

SENATE BILL No. 410

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-17; IC 10-13-3-16; IC 36-12.

Synopsis: Libraries. Makes changes to statutes applicable to the review of budgets of certain public libraries. Establishes a procedure for public libraries to identify the applicable city, town, or county fiscal body to receive a public library's proposed budget. Includes public libraries in the definition of "qualified entities" for purposes of criminal background checks. Requires, before December 31, 2020, public libraries to conduct criminal background checks for individuals who are more than 18 years of age and who: (1) apply to the public library for employment or volunteer work; or (2) are currently employed by or perform volunteer work for the public library. Provides that a library board may issue a local library card without charge or for a reduced fee to an individual who is not a resident of the library district and who is a child receiving foster care services.

Effective: July 1, 2020.

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January 14, 2020, read first time and referred to Committee on Local Government.



Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

SENATE BILL No. 410

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

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

1 SECTION 1. IC 6-1.1-17-20.3, AS AMENDED BY P.L.252-2019,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2020]: Sec. 20.3. (a) Except as provided in section 20.4 of this
4 chapter, this section applies only to the governing body of a public
5 library that:

- 6 (1) is not comprised of a majority of officials who are elected to
- 7 serve on the governing body; and
- 8 (2) has a percentage increase in the proposed budget for the
- 9 taxing unit for the ensuing calendar year that is more than the
- 10 result of:
 - 11 (A) the assessed value growth quotient determined under
 - 12 IC 6-1.1-18.5-2 for the ensuing calendar year; minus
 - 13 (B) one (1).

14 For purposes of this section, an individual who qualifies to be
15 appointed to a governing body or serves on a governing body because
16 of the individual's status as an elected official of another taxing unit
17 shall be treated as an official who was not elected to serve on the



1 governing body.

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

5 (c) If:

6 (1) the assessed valuation of a public ~~library~~ **library's territory**
7 is entirely contained within a city or town; or

8 (2) the assessed valuation of a public ~~library~~ **library's territory**
9 is not entirely contained within a city or town but **more than fifty**
10 **percent (50%) of the assessed valuation of the public library**
11 **was originally established by the city or town; library's territory**
12 **is contained within the city or town;**

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

21 (d) If subsection (c) does not apply **or the public library's**
22 **territory covers more than one (1) county**, the governing body of the
23 public library shall submit its proposed budget and property tax levy to
24 the county fiscal body in the county where the public library has the
25 most assessed valuation. The proposed budget and levy shall be
26 submitted to the county fiscal body in the manner prescribed by the
27 department of local government finance before September 2 of a year.

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

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

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

42 SECTION 2. IC 6-1.1-17-20.4, AS ADDED BY P.L.252-2019,



1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2020]: Sec. 20.4. (a) This section applies only if a public
3 library's ~~cash on hand plus its expected revenues~~ **certified cash**
4 **balance of appropriated funds** is greater than one hundred fifty
5 percent (150%) of the public library's ~~proposed~~ **certified** budget.

6 (b) ~~As used in this section, "cash on hand" refers to the public~~
7 ~~library's cash and investments balance in nondebt funds as of the date~~
8 ~~the public library proposes a budget for the following budget year. The~~
9 ~~term does not include cash derived from gifts, bequests, or~~
10 ~~philanthropic funds.~~

11 (c) ~~As used in this section, "expected revenues" refers to the total of~~
12 ~~a public library's expected revenues in the public library's nondebt~~
13 ~~funds in the following budget year.~~

14 (d) ~~(b) Notwithstanding If~~ section 20.3(a)(2) of this chapter **does**
15 **not apply**, the fiscal body of a city, town, or county ~~that established a~~
16 ~~public library described in section 20.3(a)(1) of this chapter~~ may adopt
17 a resolution to require the public library to submit its proposed budget
18 and property tax levy to the city, town, or county fiscal body as set forth
19 in section 20.3(c) or 20.3(d) of this chapter (whichever is applicable)
20 for binding review and approval as set forth under section 20.3 of this
21 chapter. However, the fiscal body of the city, town, or county may not
22 reduce a public library's proposed budget or tax levy in a budget year
23 under this section by more than ten percent (10%) of the public
24 library's operating levy in the immediately preceding budget year.

25 (e) ~~(c)~~ A resolution may be adopted under this section not later than
26 July 1. A resolution adopted under this section remains in full force and
27 effect until ~~repealed by the fiscal body: the public library's certified~~
28 **cash balance no longer exceeds one hundred fifty percent (150%)**
29 **of the public library's certified budget.**

30 (f) ~~(d)~~ Before a fiscal body may adopt a resolution under this
31 section, the fiscal body must hold a public hearing on the proposed
32 resolution and provide the public with notice of the time and place
33 where the public hearing will be held. The notice required by this
34 subsection must be given in accordance with IC 5-3-1 and include the
35 proposed resolution. In addition to the notice required by this
36 subsection, the fiscal body shall also provide a copy of the notice to all
37 taxing units in the city, town, or county at least thirty (30) days before
38 the public hearing.

39 (g) ~~(e)~~ A resolution adopted by a fiscal body under this section shall
40 be submitted to:

- 41 (1) the department of local government finance; and
- 42 (2) the public library;



1 not later than five (5) days after the date the resolution is adopted.

2 SECTION 3. IC 6-1.1-17-20.6 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2020]: **Sec. 20.6. (a) Each public library shall**
5 **identify the applicable city, town, or county fiscal body that**
6 **receives a public library's proposed budget as provided in section**
7 **20.3(c) or 20.3(d) of this chapter.**

8 (b) The public library shall report the applicable city, town, or
9 county fiscal body identified under subsection (a) to the Indiana
10 state library not later than October 1 of a year. The report
11 submitted to the state library must contain:

12 (1) the name of the public library;

13 (2) the appropriate fiscal body of a city, town, or county to
14 review a library budget under section 20.3(c) or 20.3(d) of this
15 chapter; and

16 (3) after adoption by the respective board, the signatures of
17 the public library board president and the appropriate fiscal
18 body president.

19 (c) If a fiscal body, other than the fiscal body identified by the
20 public library under subsection (a), objects to the public library's
21 determination under subsection (a), the objecting fiscal body may
22 submit a formal objection to:

23 (1) the Indiana state library;

24 (2) the public library; and

25 (3) the fiscal body identified under subsection (a) by the public
26 library.

27 (d) If a public library:

28 (1) is unable to identify the applicable fiscal body under
29 subsection (a);

30 (2) does not complete the reporting requirements established
31 in subsection (b); or

32 (3) has a formal objection filed under subsection (c) against
33 the public library's fiscal body designation under subsection
34 (a);

35 the public library shall file an original action seeking a declaratory
36 judgment in a court with jurisdiction to identify the appropriate
37 fiscal body. The public library shall file a copy of the declaratory
38 judgment with the Indiana state library within thirty (30) days of
39 the court's entry of judgment.

40 (e) The Indiana state library shall provide the information
41 submitted to the Indiana state library under subsection (b) to the
42 department of local government finance by not later than



1 **November 1 of each year.**

2 **(f) This subsection applies if there is a change in the territory of**
 3 **a public library. A public library whose territory has changed shall**
 4 **identify the applicable city, town, or county fiscal body under**
 5 **subsection (a) in the year the change in territory becomes effective.**

6 SECTION 4. IC 10-13-3-16, AS AMENDED BY P.L.197-2007,
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2020]: Sec. 16. (a) As used in this chapter, "qualified entity"
 9 means a business or an organization, whether public, private, for-profit,
 10 nonprofit, or voluntary, that provides care or care placement services.

11 (b) The term includes the following:

12 (1) A business or an organization that licenses or certifies others
 13 to provide care or care placement services.

14 (2) A home health agency licensed under IC 16-27-1.

15 (3) A personal services agency licensed under IC 16-27-4.

16 **(4) A public library (as defined in IC 36-12-1-5).**

17 SECTION 5. IC 36-12-1-14 IS ADDED TO THE INDIANA CODE
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 19 1, 2020]: **Sec. 14. A public library shall adopt a policy, not later**
 20 **than December 31, 2020, regarding conducting criminal history**
 21 **checks for individuals who are more than eighteen (18) years of age**
 22 **and who:**

23 **(1) apply to the public library for employment or volunteer**
 24 **work; or**

25 **(2) are employed by the public library or perform volunteer**
 26 **work for the public library.**

27 SECTION 6. IC 36-12-2-25, AS AMENDED BY P.L.42-2018,
 28 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2020]: Sec. 25. (a) The residents or real property taxpayers of
 30 the library district taxed for the support of the library may use the
 31 facilities and services of the public library without charge for library or
 32 related purposes. However, the library board may:

33 (1) fix and collect fees and rental charges; and

34 (2) assess fines, penalties, and damages for the:

35 (A) loss of;

36 (B) damage to; or

37 (C) failure to return;

38 any library property or material.

39 (b) A library board may issue local library cards to:

40 (1) residents and real property taxpayers of the library district;

41 and

42 (2) individuals who are not residents of the library district.



1 (c) Except as provided in subsection (e), a library board must set
2 and charge a fee for a local library card issued under subsection (b)(2).

3 (d) The minimum fee that the board may set under subsection (c) is
4 the greater of the following:

5 (1) The library district's operating fund expenditure per capita in
6 the most recent year for which that information is available in the
7 Indiana state library's annual "Statistics of Indiana Libraries".

8 (2) Twenty-five dollars (\$25).

9 (e) A library board may issue a local library card without charge or
10 for a reduced fee to an individual who is not a resident of the library
11 district and who is:

12 (1) a student enrolled in or a teacher in a public school
13 corporation or nonpublic school:

14 (A) that is located at least in part in the library district; and

15 (B) in which students in any grade from preschool through
16 grade 12 are educated;

17 **(2) a child receiving foster care services;**

18 ~~(3)~~ **(3)** a library employee of the district; or

19 ~~(4)~~ **(4)** a student enrolled in a college or university that is located
20 at least in part of the library district;

21 if the board adopts a resolution that is approved by an affirmative vote
22 of a majority of the members appointed to the library board.

23 (f) A library card issued under subsection (b)(2) or (e) may be valid
24 for a maximum of one (1) year after issuance. A card issued under
25 subsection (b)(2) that is valid for less than one (1) year must be sold at
26 a fee prorated to the equivalent of the annual fee prescribed under
27 subsection (d).

28 SECTION 7. IC 36-12-7-3, AS AMENDED BY P.L.42-2018,
29 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2020]: Sec. 3. (a) The residents or real property taxpayers of
31 the library district taxed for the support of the library may use the
32 facilities and services of the public library without charge for library or
33 related purposes. However, the library board may:

34 (1) fix and collect fees and rental charges; and

35 (2) assess fines, penalties, and damages for the:

36 (A) loss of;

37 (B) damage to; or

38 (C) failure to return;

39 any library property or material.

40 (b) A library board may issue local library cards to:

41 (1) residents and real property taxpayers of the library district;
42 and



- 1 (2) individuals who are not residents of the library district.
- 2 (c) Except as provided in subsection (d), a library board must set
- 3 and charge a fee for a local library card issued under subsection (b)(2).
- 4 The minimum fee that the board may set under this subsection is the
- 5 greater of the following:
- 6 (1) The library district's operating fund expenditure per capita in
- 7 the most recent year for which that information is available in the
- 8 Indiana state library's annual "Statistics of Indiana Libraries".
- 9 (2) Twenty-five dollars (\$25).
- 10 (d) A library board may issue a local library card without charge or
- 11 for a reduced fee to an individual who is not a resident of the library
- 12 district and who is:
- 13 (1) a student enrolled in or a teacher in a public school
- 14 corporation or nonpublic school:
- 15 (A) that is located at least in part in the library district; and
- 16 (B) in which students in any grade preschool through grade 12
- 17 are educated;
- 18 **(2) a child receiving foster care services;**
- 19 ~~(2)~~ **(3)** a library employee of the district; or
- 20 ~~(3)~~ **(4)** a student enrolled in a college or university that is located
- 21 in the library district;
- 22 if the board adopts a resolution that is approved by an affirmative vote
- 23 of a majority of the members appointed to the library board.
- 24 (e) A library card issued under subsection (b)(2) or (d) expires one
- 25 (1) year after issuance of the card.

