

IC 36-12

ARTICLE 12. LIBRARIES

IC 36-12-1

Chapter 1. Definitions and General Provisions

IC 36-12-1-1

Application of definitions

Sec. 1. The definitions in this chapter apply throughout this article.
As added by P.L.1-2005, SEC.49.

IC 36-12-1-2

"Indiana library and historical board"

Sec. 2. "Indiana library and historical board" refers to the Indiana library and historical board established by IC 4-23-7-2.
As added by P.L.1-2005, SEC.49.

IC 36-12-1-3

"Library board"

Sec. 3. "Library board" means the fiscal and administrative body of a public library.
As added by P.L.1-2005, SEC.49.

IC 36-12-1-4

"Library district"

Sec. 4. "Library district" means the territory within the corporate boundaries of a public library.
As added by P.L.1-2005, SEC.49.

IC 36-12-1-5

"Public library"

Sec. 5. "Public library" means a municipal corporation that:

- (1) provides library services; and
- (2) is organized under:
 - (A) IC 36-12-2;
 - (B) IC 36-12-4;
 - (C) IC 36-12-5;
 - (D) IC 36-12-6; or
 - (E) IC 36-12-7.

As added by P.L.1-2005, SEC.49.

IC 36-12-1-6

"School board"

Sec. 6. "School board" means the governing body as set forth in IC 20-18-2-5.
As added by P.L.1-2005, SEC.49.

IC 36-12-1-7

"School corporation"

Sec. 7. "School corporation" has the meaning set forth in

IC 20-33-5-1.

As added by P.L.1-2005, SEC.49.

IC 36-12-1-8

Policy; services

Sec. 8. (a) The state shall encourage the establishment, maintenance, and development of public libraries throughout Indiana as part of the provision for public education of Indiana.

(b) Public libraries provide free library services in order to meet the educational, informational, and recreational interests and needs of the public.

(c) Library services include:

- (1) collecting and organizing books and other library materials; and
- (2) providing reference, loan, and related services to library patrons.

(d) Library services are provided by public libraries supported by public funds.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.19.

IC 36-12-1-9

Classification of public libraries

Sec. 9. Public libraries are classified as either:

(1) Class 1 libraries, which comprise:

- (A) all public libraries established after March 13, 1947; and
- (B) all public libraries established before March 14, 1947, that have filed a resolution of conversion under section 10 of this chapter; or

(2) Class 2 public libraries, which comprise all public libraries established before March 14, 1947, that have not filed a resolution of conversion under section 10 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-1-10

Conversion of Class 2 library to Class 1 library; procedure; appointment of library board; tax levies

Sec. 10. (a) A Class 2 library may convert to Class 1 status if the Class 2 library board passes the following resolution of conversion:

" _____ Public Library, by action of its library board, resolves to convert to a Class 1 library district subject to IC 36-12-2."

(b) The resolution of conversion:

- (1) must describe the territory included in the library district; and
- (2) is irrevocable.

(c) The resolution of conversion must be signed by a majority of library board members. Not later than five (5) days after approving the resolution of conversion, the library board shall file a copy of the resolution of conversion:

- (1) in the office of the county recorder in the county where the

administrative office of the public library is located; and

(2) with the Indiana state library.

(d) The library board shall give notice of the resolution of conversion to all officials who have appointive powers under IC 36-12-2.

(e) The officials under subsection (d) shall appoint a library board for the public library. Members of the old library board shall continue to serve as library board members until:

(1) a majority of the new library board has been appointed; and

(2) the new appointees have taken an oath of office to serve on the library board.

(f) Upon the:

(1) filing of the resolution of conversion;

(2) appointments under IC 36-12-2; and

(3) oath of office of the new library board under IC 36-12-2-19; any current tax levies continue under authority granted to the Class 2 library until the next succeeding calendar year, at which time the tax provisions for Class 1 libraries under IC 36-12-3-12 apply.

(g) The obligation of a political subdivision to levy and collect taxes for library purposes remains effective after the conversion.

As added by P.L.1-2005, SEC.49.

IC 36-12-1-11

Class 2 libraries; operation under IC 36-12-7; election to adopt other provisions

Sec. 11. (a) Class 2 libraries shall operate under the applicable provisions of IC 36-12-7.

(b) The library boards of Class 2 libraries may elect to adopt:

(1) IC 36-12-2-22;

(2) IC 36-12-2-24;

(3) IC 36-12-2-25; and

(4) IC 36-12-3.

(c) Class 2 libraries that elect only the sections set forth in subsection (b) retain the status of Class 2 libraries.

(d) The library board of the Class 2 libraries that elect only the sections set forth in subsection (b) shall file with the Indiana state library a copy of the part of the library board's minutes showing passage of the board's resolution to elect:

(1) IC 36-12-2-22;

(2) IC 36-12-2-24;

(3) IC 36-12-2-25; and

(4) IC 36-12-3.

(e) The election of IC 36-12-2-22, IC 36-12-2-24, IC 36-12-2-25, and IC 36-12-3 is irrevocable.

As added by P.L.1-2005, SEC.49.

IC 36-12-1-12

Policy for Internet or other computer network use

Sec. 12. (a) This section applies to a board of a public library that allows library patrons to use library software to access the Internet or

other computer network.

(b) As used in this section, "computer network" has the meaning set forth in IC 35-43-2-3.

(c) The board of a public library shall adopt a policy concerning the appropriate use of the Internet or other computer network by library patrons in all areas of the library.

(d) The board shall make the policy adopted under subsection (c) readily available to all library patrons.

(e) The board of a public library shall annually review the policy adopted under subsection (c).

As added by P.L.1-2005, SEC.49.

IC 36-12-1-13

Township trustees of certain counties paying cost of resident's library card

Sec. 13. A township trustee of a township that is:

(1) located in a county having a population of more than thirty-four thousand three hundred (34,300) but less than thirty-five thousand (35,000); and

(2) not served by a public library;

may pay the cost of a library card at the nearest library for a resident of the township upon request of the resident.

As added by P.L.1-2005, SEC.49. Amended by P.L.119-2012, SEC.247.

IC 36-12-2

Chapter 2. Class 1 Public Libraries: Organization and Board Members

IC 36-12-2-1

Application of chapter

Sec. 1. This chapter applies only to Class 1 public libraries.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-2

Municipal corporation; taxing unit

Sec. 2. (a) A Class 1 public library is a municipal corporation, known as _____ Public Library.

(b) In the name of the Class 1 public library under subsection (a), the public library may:

- (1) contract and be contracted with; and
- (2) sue and be sued in court.

(c) Each public library constitutes an independent taxing unit for purposes of IC 6-1.1-1-21.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-3

Corporate boundaries; annexation

Sec. 3. (a) The corporate boundaries of the public library must be described in the resolution of establishment, conversion, transfer, or merger filed:

- (1) in the office of the county recorder in the county where the administrative office of the public library is located; and
- (2) with the Indiana state library.

(b) If the corporate boundaries of a unit and a Class 1 public library are coextensive, territory annexed by the unit becomes part of the library district if the annexed territory is not already part of another library district. Whenever a public library annexes territory under this subsection, the library board shall file a statement describing the annexed territory:

- (1) in the office of the county recorder in the county where the administrative office of the public library is located; and
- (2) with the Indiana state library.

If the territory annexed by a unit is already a part of another library district, the territory remains a part of the other library district unless the library boards of both public libraries pass a resolution of transfer under section 4 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-4

Transfer of territory; procedure

Sec. 4. One (1) public library may transfer a part of the territory of the library to another public library according to the following procedure:

- (1) The library boards of each public library must pass a

resolution of transfer signed by a majority of the entire membership of each library board agreeing to the transfer.

(2) The library boards of each public library must include a description of the transferred territory in the respective resolutions of each public library.

(3) Each of the library boards must file a copy of the resolution of transfer:

(A) in the office of the county recorder in the county where the administrative office of the respective public library is located; and

(B) with the Indiana state library.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-5

Establishment of library; authorization; petition or remonstrance; procedure; duties of clerk of circuit court

Sec. 5. (a) The legislative body of a municipality, township, county, or part of a county, any of which is not already taxed for public library purposes, that has:

(1) a population of at least ten thousand (10,000); or

(2) an assessed valuation that is at least as high as the median of the most recent certified assessed valuation of the ten (10) library taxing districts closest in population to ten thousand (10,000);

may establish a public library for the residents of the municipality, township, county, or part of the county.

(b) The establishment of the public library may be initiated either by:

(1) the legislative body passing a written resolution; or

(2) filing a petition with the legislative body that has been signed by at least twenty percent (20%) of the registered voters of the municipality, township, county, or part of a county, as determined by the last preceding general election.

(c) Not later than ten (10) days after a petition is filed under subsection (b)(2), the municipality, township, county, or part of a county shall give notice of the filing of the petition in two (2) newspapers of general circulation in the county, one (1) of which is published in the municipality where the library is to be located, if a newspaper is published in the municipality.

(d) Not later than ten (10) days after the publication of the petition under subsection (c), a registered voter in the municipality, township, county, or part of a county where the public library is proposed to be established may file with the respective municipality, township, or county a remonstrance that:

(1) is signed by registered voters in the municipality, township, county, or part of the county where the public library is proposed to be established; and

(2) states that the registered voters who have signed the remonstrance are opposed to the establishment of the public library.

(e) The following apply to a petition that is filed under subsection (b)(2) or a remonstrance that is filed under subsection (d):

(1) The petition or remonstrance must show the following:

(A) The date on which each individual signed the petition or remonstrance.

(B) The residence of each individual on the date the individual signed the petition or remonstrance.

(2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance stating that each signature on the petition or remonstrance:

(A) was affixed in the individual's presence; and

(B) is the true signature of the individual who signed the petition or remonstrance.

(3) Several copies of the petition or remonstrance may be executed. The total of the copies constitute a petition or remonstrance. A copy must include an affidavit as described in subdivision (2). An individual who signed the petition, remonstrance, or copy may file the petition, the remonstrance, or a copy. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county where the municipality, township, county, or part of a county where the public library that is proposed to be established is located shall do the following:

(A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk shall strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

(B) Strike the name from either the petition or the remonstrance of an individual who:

(i) signed both the petition and the remonstrance; and

(ii) personally, in the clerk's office, makes a voluntary written and signed request for the clerk to strike the individual's name from the petition or the remonstrance.

(C) Not more than fifteen (15) days after a petition or remonstrance is filed, certify the number of signatures on the petition or remonstrance that:

(i) are not duplicates; and

(ii) represent individuals who are registered voters in the municipality, township, county, or part of a county where the public library is proposed to be established, on the day the individuals signed the petition or remonstrance.

(D) Establish a record of the clerk's certification in the clerk's office and file:

(i) the original petition;

(ii) the original remonstrance, if any; and

(iii) a copy of the clerk's certification;

with the legislative body of the municipality, township, or county.

The clerk of the circuit court may only strike an individual's name from a petition or remonstrance as set forth in clauses (A) and (B).

(f) At the first meeting of the legislative body held at least ten (10) days after the publication of the petition, the legislative body shall compare the petition and any remonstrance. Whenever:

- (1) a remonstrance has not been filed; or
- (2) a greater number of voters have signed the petition than have signed the remonstrance against the establishment of the public library;

the legislative body shall establish by written resolution the public library with a library district coextensive with the boundaries of the unit or part of a county, whichever is applicable.

(g) The establishment of the public library is effective as of the date the written resolution is passed. The legislative body shall file a copy of the resolution not later than five (5) days after the resolution is passed:

- (1) with the county recorder in the county where the administrative office of the public library is located; and
- (2) with the Indiana state library.

(h) The legislative body shall give notice to the officials who have the power to appoint members of the library board for the new public library under section 9 of this chapter. The officials shall appoint the library board for the new public library under section 9 of this chapter as soon as possible after the officials are notified.

(i) When the number of registered voters who have signed a remonstrance against the establishment of the public library is equal to or greater than the number who have signed the petition in favor of the establishment of the public library, the legislative body shall dismiss the petition. Another petition to establish a public library may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-5.5

Repealed

(Repealed by P.L.84-2012, SEC.20.)

IC 36-12-2-6

Establishment of library; petition or remonstrance; affidavit; duties of clerk of circuit court

Sec. 6. (a) The following apply to a petition or remonstrance filed under section 5 of this chapter:

- (1) The petition or remonstrance must show the following:
 - (A) The date on which each individual signed the petition or remonstrance.
 - (B) The residence of each individual on the date the individual signed the petition or remonstrance.
- (2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance stating that

each signature on the petition or remonstrance:

(A) was affixed in the individual's presence; and

(B) is the true signature of the individual who signed the petition or remonstrance.

(3) The clerk of the circuit court or the board of registration shall do the following:

(A) Strike all names appearing more than one (1) time on the petition or remonstrance.

(B) Certify the number of signatures on the petition or remonstrance that:

(i) are not duplicates; and

(ii) represent individuals who are registered voters in the county, the part of the county, or the municipality.

(b) The clerk of the circuit court shall complete the certification required by subsection (a) not later than fifteen (15) days after the petition or remonstrance is filed.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-7

Library board appointee; residency

Sec. 7. (a) Except as provided in subsection (b), an appointee to a library board must:

(1) reside in the library district during the time the appointee is on the library board; and

(2) have resided in the library district served by the public library for at least the two (2) years immediately preceding the appointee's appointment to the library board.

(b) This subsection does not apply to a public library established by a county. If part or all of one (1) or more townships are contracting for service from a public library under IC 36-12-3-7, the appointing authority, in making an appointment under section 9(4) of this chapter, may name a resident of one (1) township to serve on the library board as the appointment of the appointing authority. However, the township appointee ceases to be a member of the library board if the township in which the appointee resides fails to renew the township's contract for library service.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-8

Limitation on terms of service; consecutive terms; computation; exception for certain library districts

Sec. 8. (a) Except as provided in subsection (b), an appointee to a library board may not serve more than four (4) consecutive terms on the library board. An unexpired term of two (2) years or less that an individual serves in filling a vacancy on the library board may not be counted in computing consecutive terms for purposes of this subsection. The consecutive terms are computed without regard to a change in the appointing authority that appointed the member. If:

(1) a member's term is interrupted due to the merger of at least two (2) public libraries under IC 36-12-4; and

- (2) the member is reappointed to the merged public library board;

the term that was interrupted may not be considered in determining the number of consecutive terms a member may serve on a library board. An appointee who has served four (4) consecutive terms may be reappointed to the board at least four (4) years after the date the appointee's most recent term ended.

(b) This subsection applies to a library board for a library district having a population of less than three thousand (3,000). If an appointing authority conducts a diligent but unsuccessful search for a qualified individual who wishes to be appointed to serve on the library board:

- (1) the appointing authority may reappoint a board member who has served four (4) or more consecutive terms; and
- (2) state funds may not be withheld from distribution to the library.

The appointing authority shall file with the library board a written description of the search that was conducted under this subsection. The record becomes a part of the official records of the library board. *As added by P.L.1-2005, SEC.49. Amended by P.L.113-2010, SEC.158.*

IC 36-12-2-9

Appointments to library board; membership

Sec. 9. Except as provided in section 15 of this chapter and subject to section 16 of this chapter, seven (7) members of a library board shall be appointed as follows:

- (1) One (1) member appointed by the executive of the county in which the library district is located, or if the district is located in more than one (1) county, jointly by the executives of the respective counties.
- (2) One (1) member appointed by the fiscal body of the county in which the library district is located, or if the district is located in more than one (1) county, jointly by the fiscal bodies of the respective counties.
- (3) Three (3) members appointed by the school board of the school corporation serving the library district. However, if there is more than one (1) school corporation serving the library district:
 - (A) two (2) members shall be appointed by the school board of the school corporation in which the principal administrative offices of the public library are located; and
 - (B) one (1) member shall be appointed by a majority vote of the presidents of the school boards of the other school corporations.
- (4) One (1) member appointed under section 10(1), 11(b)(1), 12(1), 13(1), or 14(1) of this chapter, as applicable.
- (5) One (1) member appointed under section 10(2), 11(b)(2), 12(2), 13(2), or 14(2) of this chapter, as applicable.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-10

Library board serving district located in more than one county; appointments

Sec. 10. This section applies to the appointment of members to the library board of a public library serving a library district that is located in more than one (1) county and is not entirely located within the boundaries of one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed jointly by the executive of the respective counties.
- (2) One (1) member appointed jointly by the fiscal bodies of the respective counties.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-11

Library board serving district created in one county; appointments

Sec. 11. (a) This section applies to the appointment of members to the library board of a public library serving a library district that is located in one (1) county and:

- (1) has been established by a county or merged into a county public library;
- (2) results from the merger of a public library into a county public library under IC 36-12-4;
- (3) is located in part or all of two (2) or more townships and is not entirely located within the boundaries of one (1) municipality; or
- (4) is located in part or all of two (2) or more municipalities.

(b) Subject to subsection (c), in a public library described in subsection (a), the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed by the executive of the county in which the library district is located.
- (2) One (1) member appointed by the fiscal body of the county in which the library district is located.

(c) This subsection applies to a county containing only two (2) Class 1 public libraries and having a population of more than one hundred twenty-five thousand (125,000) but less than one hundred thirty-five thousand (135,000), or more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000). In a public library that is the result of a merger occurring after December 31, 1979, between a public library and a county contractual public library, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed by the executive of the municipality in which the principal administrative offices of the public library are located.
- (2) One (1) member appointed by the legislative body of the municipality in which the principal administrative offices of the public library are located.

As added by P.L.1-2005, SEC.49. Amended by P.L.119-2012, SEC.248.

IC 36-12-2-12

Library board serving district located in unincorporated areas of township; appointments

Sec. 12. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located in the unincorporated areas of the township. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed by the executive of the township in which the library district is located.
- (2) One (1) member appointed by the legislative body of the township in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-13

Library board serving district located in one township; appointments

Sec. 13. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located in one (1) township and includes part or all of only one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed by the legislative body of the township in which the library district is located.
- (2) One (1) member appointed by the legislative body of the municipality in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-14

Library board serving district located in one municipality; appointments

Sec. 14. This section applies to the appointment of members to the library board of a public library serving a library district that is entirely located within the boundaries of one (1) municipality. For a public library under this section, the appointments under section 9(4) and 9(5) of this chapter shall be made as follows:

- (1) One (1) member appointed by the executive of the municipality in which the library district is located.
- (2) One (1) member appointed by the legislative body of the municipality in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-15

Library board serving district in certain counties; appointments

Sec. 15. (a) This section applies to the library board of a library district:

(1) located in a county having a population of more than seventy thousand (70,000) but less than seventy thousand fifty (70,050); and

(2) containing all or part of the territory of each school corporation in the county.

(b) Notwithstanding section 9 of this chapter, the library board has the following members:

(1) One (1) member appointed by the executive of the county in which the library district is located and who is not a member of the county executive.

(2) One (1) member appointed by the fiscal body of the county in which the library district is located and who is not a member of the county fiscal body.

(3) One (1) member appointed by the legislative body of the most populous city in the library district and who is not a member of the city legislative body.

(4) One (1) member appointed by the school board of each school corporation having territory in the library district and who is not a member of a governing body of a school corporation.

(c) An individual who is appointed under subsection (b) to serve as a member of a library board must, before March 1 of each year, report to the member's appointing authority concerning the work of the library board and finances of the library during the preceding calendar year, including the rate of taxation determined under IC 36-12-3-12.

As added by P.L.1-2005, SEC.49. Amended by P.L.119-2012, SEC.249.

IC 36-12-2-16

Library board serving district located partly or fully within consolidated city within one county; appointments

Sec. 16. (a) This section applies to the appointment of members to a library board of a public library serving a library district that is:

(1) partly or fully within the boundaries of a consolidated city; and

(2) fully within the boundaries of one (1) county.

(b) Seven (7) members of a library board shall be appointed in the following order as the terms of previously appointed members expire:

(1) One (1) member appointed by the board of county commissioners of the county in which the library district is located.

(2) One (1) member appointed by the fiscal body of the county in which the library district is located.

(3) One (1) member appointed by the board of county commissioners of the county in which the library district is located.

(4) Two (2) members appointed by the school board of the school corporation in which the principal administrative offices of the public library are located.

(5) One (1) member appointed by the board of county commissioners of the county in which the library district is located.

(6) One (1) member appointed by the fiscal body of the county in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-17

Additional members of county contractual library board; appointments

Sec. 17. The four (4) additional members of a county contractual library board required by IC 36-12-6-2 shall be appointed as follows:

(1) Two (2) members appointed by the executive of the county in which the county contractual library district is located.

(2) Two (2) members appointed by the county superintendent of schools, or if there is no county superintendent of schools, by the county auditor of the county in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-18

Term of library board member

Sec. 18. (a) Subject to subsection (b), the term of a library board member is four (4) years. A member may continue to serve on a library board after the member's term expires until the member's successor is qualified under section 19 of this chapter. The term of the member's successor is not extended by the time that has elapsed before the successor's appointment and qualification. If a member is appointed to fill a vacancy on a library board, the member's term is the unexpired term of the member being replaced.

(b) Except for a library board whose membership is established under section 15 of this chapter, for purposes of establishing staggered terms for the members of a library board, the initial members shall serve the following terms:

(1) One (1) year for one (1) member appointed under section 9(1), 9(5), 16(b)(1), 16(b)(2), or 17(1) of this chapter.

(2) Two (2) years for one (1) member appointed under section 9(3)(A), 9(4), 16(b)(3), 16(b)(4), or 17(2) of this chapter.

(3) Three (3) years for one (1) member appointed under section 9(2), 9(3)(A), 16(b)(4), 16(b)(5), or 17(1) of this chapter.

(4) Four (4) years for one (1) member appointed under section 9(3)(B), 16(b)(6), or 17(2) of this chapter.

(c) When an appointing authority appoints members to terms of different length under subsection (b), the appointing authority shall designate which member serves each term.

(d) A member may not serve more than four (4) consecutive terms as provided in section 8 of this chapter.

As added by P.L.1-2005, SEC.49. Amended by P.L.113-2010, SEC.159.

IC 36-12-2-19

Certificate of appointment; oath of office

Sec. 19. (a) An appointing authority under this chapter shall issue to each appointee to a library board a signed certificate of appointment.

(b) Not more than ten (10) days after the receipt of the certificate of appointment, the appointee shall take an oath of office, before an individual authorized by law to administer the oath, to the effect that the appointee will faithfully discharge the appointee's duties to the best of the appointee's ability.

(c) The appointee shall file the certificate of appointment and the endorsed oath with the records of the public library, which shall be preserved as a public record.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-20

Removal of member; vacancy

Sec. 20. (a) A library board member may be removed at any time by the appointing authority, after public hearing, for any cause:

- (1) that interferes with the proper discharge of the member's duties as a member of the board; or
- (2) that jeopardizes public confidence in the member.

(b) A vacancy occurs whenever a member is absent from six (6) consecutive regular board meetings for any cause other than illness. The appointing authority shall be notified by the secretary of the board of a vacancy.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-21

Compensation

Sec. 21. A member of a library board shall serve without compensation. A board member may not serve as a paid employee of the public library, except the treasurer as provided in section 22 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-22

Treasurer; election; powers and duties; removal; vacancy; surety bond

Sec. 22. (a) The library board shall annually elect a treasurer of the public library. The treasurer may be either:

- (1) a member of the library board; or
- (2) an employee of the library.

However, the library director appointed under section 24 of this chapter may not also be treasurer.

(b) The library board may fix the rate of compensation for the services of the treasurer.

(c) The treasurer:

- (1) is the official custodian of all library funds;
- (2) is responsible for the proper safeguarding and accounting of

all library funds;

(3) shall issue warrants approved by the library board in payment of expenses lawfully incurred in behalf of the public library; and

(4) shall make financial reports of library funds and present the reports to the library board every month.

(d) The library board may prescribe the powers and duties of the treasurer consistent with this chapter.

(e) The treasurer may be removed by the board at any regular or special meeting by a majority vote of the entire membership of the board.

(f) The board may elect a successor treasurer if a vacancy occurs in the office.

(g) The treasurer shall give a surety bond for the faithful performance of the treasurer's duty and for the accurate accounting of all money coming into the treasurer's custody. The bond must be:

(1) written by an insurance company licensed to do business in Indiana;

(2) for the term of office of the treasurer;

(3) in an amount determined by the library board;

(4) paid for with the money from the library fund;

(5) payable to the state of Indiana;

(6) approved by the library board; and

(7) deposited in the office of the recorder of the county in which the library district is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-2-23

Library board; meetings; election of officers; quorum

Sec. 23. (a) Upon the creation of a new public library, the library board shall meet not later than ten (10) days after a majority of the appointees have taken an oath of office. The organizational meeting may be called by any two (2) members. At the meeting, the board shall:

(1) elect from the members of the board a president, a vice president, a secretary, and other officers that the board determines are necessary; and

(2) adopt bylaws for the board's procedure and management and for the management of the public library.

Officers of the board shall be elected annually.

(b) Four (4) library board members, who are present in person, constitute a quorum for the transaction of business. However, for a county contractual library board under section 17 of this chapter, a quorum consists of six (6) members. The library board shall meet:

(1) at least monthly; and

(2) at any other time a meeting is necessary.

Meetings may be called by the president or any two (2) board members. All meetings of the board, except necessary executive sessions of the officers, are open to the public.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.21.

IC 36-12-2-24

Selection of director; employment and discharge of librarians; reimbursement of interviewing and moving expenses; severance pay

Sec. 24. (a) The library board shall select a librarian who holds a certificate under IC 36-12-11 to serve as the director of the library. The selection shall be made solely upon the basis of the candidate's training and proficiency in the science of library administration. The board shall fix the compensation of the director. The director, as the administrative head of the library, is responsible to the board for the operation and management of the library.

(b) The library board shall employ and discharge librarians and other individuals that are necessary in the administration of the affairs of the library. The board shall:

- (1) fix and pay the compensation;
- (2) classify and adopt schedules of salaries; and
- (3) determine the number and prescribe the duties;

of the librarians and other individuals, with the advice and recommendations of the library director.

(c) In exercising the powers of the library board under this section, the library board may reimburse:

- (1) candidates for employment for expenses reasonably incurred while interviewing; and
- (2) new employees for the reasonable moving expenses of the employees.

If the library board exercises authority under this subsection, the board shall establish reasonable levels of reimbursement for the purposes of this subsection.

(d) A library board may provide severance pay to a library employee who is involuntarily separated from employment with the library.

(e) A library board may provide severance pay to a library employee who is voluntarily separated from employment with the library if the library board makes the following findings in a public meeting:

- (1) The library is subject to financial difficulties and revenue shortfall.
- (2) The library:
 - (A) will not hire an individual to perform the duties of the employee separating from employment at the same or comparable compensation and benefits for at least one (1) year after the date the employee separates from employment with the library;
 - (B) will hire a permanent or temporary employee for less compensation and benefits to perform the duties of the employee separating from employment; or
 - (C) will satisfy both the conditions in clauses (A) and (B).
- (3) The library will pay the separating employee a stated amount of severance pay.
- (4) The library will reduce its expenditures by:

- (A) paying the severance pay stated under subdivision (3) to the employee separating from employment; and
- (B) fulfilling one (1) or more of the conditions set forth in subdivision (2).

As added by P.L.1-2005, SEC.49. Amended by P.L.63-2011, SEC.1.

IC 36-12-2-25

Local library cards; fees; penalties for loss or damage of library property

Sec. 25. (a) The residents or real property taxpayers of the library district taxed for the support of the library may use the facilities and services of the public library without charge for library or related purposes. However, the library board may:

- (1) fix and collect fees and rental charges; and
- (2) assess fines, penalties, and damages for the:
 - (A) loss of;
 - (B) injury to; or
 - (C) failure to return;

any library property or material.

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

- (1) residents and real property taxpayers of the library district;
- (2) Indiana residents who are not residents of the library district; and
- (3) individuals who reside out of state and who are being served through an agreement under IC 36-12-13.

(c) Except as provided in subsection (e), a library board must set and charge a fee for:

- (1) a local library card issued under subsection (b)(2); and
- (2) a local library card issued under subsection (b)(3).

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

- (1) The library district's operating fund expenditure per capita in the most recent year for which that information is available in the Indiana state library's annual "Statistics of Indiana Libraries".
- (2) Twenty-five dollars (\$25).

(e) 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:

- (1) a student enrolled in or a teacher in a public school corporation or nonpublic school:
 - (A) that is located at least in part in the library district; and
 - (B) in which students in any grade from preschool through grade 12 are educated; or
- (2) a library employee of the district;

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

(f) A library card issued under subsection (b)(2), (b)(3), or (e) expires one (1) year after issuance of the card.

As added by P.L.1-2005, SEC.49. Amended by P.L.91-2009, SEC.1;

P.L.113-2010, SEC.160; P.L.84-2012, SEC.22; P.L.13-2013, SEC.155.

IC 36-12-2-26

Dissolution

Sec. 26. (a) Dissolution of a library district is initiated when the legislative body of each municipality, township, or county that is a part of the district and library board of the district adopt identical resolutions proposing to dissolve the district by an affirmative vote of a majority of the voting members of each legislative body and library board.

(b) Copies of the resolutions adopted under subsection (a) shall be filed not later than ten (10) days after the resolution is adopted with:

- (1) the state library; and
- (2) the county recorder of each county in which the library district is located.

(c) A dissolution does not take effect until:

- (1) all legal and fiscal obligations of the library district have been satisfied;
- (2) the assets of the district have been distributed; and
- (3) a notice is filed with the agencies listed in subsection (b), indicating that the actions described in subdivisions (1) and (2) have been completed and the dissolution is final.

As added by P.L.113-2010, SEC.161.

IC 36-12-3

Chapter 3. Powers and Duties of Class 1 Public Libraries

IC 36-12-3-1

Application of chapter

Sec. 1. This chapter applies only to Class 1 public libraries.
As added by P.L.1-2005, SEC.49.

IC 36-12-3-2

Board compliance with and participation in statewide library card program; reciprocal borrowing agreement

Sec. 2. The library board shall comply with and participate in the statewide library card program described in IC 4-23-7.1-5.1. However, the library board may enter into a reciprocal borrowing agreement with another library board under section 7 of this chapter or IC 36-1-7 to:

- (1) provide to; or
- (2) receive from;

the other library board library service.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-3

Authority of library board

Sec. 3. The library board shall govern and set policy for all the affairs of the public library. The library board may:

- (1) make rules for the discharge of the library board's responsibilities; and
- (2) manage and insure all real and personal property belonging to the public library.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-4

Establishment of libraries, branches, or stations; museum

Sec. 4. (a) The library board may establish a sufficient number of:

- (1) libraries;
- (2) branch libraries; or
- (3) stations;

that are conveniently located to serve the residents of the library district within the resources available.

(b) The library board may provide suitable rooms, structures, facilities, furniture, apparatus, and other articles necessary for the thorough organization and efficient management of the libraries.

(c) The library board may provide for the establishment and operation of a museum to serve the residents of the library district.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-5

Real or personal property; acquisition; disposal

Sec. 5. (a) The library board may:

- (1) acquire real or personal property by purchase, devise, lease,

condemnation, or otherwise; and

(2) own any real or personal property for purposes of the public library.

(b) The library board may:

(1) sell;

(2) exchange; or

(3) otherwise dispose of;

real and personal property no longer needed for library purposes in accordance with IC 36-1-11 and IC 5-22.

(c) The library board may transfer personal property no longer needed for library purposes for no compensation or a nominal fee to an Indiana nonprofit library organization that is:

(1) tax exempt; and

(2) organized and operated for the exclusive benefit of the library disposing of the property;

without complying with IC 36-1-11 or IC 5-22.

(d) The library board may:

(1) accept gifts of real or personal property; and

(2) hold, mortgage, lease, or sell the property as directed by the terms of the grant, gift, bequest, or devise;

when the action is in the interest of the public library.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.23.

IC 36-12-3-6

Purchase and loan of books; dissemination of information

Sec. 6. The library board may provide for the:

(1) purchase and loan of books and other media of communication; and

(2) dissemination of information to the residents of the library district in any manner.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-7

Contracts for library service; tax levy

Sec. 7. (a) A library board may contract to provide or receive library service from the following municipal corporations:

(1) Another public library.

(2) Any unit.

(b) A contract for library service between a public library and another municipal corporation must outline the:

(1) manner and extent of library service; and

(2) amount of compensation for the extension of library service.

(c) This subsection does not apply to municipal corporations described in section 8 of this chapter. A municipal corporation receiving library service shall:

(1) levy a tax sufficient to meet the amount of compensation agreed upon under the contract; and

(2) expend all funds received under a contract for library services chargeable to the contract.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-8

Municipal corporations in certain counties; contracts for library services; tax levy or revenue from other tax

Sec. 8. (a) This section applies to municipal corporations located in a county having a population of more than thirty-five thousand (35,000) but less than thirty-seven thousand (37,000).

(b) A municipal corporation receiving library service under section 7 of this chapter shall:

- (1) levy a tax sufficient to meet the amount of compensation agreed on under the contract; or
- (2) make the contract payments with revenue derived from a tax being imposed before the contract is approved by the municipal corporation, including the part of local income tax revenue that is not required to be dedicated to providing property tax relief.

(c) A library board providing service shall expend all funds received under a contract for library services chargeable to the contract.

As added by P.L.1-2005, SEC.49. Amended by P.L.119-2012, SEC.250.

IC 36-12-3-9

Bonds; issuance; procedure; liability for indebtedness; tax exemption

Sec. 9. (a) A library board may, by resolution, issue bonds for one (1) or more of the following purposes:

- (1) The acquisition or improvement of library sites.
- (2) The acquisition, construction, extension, alteration, or improvement of structures and equipment necessary for the proper operation of a library.
- (3) To refund outstanding bonds and matured interest coupons and to issue and sell refunding bonds for that purpose.

(b) The library board shall advertise and sell bonds in compliance with IC 5-1-11 at any interest rate. The bonds are payable at the time the board fixes in the authorizing resolution, but all bonds must be payable within a period of not more than twenty (20) years from the date the bonds are issued.

(c) Bonds issued under this section do not constitute a corporate obligation or indebtedness of any other political subdivision. Bonds issued under this section constitute an indebtedness of the library district only. Bonds issued under this chapter, and the interest, are tax exempt. The board shall apply the proceeds from the sale of bonds only:

- (1) for the purpose for which the bonds were issued; and
- (2) to the extent necessary.

Any remaining balance shall be placed in a sinking fund for the payment of the bonds and the interest on the bonds.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-10

Finances; powers

Sec. 10. The library board may do the following:

(1) Adopt a resolution to make loans or issue notes to refund the loans in anticipation of revenues of the library that are expected to be levied and collected during the term of the loans. The term of a loan made under this subdivision may not be more than five (5) years. Loans under this subdivision must be made in the following manner:

(A) The resolution authorizing the loans must appropriate and pledge to payment of the loans a sufficient amount of the revenues in anticipation of which the loans are issued and out of which the loans are payable.

(B) The loans must be evidenced by warrants or tax anticipation notes of the library in terms designating:

(i) the nature of the consideration;

(ii) the time and place payable; and

(iii) the revenues in anticipation of which the loans are issued and out of which the loans are payable.

(2) Borrow money from other persons.

(3) Issue, negotiate, and sell negotiable notes and bonds of the public library.

(4) Levy, assess, and collect, at the same time and in the same manner as other taxes of the public library are levied, assessed, and collected, a special tax in addition to the tax authorized by section 12 of this chapter, sufficient to pay all yearly interest on the bonded and note indebtedness of the public library.

(5) Provide a sinking fund for the liquidation of the principal of the bond when the principal of the bond becomes due.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-11

Certain funds; establishment

Sec. 11. (a) A library board shall establish funds to keep money and securities of the public library as follows:

(1) All money collected from tax levies, interest on investments, fees, fines, rentals, and other revenues:

(A) shall be deposited into the library operating fund, except as otherwise provided in this section; and

(B) must be budgeted and expended in the manner required by law.

(2) All money received from the sale of bonds or other evidences of indebtedness for the purpose of construction, reconstruction, or alteration of library buildings, except the premium and accrued interest on the bonds, shall be deposited into the construction fund. The money shall be appropriated and expended solely for the purpose for which the indebtedness is created.

(3) All money derived from the taxes levied for the purpose of retiring bonds or other evidence of indebtedness, and any premium or accrued interest that may be received, shall be deposited into the bond and interest redemption fund. The fund

shall be used for no other purpose than the repayment of indebtedness.

(4) Money or securities may be accumulated in any library improvement reserve fund to anticipate necessary future capital expenditures, such as:

- (A) the purchase of land;
- (B) the purchase and construction of buildings or structures;
- (C) the construction of additions or improvements to existing structures;
- (D) the purchase of equipment; and
- (E) all repairs or replacement of buildings or equipment.

(5) Money or securities accepted and received by the library board as a grant, a gift, a donation, an endowment, a bequest, or a trust may be:

- (A) set aside in a separate fund or funds and shall be expended, without appropriation, in accordance with the conditions and purposes specified by the donor; or
- (B) set aside in an account with a nonprofit corporation established for the sole purpose of building permanent endowments within a community (referred to as a "community foundation"). The earnings on the funds in the account, either:
 - (i) deposited by the library; or
 - (ii) accepted by the community foundation on behalf of the library;

may be distributed back to the library for expenditure, without appropriation, in accordance with the conditions and purposes specified by the donor. A community foundation that distributes earnings under this clause is not required to make more than one (1) distribution of earnings in a calendar year.

(6) All money received in payment for library services or for library purchases made or to be made under the terms of a contract between two (2) or more public libraries under section 7 of this chapter shall be deposited into the contractual service fund. This money shall be:

- (A) expended solely for the purposes specified in the contract; and
- (B) disbursed without further appropriation.

(b) The library board may invest excess funds in accordance with IC 5-13-9.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-12

Determination of tax rate; continuation of prior appropriation and levy upon failure to meet certain requirements

Sec. 12. (a) The library board shall determine the rate of taxation for the library district that is necessary for the proper operation of the library. The library board shall certify the rate to the county auditor. The county auditor shall certify the tax rate to the county tax

adjustment board in the manner provided in IC 6-1.1. An additional rate may be levied under section 10(4) of this chapter.

(b) If the library board fails to:

(1) give:

(A) a first published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least ten (10) days before the public hearing required under IC 6-1.1-17-3; and

(B) a second published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least three (3) days before the public hearing required under IC 6-1.1-17-3; or

(2) finally adopt the budget and fix the tax levy not later than September 30;

the last preceding annual appropriation made for the public library is renewed for the ensuing year, and the last preceding annual tax levy is continued. Under this subsection, the treasurer of the library board shall report the continued tax levy to the county auditor not later than September 30.

As added by P.L.1-2005, SEC.49. Amended by P.L.219-2007, SEC.148.

IC 36-12-3-13

Authorization of appropriations by units; deposit of funds

Sec. 13. A township may appropriate general revenue sharing funds that the township receives under the federal State and Local Fiscal Assistance Act of 1972, as amended, to a Class 1 public library. Other units have authority under IC 36-10-2-4 to aid public libraries through any means available. Any general revenue sharing funds received by a public library shall be deposited in any of the funds outlined in section 11 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-14

Absence of library board member or employee; authorization; expenses

Sec. 14. When required by the interests of the library, the library board may authorize a member of the library board or an individual employed by the library to be absent from the public library. The library board may pay out of the library's funds the necessary hotel and board bills and transportation expenses of the member or individual while absent in the interest of the public library.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-15

Funds for membership in certain associations; authority to appropriate

Sec. 15. The library board may appropriate funds necessary to provide membership of:

(1) the public library; and

(2) library employees;
in local, state, and national associations of a civic, an educational, a professional, or a governmental nature that have as their purpose the betterment and improvement of library operations.

As added by P.L.1-2005, SEC.49. Amended by P.L.63-2011, SEC.2.

IC 36-12-3-16

Authorization of disbursements; purchases

Sec. 16. (a) The library board may adopt a resolution allowing money to be disbursed under this section for lawful library purposes, including advertising and promoting the programs and services of the library.

(b) With the prior written approval of the library board and if the library board has adopted a resolution under subsection (a), claim payments may be made in advance of library board allowance for any of the following types of expenses:

(1) Property or services purchased or leased from the federal government or the federal government's agencies and the state, the state's agencies, or the state's political subdivisions.

(2) Dues, subscriptions, and publications.

(3) License or permit fees.

(4) Insurance premiums.

(5) Utility payments or connection charges.

(6) Federal grant programs where:

(A) advance funding is not prohibited; and

(B) the contracting party posts sufficient security to cover the amount advanced.

(7) Grants of state funds authorized by statute.

(8) Maintenance and service agreements.

(9) Legal retainer fees.

(10) Conference fees.

(11) Expenses related to the educational or professional development of an individual employed by the library board, including:

(A) inservice training;

(B) attending seminars or other special courses of instruction; and

(C) tuition reimbursement;

if the library board determines that the expenditures under this subdivision directly benefit the library.

(12) Leases or rental agreements.

(13) Bond or coupon payments.

(14) Payroll costs.

(15) State, federal, or county taxes.

(16) Expenses that must be paid because of emergency circumstances.

(17) Expenses incurred to advertise and promote the programs and services of the library.

(18) Other expenses described in a library board resolution.

The library board shall review and allow the claim at the library

board's first regular or special meeting following the payment of a claim under this section.

(c) Each payment of expenses lawfully incurred for library purposes must be supported by a fully itemized invoice or other documentation. The library director shall certify to the library board before payment that each claim for payment is true and correct. The certification must be on a form prescribed by the state board of accounts.

(d) Purchases of books, magazines, pamphlets, films, filmstrips, microforms, microfilms, slides, transparencies, phonodiscs, phonotapes, models, art reproductions, and all other forms of library and audiovisual materials are exempt from the restrictions imposed by IC 5-22.

(e) The purchase of library automation systems must meet the standards established by the Indiana library and historical board under IC 4-23-7.1-11(b).

As added by P.L.1-2005, SEC.49. Amended by P.L.130-2007, SEC.3; P.L.84-2012, SEC.24.

IC 36-12-3-16.5

Electronic funds transfer

Sec. 16.5. (a) As used in this section, "electronic funds transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account.

(b) A library board may adopt a resolution to authorize an electronic funds transfer method of payment of claims. If a library board adopts a resolution under this subsection, the public library may pay money from its funds by electronic funds transfer.

(c) A public library that pays a claim by electronic funds transfer shall comply with all other requirements for the payment of claims by the public library.

As added by P.L.113-2010, SEC.162.

IC 36-12-3-17

Other powers not limited

Sec. 17. This chapter does not limit other powers granted by any other law not in conflict with this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-3-18

Collections and claims

Sec. 18. (a) A library board or a person designated in writing by the library board may:

- (1) collect money or library property; or
- (2) compromise the amount of money;

that is owed to the library.

(b) A library board:

(1) shall determine the costs of collecting money or library property under this section; and

(2) may add the costs of collection, including reasonable attorney's fees, to money or library property that is owed and collected under this section.

(c) A library board or the library board's agent that collects money under this section shall deposit the money, less the costs of collection, in the account required by law.

(d) A library board may compromise claims made against the library.

As added by P.L.1-2005, SEC.49. Amended by P.L.113-2010, SEC.163.

IC 36-12-4

Chapter 4. Merger of Class 1 Public Libraries

IC 36-12-4-1

Application of chapter

Sec. 1. This chapter applies only to Class 1 public libraries.
As added by P.L.1-2005, SEC.49.

IC 36-12-4-2

Authorization to merge; resolution

Sec. 2. (a) A public library may merge with any other public library.

(b) The merger of at least two (2) public libraries must be initiated by a majority of the entire membership of each library board signing a resolution initiating the planning of a merger.

As added by P.L.1-2005, SEC.49.

IC 36-12-4-3

Planning committee; plan for merger; adoption

Sec. 3. (a) Not more than thirty (30) days after a resolution calling for the planning of a merger is signed under section 2 of this chapter, each library board seeking to merge under this chapter shall appoint three (3) individuals to serve on a planning committee to develop a plan for the merger of the libraries.

(b) The plan for the merger must include the following information:

(1) A designation of the primary library that:

(A) is one (1) of the libraries seeking to merge; and

(B) will continue to exist as a legal entity following the merger.

(2) A description of the services to be offered by the merged library.

(3) The terms and conditions upon which the transfer of property among the merging libraries will be achieved.

(4) A schedule for the merger process to begin and conclude.

(5) Any other pertinent matter.

(c) The plan must be completed not later than one (1) year from the date that the resolution calling for the planning of the merger is signed.

(d) Upon completion of the plan described in subsection (b), the plan shall be presented to the library board of each merging library for adoption.

(e) A merger is not considered final unless a majority of the membership of each library board adopts the plan by written resolution.

As added by P.L.1-2005, SEC.49.

IC 36-12-4-4

Filing resolution; interim board; combination of budgets; new budget and tax levy

Sec. 4. (a) A copy of the resolution adopting the merger described in section 3(e) of this chapter must be filed with:

- (1) the county recorder in each county in which merging library districts are located; and
- (2) the Indiana state library.

(b) After the resolution adopting the merger is filed, each library board that is not the board of the primary library shall appoint four (4) members to serve with the primary library board on an interim board.

(c) The interim board has the same duties and powers of a public library board under IC 36-12-3.

(d) After the resolution adopting the merger is filed, the budgets of the merging libraries shall be:

- (1) combined for the remainder of the current year; and
- (2) administered by the interim board.

(e) The interim board described in subsection (b) is dissolved on December 31 of the year in which the merger takes place.

(f) The members of a merged library board shall be appointed under IC 36-12-2, and the terms of office for the members of the merged library board begin January 1 following the dissolution of the interim board.

(g) If a merger takes place after December 31 but before July 1 of the ensuing year, the interim library board described in subsection (b) shall present a new budget and tax rate to the department of local government finance to receive a new tax levy for the merged library district.

(h) If a merger takes place after June 30 but before January 1 of the ensuing year, the merged library board described in subsection (f) shall present a new budget and tax rate to the department of local government finance to receive a new tax levy for the merged library district.

As added by P.L.1-2005, SEC.49.

IC 36-12-4-5

Repealed

(Repealed by P.L.84-2012, SEC.25.)

IC 36-12-5

Chapter 5. Expansion of Class 1 Public Libraries

IC 36-12-5-1

Application of chapter

Sec. 1. (a) Sections 2, 3, and 4 of this chapter apply only to Class 1 public libraries that seek to expand into not more than one (1) township of a county.

(b) Sections 5 through 12 of this chapter apply to Class 1 public libraries that seek to expand into more than one (1) township of a county by an alternative method to the method under sections 2 through 4 of this chapter.

(c) The expansion of a library district may occur by:

- (1) the legislative body passing a resolution; or
- (2) the petition and remonstrance process;

as provided in this chapter.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.26.

IC 36-12-5-2

Proposal of expansion; filing

Sec. 2. (a) The library board of a public library may file a proposed expansion with the township trustee and legislative body of the township. The proposal must state that the public library seeks to combine with a certain township or any part of a township not being taxed for public library service to form a single library district.

(b) When a township trustee and legislative body receive a proposal of expansion under this section, the legislative body may agree to the expansion proposal by written resolution.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.27.

IC 36-12-5-3

Proposal of expansion; intent to file petition for acceptance; notice; petition or remonstrance; procedure; affidavit; duties of clerk of circuit court

Sec. 3. (a) The library board of a public library may file with the township trustee and legislative body a proposal of expansion and an intent to file a petition for acceptance of the proposal of expansion. Not later than ten (10) days after the filing, the township trustee shall publish notice of the proposal of expansion in the manner provided in IC 5-3-1 in a newspaper of general circulation in the township. Beginning the first day after the notice is published, and during the period that ends sixty (60) days after the date of the publication of the notice, an individual who is a registered voter of the affected township or part of the affected township subject to expansion may sign one (1) or both of the following:

- (1) A petition for acceptance of the proposal of expansion that states that the registered voter is in favor of the establishment of an expanded library district.
- (2) A remonstrance in opposition to the proposal of expansion that states that the registered voter is opposed to the

establishment of an expanded library district.

(b) A registered voter of the township or part of the township may file a petition or a remonstrance, if any, with the clerk of the circuit court in the county where the township is located. A petition for acceptance of the proposal of expansion must be signed by at least twenty percent (20%) of the registered voters of the township, or part of the township, as determined by the most recent general election.

(c) The following apply to a petition that is filed under this section or a remonstrance that is filed under subsection (b):

(1) The petition or remonstrance must show the following:

(A) The date on which each individual signed the petition or remonstrance.

(B) The residence of each individual on the date the individual signed the petition or remonstrance.

(2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance, stating that each signature on the petition or remonstrance:

(A) was affixed in the individual's presence; and

(B) is the true signature of the individual who signed the petition or remonstrance.

(3) Several copies of the petition or remonstrance may be executed. The total of the copies constitute a petition or remonstrance. A copy must include an affidavit described in subdivision (2). A signer may file the petition or remonstrance, or a copy of the petition or remonstrance. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county in which the township is located shall do the following:

(A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk must strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

(B) Strike the name from either the petition or the remonstrance of an individual who:

(i) signed both the petition and the remonstrance; and

(ii) personally, in the clerk's office, makes a voluntary written and signed request for the clerk to strike the individual's name from the petition or the remonstrance.

(C) Certify the number of signatures on the petition and on any remonstrance that:

(i) are not duplicates; and

(ii) represent individuals who are registered voters in the township or the part of the township on the day the individuals signed the petition or remonstrance.

The clerk of the circuit court may only strike an individual's name from a petition or a remonstrance as set forth in clauses (A) and (B).

(d) The clerk of the circuit court shall complete the certification required under subsection (c) not more than fifteen (15) days after the

petition or remonstrance is filed. The clerk shall:

- (1) establish a record of certification in the clerk's office; and
- (2) file the original petition, the original remonstrance, if any, and a copy of the clerk's certification with the legislative body.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.28; P.L.13-2013, SEC.156.

IC 36-12-5-4

Comparison of petition and remonstrance; acceptance or rejection of expansion

Sec. 4. (a) Not more than forty (40) days after the certification of a petition and a remonstrance, if any, under section 3 of this chapter, the township legislative body shall compare the petition and any remonstrance.

(b) If a remonstrance has not been filed or a greater number of voters have signed the petition than have signed the remonstrance, the legislative body shall agree to the expansion by written resolution. Not more than ten (10) days after the written resolution establishing an expanded library district is adopted, the legislative body shall submit a copy of the resolution for filing:

- (1) in the office of the county recorder in the county where the administrative office of the public library is located; and
- (2) with the Indiana state library.

The expansion is effective as of the date the written resolution is filed.

(c) When an equal or greater number of registered voters have signed a remonstrance against the establishment of an expanded library district than the number who have signed the petition in favor of the expansion, the legislative body shall dismiss the petition. Another petition to establish the expanded library district may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-5

Proposal of expansion; filing

Sec. 5. (a) The library board of a public library may file a proposed expansion with the legislative body of the county. The proposal must state that the public library seeks to combine with more than one (1) township or parts of more than one (1) township not being taxed for public library service to form a single library district.

(b) Whenever the legislative body of a county receives a proposal of expansion under this section, the legislative body may agree to the expansion proposal by written resolution.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.29.

IC 36-12-5-6

Proposal of expansion; intent to file petition for acceptance; notice; petition or remonstrance

Sec. 6. (a) The library board of a public library may file with the legislative body of a county a proposal of expansion and an intent to file a petition for acceptance of the proposal of expansion. Not later than ten (10) days after the intent is filed, the county auditor shall publish notice in the manner provided in IC 5-3-1 of the proposal of expansion in a newspaper of general circulation in the county. Beginning the first day after the notice is published, and during the period that ends sixty (60) days after the date of the publication of the notice, an individual who is a registered voter of an affected township or an affected part of a township subject to the expansion may sign one (1) or both of the following:

- (1) A petition for acceptance of the proposal of expansion.
- (2) A remonstrance petition in opposition to the proposal of expansion.

(b) Registered voters shall file a petition or a remonstrance, if any, with the clerk of the circuit court in the county where the townships are located. A petition for acceptance of the proposal of expansion must be signed by at least twenty percent (20%) of the registered voters of the townships or parts of townships, as determined by the most recent general election.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.30; P.L.13-2013, SEC.157.

IC 36-12-5-7

Petition or remonstrance; procedure; affidavit; duties of clerk of circuit court

Sec. 7. (a) The following apply to a petition or remonstrance that is filed under section 6 of this chapter:

- (1) The petition or remonstrance must show the following:
 - (A) The date on which each individual signed the petition or remonstrance.
 - (B) The residence of each individual on the date the individual signed the petition or remonstrance.
- (2) The petition or remonstrance must include an affidavit of the individual circulating the petition or remonstrance, stating that each signature on the petition or remonstrance:
 - (A) was affixed in the individual's presence; and
 - (B) is the true signature of the individual who signed the petition or remonstrance.
- (3) Several copies of the petition or remonstrance may be executed. The total of the copies constitutes a petition or remonstrance. A copy must include an affidavit described in subdivision (2). A signer may file a petition or remonstrance, or a copy of a petition or remonstrance. All copies constituting a petition or remonstrance must be filed on the same day.
- (4) The clerk of the circuit court of the county containing the townships or parts of townships shall do the following:
 - (A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk must strike any duplicates of the name until the name appears only one (1) time on a petition

or a remonstrance, or both, if the individual signed both a petition and a remonstrance.

(B) Strike the name from a petition or remonstrance of an individual who personally, in the clerk's office, makes a written and signed request for the clerk to strike the individual's name.

(C) Certify the number of signatures on the petition and remonstrance, if any, that:

- (i) are not duplicates; and
- (ii) represent individuals who are registered voters in the townships or parts of townships on the day the individuals signed the petition or remonstrance.

The clerk of the circuit court may only strike an individual's name from a petition or a remonstrance as set forth in clauses (A) and (B).

(b) The clerk of the circuit court shall complete the certification required under subsection (a) not more than fifteen (15) days after the petition or remonstrance is filed.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-8

Duties of clerk of circuit court; record of certification

Sec. 8. The clerk of the circuit court shall establish a record of the clerk's certification in the clerk's office and shall file the original petition, the original remonstrance, if any, and a copy of the certification with the legislative body.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-9

Remonstrance; filing

Sec. 9. A registered voter may file with the clerk of the circuit court a remonstrance that:

- (1) is signed by registered voters in townships or parts of townships not already taxed for library purposes; and
- (2) states that registered voters who have signed the remonstrance are opposed to the establishment of the expanded library district.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-10

Comparison of petition and remonstrance; acceptance or rejection of expansion

Sec. 10. (a) Not more than forty (40) days after the certification of a petition and remonstrance under section 7 of this chapter, the county legislative body shall compare the petition and any remonstrance.

(b) If:

- (1) a remonstrance has not been filed; or
- (2) a greater number of registered voters have signed the petition than have signed the remonstrance;

the county legislative body shall agree to the expansion by written resolution. The expansion is effective on the date the written resolution is filed.

(c) If the number of registered voters who have signed a remonstrance against the establishment of an expanded library district is equal to or greater than the number who have signed the petition in favor of the expansion, the legislative body shall dismiss the petition. Another petition to establish the expanded library district may not be initiated until one (1) year after the date the legislative body dismissed the latest unsuccessful petition.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-11

Filing copy of resolution establishing expanded district

Sec. 11. Not more than ten (10) days after a written resolution establishing an expanded library district is adopted, the legislative body shall send a copy of the resolution to be filed:

- (1) in the office of the county recorder in each county where the library district is located; and
- (2) with the Indiana state library.

As added by P.L.1-2005, SEC.49.

IC 36-12-5-12

Library board; appointments from townships; expiration of prior term

Sec. 12. (a) If not more than two (2) townships or parts of not more than two (2) townships are added to a library taxing district, at least one (1) of the initial appointments made to the library board by the county commissioners or the county council must be from one (1) of the townships.

(b) If more than two (2) townships or parts of more than two (2) townships are added to a library district, at least two (2) of the initial appointments made to the library board by the county commissioners or the county council must be from the townships that are added to the library district.

(c) An appointment under this section may not be made before the expiration of a term in effect at the time the expansion is final.

As added by P.L.1-2005, SEC.49.

IC 36-12-6

Chapter 6. County Contractual Libraries

IC 36-12-6-1

Application of chapter; name of library established

Sec. 1. (a) This chapter applies only to Class 1 public libraries that have been established as county contractual libraries before July 1, 1992.

(b) A county contractual library established under this chapter shall operate under the name of _____ County Contractual Public Library.

As added by P.L.1-2005, SEC.49.

IC 36-12-6-2

Library board; appointment; residency; powers and duties

Sec. 2. Four (4) citizens who have resided at least two (2) years in the county contractual library district shall be appointed to a library board under IC 36-12-2-17. The four (4) members, and the members of the library board of the public library extending service, comprise a separate library board that shall exercise all powers and duties pertaining to library service. The library board of the county contractual public library shall be known and designated as the Board of Trustees of _____ County Contractual Public Library. The members of the library board of the public library extending service to the county shall continue:

- (1) as a separate board; and
- (2) to exercise all powers and duties pertaining to library service to the board's original library district.

As added by P.L.1-2005, SEC.49.

IC 36-12-6-3

Powers and duties of library boards

Sec. 3. The county contractual library board has all the powers and duties of other library boards under IC 36-12-3.

As added by P.L.1-2005, SEC.49. Amended by P.L.130-2007, SEC.4.

IC 36-12-6-4

Township contracting with county contractual library; tax levies

Sec. 4. (a) If a township or part of a township is contracting with a library that is extending service through a county contractual library, the township or part of a township:

- (1) shall cease to levy a separate tax for library purposes; and
- (2) becomes a part of the county contractual library district.

(b) The tax levy for county contractual library purposes shall then be levied in the township or part of a township that has become part of the county contractual library district.

(c) A township that ceases to levy a tax for public library purposes in any year becomes a part of the township's county library district or county contractual library district, if either library district exists at the time the township levy is discontinued. The county library or county

contractual library tax shall then be levied in the townships.
As added by P.L.1-2005, SEC.49.

IC 36-12-7

Chapter 7. Class 2 Public Libraries

IC 36-12-7-1

Application of chapter

Sec. 1. This chapter applies only to Class 2 public libraries.
As added by P.L.1-2005, SEC.49.

IC 36-12-7-2

Board compliance with and participation in statewide library card program; reciprocal borrowing agreement

Sec. 2. The library board shall:

- (1) comply with; and
- (2) participate in;

the statewide library card program described in IC 4-23-7.1-5.1. However, the library board may enter into a reciprocal borrowing agreement with another library board under IC 36-1-7 or IC 36-12-3-7 to provide to or receive from the other library board library service.

As added by P.L.1-2005, SEC.49.

IC 36-12-7-3

Use of local library; fees; fines

Sec. 3. (a) The residents or real property taxpayers of the library district taxed for the support of the library may use the facilities and services of the public library without charge for library or related purposes. However, the library board may:

- (1) fix and collect fees and rental charges; and
- (2) assess fines, penalties, and damages for the:
 - (A) loss of;
 - (B) injury to; or
 - (C) failure to return;

any library property or material.

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

- (1) residents and real property taxpayers of the library district;
- (2) Indiana residents who are not residents of the library district; and
- (3) individuals who reside out of state and who are being served through an agreement under IC 36-12-13.

(c) Except as provided in subsection (d), a library board must set and charge a fee for a local library card issued under subsection (b)(2) and (b)(3). The minimum fee that the board may set under this subsection is the greater of the following:

- (1) The library district's operating fund expenditure per capita in the most recent year for which that information is available in the Indiana state library's annual "Statistics of Indiana Libraries".
- (2) Twenty-five dollars (\$25).

(d) 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:

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

- (A) that is located at least in part in the library district; and
- (B) in which students in any grade preschool through grade 12 are educated; or

(2) a library employee of the district;

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

(e) A library card issued under subsection (b)(2), (b)(3), or (d) expires one (1) year after issuance of the card.

As added by P.L.1-2005, SEC.49. Amended by P.L.113-2010, SEC.164; P.L.84-2012, SEC.31.

IC 36-12-7-4

Board of 1901 city or town library; residency; appointment of members; vacancy; certificates of appointment; oath; free use; report

Sec. 4. (a) The library board of any public library established as a 1901 city or town library consists of qualified and experienced individuals at least eighteen (18) years of age who have been residents of the municipality where the library is located for at least two (2) years immediately preceding the appointment of the individual. The members shall be appointed for two (2) year terms as follows:

(1) The board of commissioners of the county where the library is located shall appoint one (1) member.

(2) The fiscal body of the county where the library is located shall appoint one (1) member.

(3) The municipal executive shall appoint one (1) member.

(4) The municipal legislative body shall appoint one (1) member.

(5) The school board of the school corporation where the library is located shall appoint three (3) members, who may be members of the school board.

(b) If a vacancy occurs on the library board for any cause, the appointing authority shall fill the vacancy. The appointing authority may at any time, for cause shown, remove a member of the library board and appoint a new member to fill the vacancy caused by the removal.

(c) The library board members shall serve without compensation.

(d) All appointments to membership on the library board must be evidenced by certificates of appointment signed by the appointing authority. Certificates of appointment shall be:

(1) handed to; or

(2) mailed to the address of;

the appointee. Not later than ten (10) days after receiving the certificates of appointment, an appointee shall take an oath of office, before the clerk of the circuit court, that the appointee will faithfully discharge the appointee's duties as a member of the library board to

the best of the appointee's ability. The appointee shall file the certificate, with the oath endorsed on it, with the clerk of the circuit court of the county in which the library is located.

(e) Not later than five (5) days after all the members of the library board have been appointed and have taken the oath of office, the members shall meet and organize by electing one (1) member as president, one (1) member as vice president, and one (1) member as secretary. The members shall also select committees or an executive board to carry on the work of the board if the members determine that committees or an executive board is necessary.

(f) The facilities of a public library established as a 1901 city or town library are open and free for the use and benefit of all of the residents of the library district.

(g) The fiscal officer of the municipality operating a public library under this section shall prepare and file with the municipal legislative body, before January 16 each year, an itemized statement, under oath, of all the receipts and disbursements of the library board for the year ending December 31 immediately preceding the preparing and filing of the report. The report must contain an itemized statement of:

- (1) the sources of all receipts;
- (2) all disbursements made; and
- (3) the purpose for which each was made.

The annual report may be inspected by the citizens of the municipality and township in which the library is located.

As added by P.L.1-2005, SEC.49.

IC 36-12-7-5

1881 city or county incorporation libraries; corporate existence and powers; tax exemption; art gallery; reading rooms; public park

Sec. 5. (a) A public library established as an 1881 city or county incorporation library that has filed the appropriate incorporation instrument in the proper recorder's office is a corporation and possesses all the rights, powers, and privileges given to corporations by common law to:

- (1) sue and be sued;
- (2) borrow money and secure the payment of the money by notes, mortgages, bonds, or deeds of trust upon the personal or real property of the public library;
- (3) purchase, rent, lease, hold, sell, and convey real estate for the benefit of the corporation, and to erect and maintain suitable buildings to accomplish library purposes; and
- (4) receive and accept donations, either of money or real estate, either by gift or devise, and to hold, use, mortgage, sell, and convey these donations for the benefit of the corporation, in the manner provided in the deed of gift or devise.

(b) The real and personal property of the corporation that is established as an 1881 city or county incorporation public library:

- (1) is exempt from taxation for state, county, and municipal purposes; and
- (2) remains exempt so long as the public library is used

exclusively for the general benefit of the inhabitants of the city or county in which the library is located.

(c) The corporation may establish and maintain a gallery of art and public reading rooms in connection with the corporation's library. The corporation may also maintain a public park either in connection with the corporation's library building or separate from the library building.

As added by P.L.1-2005, SEC.49.

IC 36-12-7-6

1852 subscription libraries; corporate existence and powers; organization; tax levy

Sec. 6. (a) A public library established as an 1852 subscription library is a municipal corporation and possesses the power to:

- (1) sue and be sued; and
- (2) receive by donation books, money, paper, or other real or personal property for the library.

(b) The shareholders of the 1852 subscription library are the inhabitants of the municipality who have subscribed money for the establishment of the library. The shareholders shall annually elect seven (7) directors on the first Monday in January. However, if an annual election is omitted, the directors remain in office until the next annual election and until successors are chosen.

(c) The directors shall appoint one (1) director to be president at the meetings. The president may vote only in case of a tie vote. A majority of the directors constitutes a quorum. If a vacancy occurs among the directors, the remaining directors shall elect a new director to fill the vacancy, and the new director shall serve until the next annual election.

(d) The 1852 subscription library is governed by bylaws adopted by the directors of the public library.

(e) The directors may adopt a common seal.

(f) The directors may levy a tax on the shareholders not to exceed one dollar (\$1) on each share during one (1) year. In addition, at the annual meeting, the shareholders may increase the tax to a sum not to exceed five dollars (\$5) on each share during one (1) year.

(g) The shareholders may:

- (1) appoint a treasurer and a librarian; or
- (2) remove the treasurer or librarian;

at the pleasure of the shareholders.

As added by P.L.1-2005, SEC.49.

IC 36-12-7-7

Board of 1899 township library; appointment of members; powers and duties; tax levy; free use

Sec. 7. (a) The library board of a library established as an 1899 township library consists of the school township trustee in the township where the library is located and two (2) residents of the township who are appointed by the board of commissioners of the county where the library is located. Appointments are for a term of

four (4) years. Members of the library board serve without compensation.

(b) The library board:

- (1) shall control the purchase of books and the management of the library;
- (2) shall possess and retain custody of any books remaining in the old township library in the township where the library is located;
- (3) may receive donations, bequests, and legacies on behalf of the library; and
- (4) may receive copies of all documents of the state available for distribution from the director of the state library.

(c) The 1899 township library is the property of the school township. The school township trustee is responsible for the safe preservation of the township library.

(d) Two (2) or more adjacent townships may unite to maintain a township library. The library is controlled by either:

- (1) a combined library board, which consists of each of the uniting township boards appointed under subsection (a); or
- (2) the one (1) township library board appointed under subsection (a) of the uniting townships that receives funding for the operation of the uniting township library.

(e) The legislative body of any township that contains a library established as an 1899 township library may levy a tax annually of not more than three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property assessed for taxation in the township. If the legislative body does not levy the tax, a petition signed by at least the number of registered voters required under IC 3-8-6-3 to place a candidate on the ballot may be filed with the circuit court clerk, who:

- (1) shall determine if an adequate number of voters have signed the petition; and
- (2) if an adequate number of voters have signed the petition, shall certify the public question to the county election board under IC 3-10-9-3. The county election board shall then cause to be printed on the ballot for the township the following question in the form prescribed by IC 3-10-9-4: "Shall a township library tax be levied?".

If a majority of the votes cast on the question in subdivision (2) are in the affirmative, the township trustee shall annually levy a tax of not less than one and sixty-seven hundredths cents (\$0.0167) and not more than three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property in the township for the establishment and support of a township library. The township tax shall be levied, assessed, collected, and paid according to the procedure outlined in IC 6-1.1.

(f) The tax levy under subsection (e) shall be discontinued when the question of discontinuing the levy has been submitted to a vote according to the procedure provided in subsection (e) and the majority of the votes cast on the question is in the negative.

(g) If a public library that is open for the use of all the residents of the township is located in the township, the proceeds of the tax collected under subsection (e) shall be paid to that public library.

(h) In a township outside a city that contains a library:

(1) established by private donations of the value of at least ten thousand dollars (\$10,000), including the real estate and buildings used for the library; and

(2) used for the benefit of all the inhabitants of the township; the township trustee of the township shall annually levy and collect not more than two cents (\$0.02) on each one hundred dollars (\$100) upon the taxable property within the limits of the township. The money shall be paid to the trustees of the library, to be applied by the trustees for the purchase of books and the payment of the maintenance costs for the library. When it becomes necessary to purchase additional ground for the extension or protection of library buildings already established by private donation, the trustee, with the consent of the county legislative body, may annually levy and collect not more than one and sixty-seven hundredths cents (\$0.0167) on each one hundred dollars (\$100) of taxable property of the township for not more than three (3) years successively, to be expended by the trustees for the purchase of property and the construction and enlargement of library buildings.

(i) The 1899 township library is free to all the residents of the township.

As added by P.L.1-2005, SEC.49.

IC 36-12-7-8

Certain libraries established by private donation; tax levy; report

Sec. 8. (a) As used in this section:

(1) "county fiscal body" means the fiscal body of a county in which a private donation library is located;

(2) "library board" means a library board established under IC 20-14 (before its repeal) or this article in a county in which a private donation library is located; and

(3) "private donation library" means a public library:

(A) established by private donation;

(B) located in a city having a population of more than one hundred ten thousand (110,000) but less than one hundred fifty thousand (150,000);

(C) that contains at least twenty-five thousand (25,000) volumes;

(D) that has real property valued at at least one hundred thousand dollars (\$100,000); and

(E) that is open and free to the residents of the city.

(b) The library board shall:

(1) levy a tax under IC 6-1.1 in an amount not less than sixty-seven hundredths of one cent (\$0.0067) and not more than one and sixty-seven hundredths cents (\$0.0167) on each one hundred dollars (\$100) of the assessed valuation of all the real and personal property in the county;

(2) keep the tax levied under subdivision (1) separate from all other funds of the library board; and

(3) use the tax levied under subdivision (1):

(A) if the membership of the trustees of the private donation library includes at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, for distributions of the full amounts of the tax received to the trustees of the private donation library at the time the tax is received by the library board; or

(B) if the membership of the trustees of the private donation library does not include at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, at the discretion of the library board for:

(i) library board purposes; or

(ii) quarterly distributions to the trustees of the private donation library.

(c) If requested by the trustees of the private donation library, the library board shall designate a member of the library board or appoint an individual to serve as a trustee of the private donation library. If requested by the trustees of the private donation library, the county fiscal body shall appoint an individual to serve as a trustee of the private donation library.

(d) The trustees of the private donation library shall annually submit a budget to the library board.

(e) The trustees of the private donation library shall expend amounts received under subsection (b)(3)(A) or (b)(3)(B)(ii) for the support, operation, and maintenance of the private donation library.

The trustees shall:

(1) keep the money separate from all other funds;

(2) record:

(A) the amount of money received;

(B) to whom and when the money is paid out; and

(C) for what purpose the money is used;

in a book kept by the trustees; and

(3) make an annual report of the matters referred to in subdivision (2) to the library board.

(f) For purposes of the property tax levy limits under IC 6-1.1-18.5, the tax levied by the library board under subsection (b)(1) is not included in the calculation of the maximum permissible property tax levy for the public library.

As added by P.L.1-2005, SEC.49. Amended by P.L.214-2005, SEC.76; P.L.1-2010, SEC.155; P.L.119-2012, SEC.251.

IC 36-12-7-9

Dissolution

Sec. 9. (a) Dissolution of a library district is initiated when the legislative body of each municipality, township, or county that is a part of the district and library board of the district adopt identical resolutions proposing to dissolve the district by an affirmative vote of a majority of the voting members of each legislative body and

library board.

(b) Copies of the resolutions adopted under subsection (a) shall be filed not later than ten (10) days after the resolution is adopted with:

- (1) the state library; and
- (2) the county recorder of each county in which the library district is located.

(c) A dissolution does not take effect until:

- (1) all legal and fiscal obligations of the library district have been satisfied;
- (2) the assets of the district have been distributed; and
- (3) a notice is filed with the agencies listed in subsection (b), indicating that the actions described in subdivisions (1) and (2) have been completed and the dissolution is final.

As added by P.L.113-2010, SEC.165.

IC 36-12-7-10

Electronic funds transfer

Sec. 10. (a) As used in this section, "electronic funds transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account.

(b) A library board may adopt a resolution to authorize an electronic funds transfer method of payment of claims. If a library board adopts a resolution under this subsection, the public library may pay money from its funds by electronic funds transfer.

(c) A public library that pays a claim by electronic funds transfer shall comply with all other requirements for the payment of claims by the public library.

As added by P.L.113-2010, SEC.166.

IC 36-12-7-11

Collection

Sec. 11. (a) A library board or a person designated in writing by the library board may:

- (1) collect money or library property; or
- (2) compromise the amount of money;

that is owed to the library.

(b) A library board:

- (1) shall determine the costs of collecting money or library property under this section; and
- (2) may add the costs of collection, including reasonable attorney's fees, to money or library property that is owed and collected under this section.

(c) A library board or the library board's agent that collects money under this section shall deposit the money, less the costs of collection, in the account required by law.

(d) A library board may compromise claims made against the library.

As added by P.L.113-2010, SEC.167.

IC 36-12-7-12

Severance pay

Sec. 12. (a) A library board may provide severance pay to a library employee who is involuntarily separated from employment with the library.

(b) A library board may provide severance pay to a library employee who is voluntarily separated from employment with the library if the library board makes the following findings in a public meeting:

(1) The library is subject to financial difficulties and revenue shortfall.

(2) The library:

(A) will not hire an individual to perform the duties of the employee separating from employment at the same or comparable compensation and benefits for at least one (1) year after the date the employee separates from employment with the library;

(B) will hire a permanent or temporary employee for less compensation and benefits to perform the duties of the employee separating from employment; or

(C) will satisfy both the conditions in clauses (A) and (B).

(3) The library will pay the separating employee a stated amount of severance pay.

(4) The library will reduce its expenditures by:

(A) paying the severance pay stated under subdivision (3) to the employee separating from employment; and

(B) fulfilling one (1) or more of the conditions set forth in subdivision (2).

As added by P.L.63-2011, SEC.3.

IC 36-12-7-13

Funds for membership in certain associations; authority to appropriate

Sec. 13. A library board may appropriate funds necessary to provide membership of:

(1) the public library; and

(2) library employees;

in local, state, and national associations of a civic, an educational, a professional, or a governmental nature that have as their purpose the betterment and improvement of library operations.

As added by P.L.63-2011, SEC.4.

IC 36-12-8

Repealed

(Repealed by P.L.84-2012, SEC.32.)

IC 36-12-8.5

Repealed

(Repealed by P.L.84-2012, SEC.33.)

IC 36-12-9

Repealed

(Repealed by P.L.84-2012, SEC.34.)

IC 36-12-10

Chapter 10. Leasing of Library Property

IC 36-12-10-1

Application of chapter

Sec. 1. This chapter applies to the following public corporations:

- (1) A municipal corporation that operates and maintains library facilities.
- (2) Any other public corporation, established by statute, that operates and maintains library facilities.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-2

Power to lease library buildings; conditions; joint lease contracts

Sec. 2. (a) A public corporation may lease a library building or buildings for the use of the public corporation or of any joint or consolidated public corporation of which the public corporation is a part or to which the public corporation contributes, under the following conditions:

- (1) A lease may not be entered into for a period of more than forty (40) years.
- (2) Before a lease is entered into, there must first be filed with the governing authority of the public corporation a petition signed by fifty (50) or more resident taxpayers of the public corporation.
- (3) After investigation, the governing authority must determine that a need exists for the library building or buildings.
- (4) The governing authority must determine that the public corporation cannot provide the necessary funds to pay the cost or the public corporation's proportionate share of the cost of the library building or buildings required to meet the present needs.

(b) If two (2) or more public corporations propose to enter into a lease jointly, joint meetings of the governing authority of the corporations may be held. Action taken is binding on a public corporation only if the action is approved by the public corporation's governing authority. A lease executed by two (2) or more public corporations as joint lessees must set out the amount of the total lease rental agreed upon to be paid by each. A lessee is entitled to occupancy only if the total rental is paid as stipulated in the lease. All rights of joint lessees under the lease must be proportionate to the amount of lease rental paid by each.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-3

Authorized purposes of leases; limitations on profit; disposition of excess funds

Sec. 3. (a) A public corporation may enter into a lease under this chapter only with a nonprofit corporation organized under Indiana law for the sole purpose of:

- (1) acquiring real property;

- (2) building, improving, constructing, or renovating a suitable library building or buildings, including the necessary equipment and appurtenances;
- (3) leasing the library facilities to the public corporation or corporations; and
- (4) collecting the rentals and applying the proceeds from the rentals in the manner provided in this chapter.

(b) The lessor corporation shall act entirely without profit to the corporation and the corporation's officers, directors, and members but is entitled to the return of capital actually invested, which includes:

- (1) incorporation and organization expenses;
- (2) financing costs;
- (3) carrying charges;
- (4) legal, contractors', and architects' fees; and
- (5) any other capital cost.

The lessor corporation is also entitled to sums sufficient to pay interest on outstanding securities or loans, and the cost of maintaining the corporation's existence and keeping the corporation's property free of encumbrance.

(c) Upon receipt of any amount of lease rental by the lessor corporation above the amount necessary to meet incidental corporate expenses and to pay interest on corporate securities or loans, the excess funds shall be applied to the redemption and cancellation of the corporation's outstanding securities or loans as soon as this may be done.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-4

Provisions of lease

Sec. 4. (a) All contracts of lease must provide that:

- (1) the public corporation or corporations have an option to renew the lease for a further term, with like conditions; or
- (2) the property covered by the lease may be purchased after six (6) years from the execution of the lease and before the expiration of the term of the lease, on the date or dates in each year that are fixed, at a price equal to the amount required to enable the lessor corporation owning the site to:
 - (A) liquidate by paying all indebtedness, with accrued and unpaid interest; and
 - (B) recover the expenses and charges of liquidation.

(b) However, the purchase price prescribed by subsection (a)(2) may not exceed the capital actually invested in the property by the lessor corporation represented by outstanding securities or indebtedness plus the cost of transferring the property and liquidating the lessor corporation.

(c) A lease may not provide that any public corporation is under an obligation to purchase the leased library facilities or under an obligation in respect to the creditors, members, or other security holders of the lessor corporation.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-5

Submission of plans and specifications to certain state agencies; approval

Sec. 5. (a) The lessor corporation proposing to provide a library building or buildings, including necessary equipment and appurtenances, shall submit to the lessee or lessees, before the execution of a lease, preliminary plans, specifications, and estimates for the building or buildings.

(b) The final plans and specifications shall be submitted to the state department of health, state fire marshal, and any other agencies that are designated by law to pass on plans and specifications for library buildings. The final plans and specifications must be approved by these agencies and the lessee or lessees in writing before the construction of the building or buildings.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-6

Authorized provisions of lease; payment of taxes, insurance, and repairs

Sec. 6. The lease may provide that, as a part of the lease rental for the library building or buildings, the lessee or lessees shall agree to:

- (1) pay all taxes and assessments levied against or on account of the leased property;
- (2) maintain insurance on the property for the benefit of the lessor corporation; and
- (3) assume all responsibilities for repair and alterations with regard to the building or buildings during the term of the lease.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-7

Leases in anticipation of completion of building; bond

Sec. 7. (a) The public corporation or corporations may, in anticipation of the acquisition of real property and any necessary construction of a library building or buildings, including the necessary equipment and appurtenances, enter into a lease with the lessor corporation before actual acquisition of real property and any construction of the building or buildings. However, the lease may not provide for the payment of lease rental by the lessee or lessees until the building or buildings are complete and ready for occupancy, at which time the stipulated lease rental payments may begin.

(b) The contractor must be required under the lease to furnish to the lessor corporation a bond satisfactory to the corporation conditioned upon the final completion of the building or buildings within a period that may be provided in the contract.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-8

Notice and hearing on terms and conditions of proposed lease

Sec. 8. (a) When the lessor corporation and the public corporation or corporations have agreed upon the terms and conditions of a lease

proposed to be entered into under this chapter and before the final execution of the lease, notice of a hearing shall be given by publication to all interested persons. The hearing shall be held before the governing authority, on a day not earlier than ten (10) days after the publication of the notice.

(b) The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county. The notice must name the date, place, and time of the hearing and set forth a brief summary of the principal terms of the lease agreed upon, including:

- (1) the location;
- (2) the name of the proposed lessor corporation and character of the property to be leased;
- (3) the rental to be paid; and
- (4) the number of years the contract is to be in effect.

The proposed lease, drawings, plans, specifications, and estimates for the library building or buildings must be available for inspection by the public during the ten (10) day period under subsection (a) and at the meeting. All interested persons are entitled to be heard at the hearing regarding the necessity for the execution of the lease, and whether the rental provided for in the lease to be paid to the lessor corporation is a fair and reasonable rental for the proposed building or buildings. The hearing may be adjourned to a later date or dates, and following the hearing, the governing authority may either authorize the execution of the lease as originally agreed upon or may make modifications that have been agreed upon by the lessor corporation. The lease rentals as set out in the published notice may not be increased. The cost of the publication of the notice shall be paid by the lessor corporation.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-9

Notice of lease signing; appeal to department of local government finance; limitation on actions to contest validity of lease

Sec. 9. (a) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the library board, the library board shall give notice of the signing of the lease by publication one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county.

(b) Fifty (50) or more taxpayers in the public corporation or corporations who will be affected by the proposed lease and who are of the opinion that the execution of the lease is not necessary or that

the proposed rental is not a fair and reasonable rental may file a petition in the office of the county auditor of the county in which the public corporation or corporations are located. The petition must be filed not later than thirty (30) days after the publication of notice of the execution of the lease and must set forth objections and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.

(c) Upon the filing of a petition, the county auditor shall immediately certify to the department of local government finance a copy of the petition, together with other data that may be necessary to present the questions involved. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing of the matter not less than five (5) or more than thirty (30) days after the department's receipt of the petition and information. The hearing shall be held in the public corporation or corporations or in the county where the public corporations are located.

(d) Notice of the hearing shall be given by the department of local government finance to the members of the library board and to the first ten (10) taxpayer petitioners on the petition by a letter signed by the department of local government finance. The postage of the notice shall be prepaid, and the notice shall be addressed to the persons at their usual place of residence and mailed at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal regarding the necessity for the execution of the lease and whether the rental is fair and reasonable is final. A lease may be amended by the parties by following the procedure under this chapter.

(e) An action to contest the validity of the lease or an amendment to the lease or to enjoin the performance of any of the terms and conditions of the lease must be brought not later than thirty (30) days after publication of notice of the execution of the lease or an amendment to the lease by the library board of the public corporation or corporations. If an appeal has been taken to the department of local government finance, action must be brought not later than thirty (30) days after the decision of the department.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-10

Title to real property; sale; procedure

Sec. 10. (a) The lessor corporation shall hold in fee simple the real property on which the library building or buildings exists or will be constructed. A public corporation or corporations proposing to lease the library building or buildings, either alone or jointly with another public corporation that owns the property, may sell the property to the lessor corporation in fee simple.

(b) Before a sale under this section may take place, the governing authority of the public corporation shall file a petition with the circuit court of the county in which the public corporation is located requesting the appointment of:

(1) one (1) disinterested freeholder of the public corporation as an appraiser; and

(2) two (2) disinterested appraisers licensed under IC 25-34.1; who are residents of Indiana to determine the fair market value of the real property. One (1) of the appraisers described under subdivision (2) must reside not more than fifty (50) miles from the property. Upon their appointment, the three (3) appraisers shall fix the fair market value of the real property and report this amount to the circuit court not later than two (2) weeks from the date of their appointment. The public corporation may then sell the real property to the lessor corporation for an amount not less than the amount fixed as the fair market value by the appraisers. The amount shall be paid in cash upon delivery of the deed by the public corporation to the lessor corporation.

As added by P.L.1-2005, SEC.49. Amended by P.L.113-2006, SEC.24.

IC 36-12-10-11

Authority of lessor corporation to issue stocks, bonds, and other securities; sale procedure

Sec. 11. (a) A corporation qualifying as a lessor corporation under this chapter may, in furtherance of the corporation's purposes, issue and sell bonds and other securities. Mortgage bonds issued by a lessor corporation that are a first lien on the leased property are legal and proper investments for state banks and trust companies, insurance companies, and fiduciaries. The bonds may be callable, with or without premiums, with accrued and unpaid interest upon notice provided in the mortgage indenture.

(b) All bonds and other securities issued by the lessor corporation must be advertised and sold in accordance with IC 5-1-11 at any interest rate.

(c) The approval of the securities division of the secretary of state is not required in connection with the issuance and sale of bonds or other securities of a public corporation.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-12

General obligation bonds

Sec. 12. A public corporation may issue the corporation's general obligation bonds to procure funds to pay the cost of acquisition of real property. The bonds must be authorized, issued, and sold in accordance with IC 6-1.1-20.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-13

Tax levy to pay lease rentals

Sec. 13. A public corporation that executes a lease under this chapter shall annually levy a special tax, in addition to other taxes authorized by law, sufficient to produce each year the necessary funds with which to pay the lease rental stipulated to be paid by the

public corporation under the lease. A levy under this section shall be reviewed in accordance with IC 6-1.1-17. The first tax levy shall be made at the first annual tax levy period following the date of the execution of the lease. The first annual levy must be sufficient to pay the estimated amount of the first annual lease rental payment to be made under the lease.

As added by P.L.1-2005, SEC.49.

IC 36-12-10-14

Tax exemptions

Sec. 14. All property owned by a lessor corporation contracting with a public corporation or corporations under this chapter and all stock and other securities, including the interest or dividends issued by a lessor corporation, are exempt from all state, county, and other taxes, excluding the financial institutions tax and the inheritance taxes.

As added by P.L.1-2005, SEC.49.

IC 36-12-11

Chapter 11. Library Certification Board

IC 36-12-11-1

Application of chapter

Sec. 1. This chapter applies to both Class 1 and Class 2 libraries.
As added by P.L.1-2005, SEC.49.

IC 36-12-11-2

"Board"

Sec. 2. As used in this chapter, "board" refers to the Indiana library and historical board established by IC 4-23-7-2.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-3

"Director"

Sec. 3. As used in this chapter, "director" refers to the director of the Indiana state library appointed under IC 4-23-7.1-37.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-4

"Practitioner"

Sec. 4. As used in this chapter, "practitioner" means an individual certified under this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-5

Powers and duties of board

Sec. 5. The board shall do the following:

(1) Prescribe and define grades of public library service and prescribe the qualifications that individuals must possess who are employed in each of the grades of public library service, giving due consideration to the population served and the income and salary schedule of each library.

(2) Make available the requirements for certification of all grades upon request and without charge to all prospective applicants.

(3) Issue certificates to candidates who apply for certificates and who, by reason of their academic or technical training and experience, are found to be suitable individuals to certify.

(4) Prescribe and define the qualifications of a library director, a head of a department or branch, or a professional assistant of a public library.

(5) Adopt rules under IC 4-22-2 that the board determines are necessary to administer this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-6

Certification requirements

Sec. 6. All library directors, library department or branch heads,

and professional assistants, except those who are employed at school libraries or libraries of educational institutions, must hold a certificate under section 7 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-7

Public library service; application for certification

Sec. 7. (a) An individual who:

- (1) desires to be certified as a librarian in a designated division, grade, or type of public library service; and
- (2) possesses the qualifications prescribed in the rules of the board as essential to enable an individual to apply for a certificate;

may apply to the board for a certificate in any grade or grades of public library service.

(b) The application must be:

- (1) made on a form prescribed and supplied by the board; and
- (2) accompanied by the fee set by the board under section 11 of this chapter.

(c) If the application is found to be satisfactory, the applicant is entitled to a certificate in the grade or grades of public library service for which the applicant applied.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-8

Private or school library service; application for certification

Sec. 8. (a) An individual who is actively engaged or expects to engage actively in:

- (1) a grade or class of private library service; or
- (2) the library service of a school or another educational institution;

whether the individual is or expects to be a library director, or the head of a department or branch of a private library or of the library of a school or an educational institution, may apply for a certificate of a grade or class.

(b) If an individual is found to be competent and qualified, the individual shall be granted the certificate applied for in the same manner and subject to the same conditions as are provided for the certification of librarians in public libraries under section 7 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-9

Reciprocity with other states

Sec. 9. To prevent unjust and arbitrary exclusions by other states of certified librarians who have complied with the requirements of Indiana law, the board may adopt rules necessary for the reciprocal recognition of certificates for librarians issued by other states whose qualifications for library service are at least as high as the qualifications in Indiana. To effect this section, the board shall

consider the recommendations of the American Library Association.
As added by P.L.1-2005, SEC.49.

IC 36-12-11-10

Library certification account

Sec. 10. All fees collected under this chapter constitute a separate account of the state general fund, known as the library certification account, which shall be used to defray expenses incurred in the administration of this chapter. The balance in this account at the end of any fiscal year does not revert to the state general fund but is carried forward and available for the succeeding fiscal year.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-11

Fees

Sec. 11. (a) The board shall adopt rules under IC 4-22-2 to set fees to be paid by an individual who applies for certification under section 7 of this chapter. If the board has not set a fee by rule for a particular type of application, the fee is one dollar (\$1).

(b) Payment of fees set under this section may be made by any of the following:

- (1) Cash.
- (2) A draft.
- (3) A money order.
- (4) A cashier's check.
- (5) A certified check.
- (6) A personal check.

If an individual pays a fee with an uncertified personal check and the check does not clear the bank, the board may void the certificate for which the check was received.

(c) Unless specified by the rules of the board, a fee is not refundable or transferable.

(d) Fees shall be paid to the library certification account established under section 10 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-12

Repealed

(Repealed by P.L.84-2012, SEC.35.)

IC 36-12-11-13

Repealed

(Repealed by P.L.84-2012, SEC.36.)

IC 36-12-11-14

Complaints; form; filing

Sec. 14. All complaints concerning a practitioner must be written, signed by the complainant, and initially filed with the director. Except for an employee of the attorney general's office acting in an official capacity, a complaint may be filed by any individual,

including a member of the board.
As added by P.L.1-2005, SEC.49.

IC 36-12-11-15

Director; duties and powers; complaints

Sec. 15. The director has the following duties and powers:

- (1) The director may investigate any written complaint against a practitioner. The director shall limit the investigation to aspects of the practitioner's activities that appear to violate this chapter or rules adopted under this chapter.
- (2) The director shall notify the practitioner of the:
 - (A) nature and ramifications of the complaint; and
 - (B) duty of the director to investigate and attempt to resolve the complaint through negotiation.
- (3) The director may:
 - (A) subpoena witnesses; or
 - (B) send for and compel the production of books, records, papers, and documents;in relation to an investigation under this chapter. The circuit or superior court located in the county where a subpoena is to be issued shall enforce the subpoena.
- (4) If, after investigating, the director determines the complaint has merit, the director shall notify the complainant, practitioner, and the board. The director has forty-five (45) days to attempt to resolve the complaint through negotiation.
- (5) If, after investigating, the director determines the complaint has no merit, the director shall notify the complainant, practitioner, and the board that the complaint has been dismissed.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.37.

IC 36-12-11-16

Complaints; resolution; dismissal; board determination

Sec. 16. (a) If the director is unable to satisfactorily resolve a complaint that the director has determined to have merit under section 15 of this chapter, the director shall notify the board, which shall take jurisdiction of the complaint.

(b) If a complaint is dismissed by the director under section 15 of this chapter, the complainant may file a written appeal with the board within thirty (30) days after the date of dismissal. The board shall then take jurisdiction of the complaint.

(c) During the forty-five (45) days after the board receives notification or appeal under subsection (a) or (b), the director shall not conduct an investigation or take any action, unless requested by the board. When the forty-five (45) day period has elapsed, the board shall make the determination whether:

- (1) the complaint should be:
 - (A) dismissed;
 - (B) prosecuted; or
 - (C) investigated further; or

(2) a resolution to the complaint should be negotiated.
If the board determines that further investigation or negotiation is warranted, the board may, at a later date, prosecute or dismiss the complaint.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.38.

IC 36-12-11-17

Repealed

(Repealed by P.L.84-2012, SEC.39.)

IC 36-12-11-18

Repealed

(Repealed by P.L.84-2012, SEC.40.)

IC 36-12-11-19

Repealed

(Repealed by P.L.84-2012, SEC.41.)

IC 36-12-11-20

Attorney General; investigation and prosecution

Sec. 20. If the board requests, the attorney general shall investigate and prosecute the matter before the board on behalf of the state.

As added by P.L.1-2005, SEC.49. Amended by P.L.84-2012, SEC.42.

IC 36-12-11-21

Disciplinary proceedings; ultimate authority

Sec. 21. (a) IC 4-21.5 applies to proceedings to discipline a practitioner under this chapter.

(b) The board is the ultimate authority under IC 4-21.5.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-22

Confidentiality of complaint; disclosure of information

Sec. 22. (a) A complaint and information pertaining to the complaint are confidential until the attorney general files notice with the board of intent to prosecute the practitioner.

(b) Unless required to do so under law or in furtherance of an investigation, an individual employed by the office of the attorney general, the board, or the director may not disclose or further the disclosure of information concerning a complaint.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-23

Disciplinary actions; conditions

Sec. 23. A practitioner may be disciplined under section 26 of this chapter if after a hearing the board finds any of the following:

(1) The practitioner has:

(A) employed or knowingly cooperated in fraud or material deception in order to obtain a certificate issued under this chapter;

- (B) engaged in fraud or material deception in the course of professional services or activities; or
 - (C) advertised services in a false or misleading manner.
- (2) The practitioner has been convicted of a crime that has a direct bearing on the practitioner's ability to practice competently.
- (3) The practitioner has knowingly violated a rule adopted by the board.
- (4) The practitioner has continued to practice although the practitioner has become unfit to practice due to:
- (A) professional incompetence;
 - (B) failure to keep abreast of current professional theory or practice;
 - (C) physical or mental disability; or
 - (D) addiction or severe dependency upon alcohol or other drugs that endangers the public by impairing a practitioner's ability to practice safely.
- (5) The practitioner has engaged in a course of lewd or immoral conduct in connection with the practitioner's practice.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-24

Physical and mental examination

Sec. 24. The board may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical or mental capacity to practice safely is at issue in a disciplinary proceeding.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-25

Failure to comply with order to submit to physical or mental examination; suspension

Sec. 25. Failure of a practitioner to comply with a board order to submit to a physical or mental examination renders the practitioner liable to the summary suspension procedures under section 27 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-26

Sanctions

Sec. 26. The board may impose any of the following sanctions, singly or in combination, if the board finds a practitioner has committed an offense under section 23 of this chapter:

- (1) Permanently revoke the practitioner's certificate.
- (2) Suspend the practitioner's certificate.
- (3) Censure the practitioner.
- (4) Issue a letter of reprimand.
- (5) Place the practitioner on probation status and require the practitioner to:
 - (A) report regularly to the board upon the matters that are the

basis of the probation;

(B) limit practice to those areas prescribed by the board; or
(C) continue or renew professional education under a practitioner approved by the board until a satisfactory degree of skill has been attained in those areas that are the basis of the probation.

The board may withdraw the probation if the board finds that the deficiency that required disciplinary action has been remedied.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-27

Suspension of certificate; renewal

Sec. 27. The board may summarily suspend a practitioner's certificate for ninety (90) days in advance of final adjudication or during the appeals process if the board finds that the practitioner represents a clear and immediate danger to the public health and safety if the practitioner is allowed to continue to practice. The summary suspension may be renewed upon a hearing before the board, and each renewal may be for ninety (90) days or less.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-28

Reinstatement of certificate

Sec. 28. The board may reinstate a certificate that has been suspended under this chapter if after a hearing the board is satisfied that the applicant is able to practice with reasonable skill and safety. As a condition of reinstatement, the board may impose disciplinary or corrective measures authorized under this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-11-29

Consistency in application of sanctions; reliance on precedent

Sec. 29. The board shall seek to achieve consistency in the application of sanctions authorized in this chapter, and significant departures from prior decisions involving similar conduct shall be explained in the board's findings or orders.

As added by P.L.1-2005, SEC.49.

IC 36-12-12

Chapter 12. Library Capital Projects Fund

IC 36-12-12-0.2

Application of prior statute

Sec. 0.2. The addition of IC 20-14-13 (before its repeal, now codified in this chapter) by P.L.343-1989(ss) applies to property taxes first due and payable after December 31, 1989.

As added by P.L.220-2011, SEC.688.

IC 36-12-12-1

"Emergency"

Sec. 1. As used in this chapter, "emergency" means:

- (1) when used with respect to repair or replacement, a fire, flood, windstorm, mechanical failure of any part of a structure, or other unforeseeable circumstance; and
- (2) when used with respect to site acquisition, the unforeseeable availability of real property for purchase.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-2

Capital projects fund

Sec. 2. (a) A library district may establish a capital projects fund.

(b) With respect to a facility used or to be used by the library district, the fund may be used to pay for the following:

- (1) Planned construction, repair, replacement, or remodeling.
- (2) Site acquisition.
- (3) Site development.
- (4) Repair, replacement, or site acquisition that is necessitated by an emergency.

(c) Money in the fund may be used to pay for the purchase, lease, or repair of equipment to be used by the library district.

(d) The fund may be used to pay for the purchase, lease, upgrading, maintenance, or repair of computer hardware or software.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-3

Plan of revenues and expenditures; hearing; notice

Sec. 3. (a) Before a library board may collect property taxes for a capital projects fund in a particular year, the library board must, after January 1 and before May 15 of the immediately preceding year, hold a public hearing on a proposed plan, pass a resolution to adopt a plan, and submit the plan for approval or rejection by the fiscal body designated in section 4 of this chapter.

(b) The department of local government finance shall prescribe the format of the plan. A plan must apply to at least the three (3) years immediately following the year the plan is adopted. A plan must estimate for each year to which the plan applies the nature and amount of proposed expenditures from the capital projects fund. A plan must estimate:

(1) the source of all revenue to be dedicated to the proposed expenditures in the upcoming budget year; and

(2) the amount of property taxes to be collected in that year and retained in the fund for expenditures proposed for a later year.

(c) If a hearing is scheduled under subsection (a), the governing body shall publish the proposed plan and a notice of the hearing in accordance with IC 5-3-1-2(b).

As added by P.L.1-2005, SEC.49.

IC 36-12-12-4

Approval or rejection of plan by appropriate fiscal body; hearing

Sec. 4. (a) If the library board passes a resolution under section 3 of this chapter, not later than ten (10) days after passing the resolution the board shall transmit a certified copy of the plan to the appropriate fiscal body or fiscal bodies, whichever applies. The appropriate fiscal body is determined as follows:

(1) If the library district is located entirely within the corporate boundaries of a municipality, the appropriate fiscal body is the fiscal body of the municipality.

(2) If the library district is not described by subdivision (1) and the district is located entirely within the boundaries of a township, the appropriate fiscal body is the fiscal body of the township.

(3) If the library district is not described by subdivision (1) or (2), the appropriate fiscal body is the fiscal body of each county in which the library district is located.

(b) The appropriate fiscal body shall hold a public hearing on the plan not later than thirty (30) days after receiving a certified copy of the plan and either reject or approve the plan before August 1 of the year that the plan is received.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-5

Notice; petition of objection by taxpayers

Sec. 5. (a) If the library board passes a resolution under section 3 of this chapter and the appropriate fiscal body or bodies approve the plan, the library board shall publish notice of adoption in accordance with IC 5-3-1-2(i).

(b) Ten (10) or more taxpayers who will be affected by the adopted plan may file a petition with the county auditor of a county in which the library district is located not later than ten (10) days after the publication of the notice of adoption required by subsection (a), setting forth the taxpayers' objections to the proposed plan. The county auditor shall immediately certify the petition to the department of local government finance.

As added by P.L.1-2005, SEC.49. Amended by P.L.137-2012, SEC.124.

IC 36-12-12-6

Notice and hearing; petition of objection by taxpayers

Sec. 6. The department of local government finance shall, within a reasonable time, fix a date for a hearing on the petition filed under section 5(b) of this chapter. The hearing shall be held in a county in which the library district is located. The department of local government finance shall notify:

- (1) the library board; and
- (2) the first ten (10) taxpayers whose names appear on the petition;

at least five (5) days before the date fixed for the hearing.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-7

Department of local government finance action; appeal

Sec. 7. (a) After a hearing upon the petition under section 6 of this chapter, the department of local government finance shall certify the department's approval, disapproval, or modification of the plan to the library board and the auditor of the county.

(b) A:

- (1) taxpayer who signed a petition filed under section 5 of this chapter; or
- (2) library district against which a petition under section 5 of this chapter is filed;

may petition for judicial review of the final determination of the department of local government finance under subsection (a). The petition must be filed in the tax court not more than forty-five (45) days after the department certifies the department's action under subsection (a).

As added by P.L.1-2005, SEC.49.

IC 36-12-12-8

Appropriations; conform to plan

Sec. 8. Notwithstanding IC 6-1.1-17, the department of local government finance may approve appropriations from the capital projects fund only if the appropriations conform to a plan that has been adopted and approved in compliance with this chapter.

As added by P.L.1-2005, SEC.49. Amended by P.L.1-2006, SEC.587.

IC 36-12-12-9

Amending plan; emergencies; increasing tax rate and borrowing funds

Sec. 9. (a) A library board may amend an adopted and approved plan to:

- (1) provide money for the purposes described in section 2(b)(4) of this chapter; or
- (2) supplement money accumulated in the capital projects fund for those purposes.

(b) If an emergency arises that results in costs that exceed the amount accumulated in the fund for the purposes described in section 2(b)(4) of this chapter, the library board must immediately apply to the department of local government finance for a determination that

an emergency exists. If the department of local government finance determines that an emergency exists, the library board may adopt a resolution to amend the plan. The amendment is not subject to the deadline and the procedures for adoption described in section 3 of this chapter. However, the amendment is subject to modification by the department of local government finance.

(c) An amendment adopted under this section may require the payment of eligible emergency costs from:

- (1) money accumulated in the capital projects fund for other purposes; or
- (2) money to be borrowed from other funds of the library board or from a financial institution.

The amendment may also provide for an increase in the property tax rate for the capital projects fund to restore money to the fund or to pay principal and interest on a loan. However, before the property tax rate for the fund may be increased, the library board must submit and obtain the approval of the appropriate fiscal body or bodies, as provided in section 4 of this chapter. An increase to the property tax rate for the capital projects fund is effective for property taxes first due and payable for the year next certified by the department of local government finance under IC 6-1.1-17-16. However, the property tax rate may not exceed the maximum rate established under section 10 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-10

Tax rate; limit and advertisement

Sec. 10. To provide for the capital projects fund, the library board may, for each year in which a plan adopted under section 3 of this chapter is in effect, impose a property tax rate that does not exceed one and sixty-seven hundredths cents (\$.0167) on each one hundred dollars (\$100) of assessed valuation of the library district. This rate must be advertised in the same manner as other property tax rates.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-11

Interest

Sec. 11. Interest on the capital projects fund, including the fund's pro rata share of interest earned on the investment of total money on deposit, shall be deposited in the fund. The library board may allocate the interest among the accounts within the fund.

As added by P.L.1-2005, SEC.49.

IC 36-12-12-12

Administrative rules

Sec. 12. The department of local government finance may adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-13

Chapter 13. Interstate Library Compact

IC 36-12-13-1

Application of chapter

Sec. 1. This chapter applies to Indiana and any state bordering Indiana that joins in the interstate library compact.

As added by P.L.1-2005, SEC.49.

IC 36-12-13-2

Authorization to enter into agreements under compact; procedure

Sec. 2. (a) The appropriate officials and agencies of the party states or a political subdivision as defined in IC 36-1-2-13 may, on behalf of the party states or political subdivision, enter into agreements under the interstate library compact for cooperative or joint conduct of library services if the party states or political subdivision finds that the distribution of population makes the provision of library service on an interstate basis the most effective way to provide adequate and efficient services.

(b) Agreements under the interstate library compact entered into on behalf of the state shall be made by the compact administrator.

(c) Agreements under the interstate library compact entered into on behalf of one of the state's political subdivisions shall be made after giving notice to the compact administrator and after consulting with the compact administrator about the agreement.

As added by P.L.1-2005, SEC.49.

IC 36-12-13-3

Compact administrator; duties

Sec. 3. The director of the Indiana state library, ex officio, is the compact administrator. The compact administrator shall:

- (1) receive copies of all agreements entered into by the state or a political subdivision of the state and other party states or political subdivisions;
- (2) consult with, advise, and aid the political subdivisions in the formulation of interstate library compact agreements;
- (3) make recommendations to the governor, the general assembly, governmental agencies, and political subdivisions that are desirable to effectuate the purposes of this compact; and
- (4) consult and cooperate with the compact administrators of other party states.

As added by P.L.1-2005, SEC.49.

IC 36-12-13-4

Contents of agreement

Sec. 4. An interstate library compact agreement must:

- (1) detail the specific nature of the services, facilities, properties, or personnel to which the compact is applicable;
- (2) provide for the allocation of costs and other financial responsibilities;

(3) specify the respective rights, duties, obligations, and liabilities; and

(4) stipulate the terms and conditions for duration, renewal, termination, abrogation, disposal of joint or common property, if any, and all other matters that may be appropriate to the proper effectuation and performance of the agreement.

As added by P.L.1-2005, SEC.49.

IC 36-12-13-5

Effect of compact after notice of repeal

Sec. 5. A compact continues in force and remains binding on each party state until six (6) months after a state has given notice of repeal by the legislature. The repeal of an interstate library compact chapter does not relieve any party to an interstate library compact agreement from the obligation of that agreement before the end of the compact's stipulated period of duration.

As added by P.L.1-2005, SEC.49.

IC 36-12-13-6

Enforcement of compact

Sec. 6. The agencies and officers of this state and political subdivisions of the state shall enforce the compact and do all things appropriate within their power to effect the compact's purpose and intent.

As added by P.L.1-2005, SEC.49.

IC 36-12-14

Repealed

(Repealed by P.L.146-2008, SEC.815.)

IC 36-12-15

Chapter 15. Free Public Use of School Libraries

IC 36-12-15-1

"Governing body"

Sec. 1. As used in this chapter, "governing body" has the meaning set forth in IC 20-26-2-2.

As added by P.L.2-2006, SEC.198.

IC 36-12-15-2

Power; city; town; library in connection with schools

Sec. 2. In cities and incorporated towns, a governing body may establish a free public library in connection with the common schools for:

- (1) the care, protection, and operation of the library;
- (2) the care of books and other materials; and
- (3) borrowing and returning books and other materials and penalties for any violations.

However, in any city or incorporated town where there is established a library open to all the people, a tax may not be levied.

As added by P.L.2-2006, SEC.198.

IC 36-12-15-3

Power; levy

Sec. 3. The governing body may levy a tax of not more than one-tenth cent (\$.001) on each one dollar (\$1) of taxable property assessed for taxation in a city or incorporated town in each year. The tax shall be placed on the tax duplicate of the city or incorporated town and collected in the same manner as other taxes. The taxes shall be paid to the governing body for the support and maintenance of the public library. The governing body may use tax revenues received under this section and gifts, devises, and grants to:

- (1) provide suitable facilities for the library;
- (2) purchase books and other materials; and
- (3) hire necessary personnel.

As added by P.L.2-2006, SEC.198.

IC 36-12-15-4

Acquisition of property by gift, grant, or devise

Sec. 4. A city or incorporated town in which a free public library is established under this chapter may acquire by purchase or take and hold by gift, grant, or devise any real estate necessary for, or that is donated or devised for, the library. Any revenue derived from the real property shall be used for the library.

As added by P.L.2-2006, SEC.198.