional appropriation made from the cumulative  
 37 bridge fund if the appropriation meets the requirements under  
 38 IC 8-16-3-3(c).

39 (d) A political subdivision may make an additional appropriation  
 40 without approval of the department of local government finance if the  
 41 additional appropriation is made from a fund that is not described  
 42 under subsection (b). However, the fiscal officer of the political



1 subdivision shall report the additional appropriation to the department  
2 of local government finance.

3 (e) After the public hearing, the proper officers of the political  
4 subdivision shall file a certified copy of their final proposal and any  
5 other relevant information to the department of local government  
6 finance.

7 (f) When the department of local government finance receives a  
8 certified copy of a proposal for an additional appropriation under  
9 subsection (e), the department shall determine whether sufficient funds  
10 are available or will be available for the proposal. The determination  
11 shall be made in writing and sent to the political subdivision not more  
12 than fifteen (15) days after the department of local government finance  
13 receives the proposal.

14 (g) In making the determination under subsection (f), the  
15 department of local government finance shall limit the amount of the  
16 additional appropriation to revenues available, or to be made available,  
17 which have not been previously appropriated.

18 (h) If the department of local government finance disapproves an  
19 additional appropriation under subsection (f), the department shall  
20 specify the reason for its disapproval on the determination sent to the  
21 political subdivision.

22 (i) A political subdivision may request a reconsideration of a  
23 determination of the department of local government finance under this  
24 section by filing a written request for reconsideration. A request for  
25 reconsideration must:

26 (1) be filed with the department of local government finance  
27 within fifteen (15) days of the receipt of the determination by the  
28 political subdivision; and

29 (2) state with reasonable specificity the reason for the request.

30 The department of local government finance must act on a request for  
31 reconsideration within fifteen (15) days of receiving the request.

32 (j) This subsection applies to an additional appropriation by a  
33 political subdivision that must have the political subdivision's annual  
34 appropriations and annual tax levy adopted by a city, town, or county  
35 fiscal body under IC 6-1.1-17-20 or IC 36-1-23 or by a legislative or  
36 fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city,  
37 town, or county that adopted the political subdivision's annual  
38 appropriation and annual tax levy must adopt the additional  
39 appropriation by ordinance before the department of local government  
40 finance may approve the additional appropriation.

41 (k) This subsection applies to a public library that is not required to  
42 submit the public library's budgets, tax rates, and tax levies for binding



1 review and approval under IC 6-1.1-17-20 or **IC 6-1.1-17-20.3(h)**. If  
2 a public library subject to this subsection proposes to make an  
3 additional appropriation for a year, and the additional appropriation  
4 would result in the budget for the library for that year increasing (as  
5 compared to the previous year) by a percentage that is greater than the  
6 result of the assessed value growth quotient determined under  
7 IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional  
8 appropriation must first be approved by the city, town, or county fiscal  
9 body described in IC 6-1.1-17-20.3(c) or ~~IC 6-1.1-17-20(d)~~;  
10 **IC 6-1.1-17-20.3(d)**, as appropriate.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1343, 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 1, line 3, delete "This" and insert "**Except as provided in subsection (h),** this".

Page 1, line 4, after "that" insert ":".

Page 1, line 5, reset in roman "(1)".

Page 1, line 6, delete "body." and insert "body;"

Page 1, line 6, reset in roman "and".

Page 1, reset in roman lines 7 through 12.

Page 2, between lines 37 and 38, begin a new paragraph and insert:

**"(h) Notwithstanding subsection (a)(2), the fiscal body of a city, town, or county that established a public library the governing body of which is not comprised of a majority of officials who are elected to serve on the governing body may adopt a resolution to require the public library to submit its proposed budget and property tax levy to the city, town, or county fiscal body as set forth in subsection (c) or (d) (whichever is applicable) for binding review and approval as set forth under this section. A resolution may not be adopted under this subsection later than sixty (60) days before the date on which the governing body is required to submit its proposed budget and property tax levy under this section. A resolution adopted under this subsection remains in full force and effect until repealed by the fiscal body."**

Page 4, line 25, delete "IC 6-1.1-17-20." and insert "IC 6-1.1-17-20 or **IC 6-1.1-17-20.3(h).**".

Page 4, line 27, reset in roman "and the additional appropriation would result in the budget for the".

Page 4, reset in roman lines 28 through 30.

Page 4, line 31, reset in roman "one (1)".

and when so amended that said bill do pass.

(Reference is to HB 1343 as introduced.)

ZENT

Committee Vote: yeas 6, nays 5.

HB 1343—LS 7012/DI 120





## HOUSE MOTION

Mr. Speaker: I move that House Bill 1343 be amended to read as follows:

Page 3, line 3, after "section." insert "**However, the fiscal body of the city, town, or county may not reduce a public library's proposed operating budget in a budget year under this subsection by a greater percentage than the percentage reduction of any other taxing unit's operating budget over which the fiscal body of the city, town, or county has oversight for the budget year.**".

(Reference is to HB 1343 as printed February 15, 2019.)

LEONARD

