

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.

SENATE ENROLLED ACT No. 127

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-20-3.5, AS AMENDED BY P.L.246-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

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

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that will be used for any combination of kindergarten through grade 12 and will cost more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is ten million dollars (\$10,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold

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amount is an amount (as determined by the department of local government finance) equal to the result of the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the assessed value growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) 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 total gross assessed value is more than one billion dollars (\$1,000,000,000), or ten million dollars (\$10,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one billion dollars (\$1,000,000,000).

(B) Any other controlled project that is not a controlled project described in clause (A) and will cost the political subdivision more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year



after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the assessed value growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) 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 total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(C) Any other controlled project for which a political subdivision adopts an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project, if the sum of:

- (i) the cost of that controlled project; plus
- (ii) the costs of all other controlled projects for which the political subdivision has previously adopted within the preceding three hundred sixty-five (365) days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects;

exceeds twenty-five million dollars (\$25,000,000).

(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) **Subject to subsection (d)**, 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 at least two (2) public hearings on the preliminary determination before adoption



of the ordinance or resolution. The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings 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).
- (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) The purpose of the bonds or lease.
 - (E) 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) 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) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) 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.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

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

(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) five hundred (500) 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 office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least five hundred twenty-five (525) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

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

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



(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred twenty-five (525) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8), as applicable, shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

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

- (A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or
- (B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;



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

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

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

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

(d) In addition to the procedures in subsection (b), if any capital improvement components addressed in the most recent:

(1) threat assessment of the buildings within the school corporation; or

(2) school safety plan (as described in IC 20-26-18.2-2(b)); concerning a particular school have not been completed or require additional funding to be completed, before the school corporation may impose property taxes to pay debt service on bonds or lease rentals for a lease for a controlled project, and in addition to any other components of the controlled project, the controlled project must include any capital improvements necessary to complete those components described in subdivisions (1) and (2) that have not been completed or that require additional funding to be completed.

SECTION 2. IC 6-1.1-20.6-9.5, AS AMENDED BY P.L.218-2013, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9.5. (a) This section applies only to credits under this chapter against property taxes first due and payable after December 31, 2006.

(b) The application of the credit under this chapter results in a reduction of the property tax collections of each political subdivision in which the credit is applied. Except as provided in IC 20-46-1 **and IC 20-46-9**, a political subdivision may not increase its property tax levy to make up for that reduction.

(c) A political subdivision may not borrow money to compensate the political subdivision or any other political subdivision for the reduction



of property tax collections referred to in subsection (b).

SECTION 3. IC 10-21-1-2, AS ADDED BY P.L.172-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The Indiana secured school fund is established to provide matching grants to enable school corporations and charter schools to establish programs under which a school corporation or charter school (or a coalition of schools) may:

- (1) employ a school resource officer or enter into a contract or a memorandum of understanding with a:
 - (A) local law enforcement agency;
 - (B) private entity; or
 - (C) nonprofit corporation;
 to employ a school resource officer;
- (2) conduct a threat assessment of the buildings within a school corporation or operated by a charter school; or
- (3) purchase equipment and technology to:
 - (A) restrict access to school property; or
 - (B) expedite notification of first responders.

(b) A school corporation or charter school may use money received under a matching grant for a purpose listed in subsection (a) to provide a response to a threat in a manner that the school corporation or charter school sees fit, including firearms training or other self-defense training.

~~(b)~~ (c) The fund shall be administered by the department of homeland security.

~~(c)~~ (d) The fund consists of:

- (1) appropriations from the general assembly;
- (2) grants from the Indiana safe schools fund established by IC 5-2-10.1-2;
- (3) federal grants; and
- (4) amounts deposited from any other public or private source.

~~(d)~~ (e) The expenses of administering the fund shall be paid from money in the fund.

~~(e)~~ (f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

~~(f)~~ (g) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 4. IC 20-26-18.2-2, AS ADDED BY P.L.172-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) A school resource officer may be employed:



- (1) by one (1) or more school corporations or charter schools through a contract between a local law enforcement agency and the school corporation or school corporations or the charter school or charter schools;
- (2) by one (1) or more school corporations or charter schools;
- (3) by a local law enforcement agency that assigns the school resource officer to one (1) or more school corporations or charter schools through a memorandum of understanding between the local law enforcement agency and the school corporation or school corporations or the charter school or charter schools; or
- (4) through a contract between an Indiana business that employs persons who meet the qualifications of a school resource officer and the school corporation or school corporations or the charter school or charter schools.

(b) A contract or memorandum of understanding entered into under subsection (a) must state the nature and scope of a school resource officer's duties and responsibilities. A school resource officer's duties and responsibilities include the duty to assist the school corporation's school safety specialist with the development and implementation of a school safety plan that does the following:

- (1) Protects against outside threats to the physical safety of students.
- (2) Prevents unauthorized access to school property.
- (3) Secures schools against violence and natural disasters.

(c) A school resource officer shall consult with local law enforcement officials and first responders when assisting the school corporation's school safety specialist in the development of the school safety plan.

(d) A school resource officer shall participate in the development of programs designed to identify, assess, and provide assistance to troubled youth.

(e) A school resource officer may not be reassigned to other duties by the school corporation.

SECTION 5. IC 20-29-2-6, AS AMENDED BY P.L.213-2018(ss), SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. "Deficit financing" for a budget year:

- (1) means, except as provided in subdivision (2), actual expenditures exceeding the employer's current year actual education fund revenue and, for a school employer for which the voters have passed an operating referendum tax levy under IC 20-46-1 **or a school safety referendum tax levy under IC 20-46-9**, the amount of revenue certified by the department of



local government finance; or

(2) means, in the case of any distressed school corporation, the Gary Community School Corporation, or the Muncie Community school corporation, actual expenditures plus additional payments against any outstanding debt obligations exceeding the employer's current year actual education fund revenue, and, for a school employer for which the voters have passed an operating referendum tax levy under IC 20-46-1 **or a school safety referendum tax levy under IC 20-46-9**, the amount of revenue certified by the department of local government finance.

Revenue does not include money estimated to be or actually transferred from the school corporation's operations fund to its education fund.

SECTION 6. IC 20-29-6-12.5, AS AMENDED BY P.L.244-2017, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12.5. (a) Before September 15 of the first year of the state budget biennium, the department shall provide the parties with an estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining in the school corporation from the school funding formula.

(b) Within thirty (30) days after the date of the fall count of ADM of the school year in the first year of the state budget biennium, the department shall provide the parties with a certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining from the school funding formula. If the parties do not receive a certified estimate from the department within thirty (30) days after the fall count of ADM, the parties may use the school corporation's estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available based on the school corporation's fall count of ADM for purposes of collective bargaining. However, if the parties subsequently receive the certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining before an impasse is declared, the parties shall use the certified general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue from the school funding formula for purposes of collective bargaining.

(c) A school employer for which the voters have passed a general fund operating referendum (before January 1, 2019), **or** an operating referendum tax levy (after December 31, 2018) under IC 20-46-1, **or a school safety referendum tax levy under IC 20-46-9** must have that amount certified by the department of local government finance.

(d) The school corporation must obtain the certification described



in subsection (c) before the conclusion of bargaining. The certifications or estimate described in subsection (b) must be the basis for determinations throughout impasse proceedings under this chapter.

SECTION 7. IC 20-29-8-7, AS AMENDED BY P.L.244-2017, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) When a factfinder is requested or required under IC 20-29-6, the board shall appoint a factfinder.

(b) The factfinder shall make an investigation and hold hearings as the factfinder considers necessary in connection with a dispute.

(c) The factfinder:

- (1) may restrict the factfinder's findings to those issues that the factfinder determines significant;
- (2) must restrict the findings to the items listed in IC 20-29-6-4; and
- (3) may not impose terms beyond those proposed by the parties in their last, best offers.

(d) The factfinder may use evidence furnished to the factfinder by:

- (1) the parties;
- (2) the board;
- (3) the board's staff; or
- (4) any other state agency.

(e) The factfinder shall conduct the factfinding hearing in public in a room or facility owned by the county or local unit of government located in the county in which the school employer is located, or if the school employer is located in more than one (1) county, in the county in which the greatest number of students who attend the school employer's schools reside. The public hearing may begin not earlier than November 15 in the first year of the state budget biennium and must be concluded by February 15 of the calendar year after the start of formal collective bargaining.

(f) The factfinding process may not exceed thirty (30) days from beginning to end, and not more than two (2) of those days may be used for public testimony, which may be taken at the discretion of the factfinder. During the public hearing, each party shall present fully its last, best offer, including the fiscal rationale for the offer. Only education fund revenue and, for a school employer for which the voters have passed an operating referendum tax levy under IC 20-46-1 **or a school safety referendum tax levy under IC 20-46-9**, the amount of revenue certified by the department of local government finance, may be considered a source of the funding for items. Money estimated to be or actually transferred from the school corporation's operations fund to its education fund may not be considered a source of funding for items.



(g) The factfinder shall make a recommendation as to the settlement of the disputes over which the factfinder has jurisdiction.

(h) The factfinder shall:

- (1) make the investigation, hearing, and findings as expeditiously as the circumstances permit; and
- (2) deliver the findings to the parties and to the board.

(i) The board, after receiving the findings and recommendations, may make additional findings and recommendations to the parties based on information in:

- (1) the report; or
- (2) the board's own possession.

The board may not make any recommendations to the parties related to any items not specifically identified in IC 20-29-6-4.

(j) At any time within five (5) days after the findings and recommendations are delivered to the board, the board may make the findings and recommendations of the factfinder and the board's additional findings and recommendations, if any, available to the public through news media and other means the board considers effective.

(k) The board shall make the findings and recommendations described in subsection (j) available to the public not later than ten (10) days after the findings and recommendations are delivered to the board.

SECTION 8. IC 20-40-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 20. School Safety Referendum Tax Levy Fund

Sec. 1. As used in this chapter, "fund" refers to a school safety referendum tax levy fund established under section 4 of this chapter.

Sec. 2. As used in this chapter, "levy" refers to a school safety referendum tax levy imposed under IC 20-46-9 for the fund.

Sec. 3. As used in this chapter, "school resource officer" has the meaning set forth in IC 20-26-18.2-1.

Sec. 4. The governing body of each school corporation for which a levy is approved under IC 20-46-9 shall establish a school safety referendum tax levy fund.

Sec. 5. Property tax collections from a levy shall be deposited in the fund.

Sec. 6. (a) Subject to subsections (b) and (c), money in the fund may be used only for the following purposes:

- (1) To employ or compensate a school resource officer or school resource officers.**



- (2) To establish or fund a school safety office.
 - (3) To conduct a threat assessment of a school building.
 - (4) To create or update a school safety plan.
 - (5) To develop or update school emergency response systems.
 - (6) To purchase equipment to improve the safety of a school building, school grounds, or school buses.
 - (7) To pay capital expenses to improve the safety of a school building.
 - (8) To establish and administer programs to address youth specific mental illness, addiction, anger management, bullying, and school violence.
 - (9) To develop and administer professional development programs for teachers, administrators, and other school employees designed to improve school safety and reduce violence.
- (b) Expenditures paid using money collected from the levy shall be included in a school's safety plan.
- (c) Local law enforcement shall participate in:
- (1) development of a school safety plan;
 - (2) development or updates to school emergency response systems; and
 - (3) determination of capital expenses that would improve the safety of a school building.
- (d) Money in the fund may be transferred to the school corporation's education fund (IC 20-40-2), operations fund (IC 20-40-18), or school safety referendum debt service fund (IC 20-40-21), as applicable, to pay for expenditures listed in subsection (a).

SECTION 9. IC 20-40-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 21. School Safety Referendum Debt Service Fund

Sec. 1. As used in this chapter, "fund" refers to a school safety referendum debt service fund established under section 2 of this chapter.

Sec. 2. A school safety referendum debt service fund must be created by each school corporation for which a school safety referendum tax levy was approved by the voters in a referendum under IC 20-46-9.

Sec. 3. The fund consists of any amounts transferred into the fund from a school corporation's school safety referendum tax levy fund (IC 20-40-20).



Sec. 4. The fund may be used only to pay for the school corporation's debt service on bonds or obligations issued or incurred to pay for school safety referendum tax levy purposes described in IC 20-40-20-6(a).

SECTION 10. IC 20-46-1-8, AS AMENDED BY P.L.138-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 8. (a) Subject to **subsection (c)** and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for either of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(b) The governing body of the school corporation shall certify a copy of the resolution to the following:

(1) The department of local government finance, including the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(c) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or



(2) otherwise place a referendum under this chapter on the ballot.

SECTION 11. IC 20-46-1-19.5, AS ADDED BY P.L.198-2011, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19.5. (a) **Subject to section 8(c) of this chapter**, if a referendum is approved by the voters in a school corporation under this chapter in a calendar year, another referendum may not be placed on the ballot in the school corporation under this chapter in the following calendar year.

(b) Notwithstanding any other provision of this chapter and in addition to the restriction specified in subsection (a), if a school corporation imposes in a calendar year a referendum levy approved in a referendum under this chapter, the school corporation may not simultaneously impose in that calendar year more than one (1) additional referendum levy approved in a subsequent referendum under this chapter.

SECTION 12. IC 20-46-9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 9. School Safety Referendum Tax Levy

Sec. 1. As used in this chapter, "fund" refers to a school safety referendum tax levy fund established by the governing body of a school corporation under IC 20-40-20-4.

Sec. 2. As used in this chapter, "levy" refers to the property tax levy imposed under this chapter.

Sec. 3. As used in this chapter, "referendum" refers to a referendum under this chapter.

Sec. 4. As used in this chapter, "resolution to extend a referendum levy" refers to a resolution adopted under sections 6 and 7 of this chapter to place a referendum on the ballot requesting authority to continue imposing a tax rate, which is the same as or lower than the tax rate previously approved by the voters of the school corporation.

Sec. 5. A school corporation may impose a school safety referendum tax levy for the school corporation's fund in the amount allowed under sections 6 through 19 of this chapter, but the amount may not exceed ten cents (\$0.10) on each one hundred dollars (\$100) of assessed valuation.

Sec. 6. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot if the governing body of the school corporation determines that a referendum levy should be imposed



for measures to improve school safety as described in IC 20-40-20-6(a).

(b) The governing body of the school corporation shall certify a copy of the resolution to the following:

- (1) The department of local government finance, including the language for the question required by section 9 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance, section 10 of this chapter. The department shall review the language for compliance with section 9 or 10 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.
- (2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).
- (3) The circuit court clerk of each county in which the school corporation is located.

Sec. 7. A resolution to extend a referendum levy must be:

- (1) adopted by the governing body of a school corporation; and
- (2) approved in a referendum under this chapter;

before December 31 of the final calendar year in which the school corporation's previously approved referendum levy is imposed under this chapter.

Sec. 8. A referendum levy under this chapter may be put into effect only if a majority of the individuals who vote in a referendum that is conducted in accordance with this section and sections 9 through 19 of this chapter approve the school corporation's making a levy for the ensuing calendar year.

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

"For the __ (insert number) calendar year or years immediately following the holding of the referendum, shall the school corporation impose a property tax rate that does not exceed _____ (insert amount) cents (\$0.____) (insert amount) on each one hundred dollars (\$100) of assessed valuation and that is in addition to all other property taxes imposed by the school corporation for the purpose of funding



_____ (insert short description of purposes)?".

Sec. 10. (a) This section applies only to a referendum to allow a school corporation to extend a referendum levy.

(b) The question to be submitted to the voters in the referendum must read as follows:

"For the ____ (insert number) calendar year or years immediately following the holding of the referendum, shall the school corporation continue to impose a property tax rate that does not exceed _____ (insert amount) cents (\$0. ____ (insert amount) on each one hundred dollars (\$100) of assessed valuation and for the purpose of funding _____ (insert short description of purposes)?

The tax rate requested in this referendum was originally approved by the voters in the _____ (insert name of the school corporation) in _____ (insert the year in which the referendum tax levy was approved).".

(c) The number of years for which a referendum levy may be extended if the public question under this section is approved may not exceed the number of years for which the expiring referendum levy was imposed.

Sec. 11. The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates.

Sec. 12. The voters in a referendum may not approve a levy that is imposed for more than eight (8) years. However, a levy may be reimposed or extended under this chapter.

Sec. 13. Each circuit court clerk shall, upon receiving the question certified by the governing body of a school corporation under this chapter, call a meeting of the county election board to make arrangements for the referendum.

Sec. 14. (a) The referendum shall be held in the next primary election, general election, or municipal election in which all the registered voters who are residents of the school corporation are entitled to vote after certification of the question under IC 3-10-9-3. The certification of the question must occur not later than noon:



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

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

(b) However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this chapter and if the school corporation requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon:

(1) sixty (60) days before a special election to be held in May (if the special election is to be held in May); or

(2) August 1 (if the special election is to be held in November).

(c) If the referendum is not conducted at a primary election, general election, or municipal election, the school corporation in which the referendum is to be held shall pay all the costs of holding the referendum.

Sec. 15. Each county election board shall cause:

(1) the question certified to the circuit court clerk by the governing body of a school corporation to be placed on the ballot in the form prescribed by IC 3-10-9-4; and

(2) an adequate supply of ballots and voting equipment to be delivered to the precinct election board of each precinct in which the referendum is to be held.

Sec. 16. The individuals entitled to vote in the referendum are all of the registered voters resident in the school corporation.

Sec. 17. Each precinct election board shall count the affirmative votes and the negative votes cast in the referendum and shall certify those two (2) totals to the county election board of each county in which the referendum is held. The circuit court clerk of each county shall, immediately after the votes cast in the referendum have been counted, certify the results of the referendum to the department of local government finance. If a majority of the individuals who voted in the referendum voted "yes" on the referendum question:

(1) the department of local government finance shall promptly notify the school corporation that the school corporation is authorized to collect, for the calendar year that next follows the calendar year in which the referendum is held, a levy not



- greater than the amount approved in the referendum;
- (2) the levy may be imposed for the number of calendar years approved by the voters following the referendum for the school corporation in which the referendum is held; and
- (3) the school corporation shall establish a fund under IC 20-40-20-4.

Sec. 18. A school corporation's levy under this chapter may not be considered in the determination of the school corporation's state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

Sec. 19. (a) If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question:

- (1) the school corporation may not make any levy for its school safety referendum tax levy fund; and
- (2) another referendum under this chapter may not be held earlier than:
 - (A) except as provided in clause (B), seven hundred (700) days after the date of the referendum; or
 - (B) three hundred fifty (350) days after the date of the referendum, if a petition that meets the requirements of subsection (b) is submitted to the county auditor.

(b) If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question, a petition may be submitted to the county auditor to request that the limit under subsection (a)(2)(B) applies to the holding of a subsequent referendum by the school corporation. If such a petition is submitted to the county auditor and is signed by the lesser of:

- (1) five hundred (500) persons who are either owners of property within the school corporation or registered voters residing within the school corporation; or
- (2) five percent (5%) of the registered voters residing within the school corporation;

the limit under subsection (a)(2)(B) applies to the holding of a second referendum by the school corporation, and the limit under subsection (a)(2)(A) does not apply to the holding of a second referendum by the school corporation.

Sec. 20. (a) If a referendum is approved by the voters in a school corporation under this chapter in a calendar year, another referendum may not be placed on the ballot in the school corporation under this chapter in the following calendar year.

(b) Notwithstanding any other provision of this chapter and in addition to the restriction specified in subsection (a), if a school



corporation imposes in a calendar year a referendum levy approved in a referendum under this chapter, the school corporation may not simultaneously impose in that calendar year more than one (1) additional referendum levy approved in a subsequent referendum under this chapter.

Sec. 21. (a) Except as otherwise provided in this section, during the period beginning with the adoption of a resolution by the governing body of a school corporation to place a referendum under this chapter on the ballot and continuing through the day on which the referendum is submitted to the voters, the school corporation may not promote a position on the referendum by doing any of the following:

- (1)** Using facilities or equipment, including mail and messaging systems, owned by the school corporation to promote a position on the referendum, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the school corporation.
- (2)** Making an expenditure of money from a fund controlled by the school corporation to promote a position on the referendum.
- (3)** Using an employee to promote a position on the referendum during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the referendum at any time. However, if a person described in subsection (d) is advocating for or against a position on the referendum or discussing the referendum as authorized under subsection (d), an employee of the school corporation may assist the person in presenting information on the referendum, if requested to do so by the person described in subsection (d).
- (4)** Promoting a position on the referendum by:
 - (A)** using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position;
 - (B)** including a statement within another communication sent to the students' residences; or
 - (C)** initiating discussion of the referendum at a meeting between a teacher and parents of a student regarding the student's performance or behavior at school. However, if the parents initiate a discussion of the referendum at the meeting, the teacher may acknowledge the issue and direct the parents to a source of factual information on the



referendum.

However, this section does not prohibit an official or employee of the school corporation from carrying out duties with respect to a referendum that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the referendum in response to inquiries from any person.

(b) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes the referendum.

(c) This subsection does not apply to:

- (1) a personal expenditure to promote a position on a local public question by an employee of a school corporation whose employment is governed by a collective bargaining contract or an employment contract; or
- (2) an expenditure to promote a position on a local public question by a person or an organization that has a contract or an arrangement (whether formal or informal) with the school corporation solely for the use of the school corporation's facilities.

A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation to provide goods or services to the school corporation may not spend any money to promote a position on the petition or remonstrance. A person or an organization that violates this subsection commits a Class A infraction.

(d) Notwithstanding any other law, an elected or appointed school board member or a school corporation superintendent, school corporation assistant superintendent, or chief school business official of a school corporation may at any time:

- (1) personally advocate for or against a position on a referendum; or
- (2) discuss the referendum with any individual, group, or organization or personally advocate for or against a position on a referendum before any individual, group, or organization;

so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds. However, this subsection does not authorize or apply to advocacy or discussion by a school board member, superintendent, assistant superintendent, or school business official to or with students that occurs during the regular school day.



(e) A student may use school equipment or facilities to report or editorialize about a local public question as part of the news coverage of the referendum by a student newspaper or broadcast.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

SEA 127 — Concur

