



January 22, 2019

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## HOUSE BILL No. 1034

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DIGEST OF HB 1034 (Updated January 17, 2019 2:22 pm - DI 134)

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

**Synopsis:** Political subdivision controlled projects and debt. Modifies the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies. Bases these threshold amounts on gross assessed value. Provides that for a road, street, or designated bridge project, only the costs paid from property taxes are considered when applying these threshold amounts. Provides that if the estimated increase in a political subdivision's property tax levy for debt service for a proposed controlled project will be offset in whole or in part because of the retirement of existing debt of the political subdivision, the proper officers of the political subdivision may adopt a resolution that includes certain information and statements. Provides that if a political subdivision experiences a decrease in net assessed value it may be stated as an exception to a political subdivision's statement about maintaining its property tax rate to fund a new controlled project because of the retirement of debt. Specifies the ballot language for the referendum on such a proposed controlled project. Provides that the restrictions on supporting a position on a controlled project apply to any political subdivision that has assessed value within the same taxing district as the political subdivision proposing the project.

**Effective:** July 1, 2019.

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### Thompson, Clere

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January 3, 2019, read first time and referred to Committee on Ways and Means.  
January 22, 2019, amended, reported — Do Pass.

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HB 1034—LS 6540/DI 58





January 22, 2019

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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1034

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

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

1 SECTION 1. IC 6-1.1-20-0.8 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2019]: **Sec. 0.8. (a) This section applies to a**  
4 **preliminary determination to issue bonds or enter into a lease**  
5 **made after June 30, 2019, for a project for engineering, land and**  
6 **right-of-way acquisition, construction, resurfacing, maintenance,**  
7 **restoration, and rehabilitation of:**  
8 (1) **local road and street systems, including bridges that are**  
9 **designated as being in a local road and street system;**  
10 (2) **arterial road and street systems, including bridges that are**  
11 **designated as being in an arterial road and street system; or**  
12 (3) **any combination of local and arterial road and street**  
13 **systems, including designated bridges.**  
14 (b) **In determining whether a project is a controlled project for**  
15 **purposes of this chapter and whether the petition and**  
16 **remonstrance process under sections 3.1 and 3.2 of this chapter or**  
17 **the referendum process under sections 3.5 and 3.6 of this chapter**

HB 1034—LS 6540/DI 58



1 **applies to the project, the cost of the project does not include**  
 2 **expenditures for the project that will be paid from a source other**  
 3 **than property taxes.**

4 SECTION 2. IC 6-1.1-20-1.1, AS AMENDED BY P.L.246-2017,  
 5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2019]: Sec. 1.1. As used in this chapter, "controlled project"  
 7 means any project financed by bonds or a lease, except for the  
 8 following:

9 (1) A project for which the political subdivision reasonably  
 10 expects to pay:

11 (A) debt service; or

12 (B) lease rentals;

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

18 (2) A project that will not cost the political subdivision more than  
 19 the lesser of the following **threshold amount**:

20 (A) An amount equal to the following:

21 (i) In the case of an ordinance or resolution adopted before  
 22 January 1, 2018, making a preliminary determination to  
 23 issue bonds or enter into a lease for the project, two million  
 24 dollars (\$2,000,000):

25 (ii) In the case of an ordinance or resolution adopted after  
 26 December 31, 2017, and before January 1, 2019, making a  
 27 preliminary determination to issue bonds or enter into a  
 28 lease for the project, five million dollars (\$5,000,000):

29 (iii) In the case of an ordinance or resolution adopted in a  
 30 calendar year after December 31, 2018, making a  
 31 preliminary determination to issue bonds or enter into a  
 32 lease for the project, an amount (as determined by the  
 33 department of local government finance) equal to the result  
 34 of the assessed value growth quotient determined under  
 35 IC 6-1.1-18.5-2 for the year multiplied by the amount  
 36 determined under this clause for the preceding calendar  
 37 year.

38 The department of local government finance shall publish the  
 39 threshold determined under item (iii) in the Indiana Register  
 40 under IC 4-22-7-7 not more than sixty (60) days after the date  
 41 the budget agency releases the growth quotient for the ensuing  
 42 year under IC 6-1.1-18.5-2.



- 1 (B) An amount equal to the following:
- 2 (i) One percent (1%) of the total gross assessed value of
- 3 property within the political subdivision on the last
- 4 assessment date, if that total gross assessed value is more
- 5 than one hundred million dollars (\$100,000,000);
- 6 (ii) One million dollars (\$1,000,000); if the total gross
- 7 assessed value of property within the political subdivision
- 8 on the last assessment date is not more than one hundred
- 9 million dollars (\$100,000,000).
- 10 (A) If the total gross assessed value of property within the
- 11 political subdivision on the last assessment date is not more
- 12 than one hundred million dollars (\$100,000,000), one
- 13 million dollars (\$1,000,000).
- 14 (B) If the total gross assessed value of property within the
- 15 political subdivision on the last assessment date exceeds
- 16 one hundred million dollars (\$100,000,000) and is not more
- 17 than five hundred million dollars (\$500,000,000), one
- 18 million dollars (\$1,000,000) plus one percent (1%) of the
- 19 political subdivision's gross assessed value that exceeds one
- 20 hundred million dollars (\$100,000,000).
- 21 (C) If the total gross assessed value of property within the
- 22 political subdivision on the last assessment date exceeds
- 23 five hundred million dollars (\$500,000,000), five million
- 24 dollars (\$5,000,000) plus five-hundredths of one percent
- 25 (0.05%) of the political subdivision's gross assessed value
- 26 that exceeds five hundred million dollars (\$500,000,000).
- 27 (3) A project that is being refinanced for the purpose of providing
- 28 gross or net present value savings to taxpayers.
- 29 (4) A project for which bonds were issued or leases were entered
- 30 into before January 1, 1996, or where the state board of tax
- 31 commissioners has approved the issuance of bonds or the
- 32 execution of leases before January 1, 1996.
- 33 (5) A project that is required by a court order holding that a
- 34 federal law mandates the project.
- 35 (6) A project that is in response to:
- 36 (A) a natural disaster;
- 37 (B) an accident; or
- 38 (C) an emergency;
- 39 in the political subdivision that makes a building or facility
- 40 unavailable for its intended use.
- 41 (7) A project that was not a controlled project under this section
- 42 as in effect on June 30, 2008, and for which:



- 1 (A) the bonds or lease for the project were issued or entered  
 2 into before July 1, 2008; or  
 3 (B) the issuance of the bonds or the execution of the lease for  
 4 the project was approved by the department of local  
 5 government finance before July 1, 2008.
- 6 (8) A project of the Little Calumet River basin development  
 7 commission for which bonds are payable from special  
 8 assessments collected under IC 14-13-2-18.6.
- 9 SECTION 3. IC 6-1.1-20-3.1, AS AMENDED BY P.L.246-2017,  
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2019]: Sec. 3.1. (a) Subject to section 3.5(a)(1)(C) of this  
 12 chapter, this section applies only to the following:
- 13 (1) A controlled project (as defined in section 1.1 of this chapter  
 14 as in effect June 30, 2008) for which the proper officers of a  
 15 political subdivision make a preliminary determination in the  
 16 manner described in subsection (b) before July 1, 2008.
- 17 (2) An elementary school building, middle school building, high  
 18 school building, or other school building for academic instruction  
 19 that:
- 20 (A) is a controlled project;  
 21 (B) will be used for any combination of kindergarten through  
 22 grade 12; and  
 23 (C) will not cost more than the lesser of the following  
 24 **threshold amount:**
- 25 (i) The threshold amount determined under this item. In the  
 26 case of an ordinance or resolution adopted before January 1,  
 27 2018, making a preliminary determination to issue bonds or  
 28 enter into a lease for the project, the threshold amount is ten  
 29 million dollars (\$10,000,000). In the case of an ordinance or  
 30 resolution adopted after December 31, 2017, and before  
 31 January 1, 2019, making a preliminary determination to  
 32 issue bonds or enter into a lease for the project, the threshold  
 33 amount is fifteen million dollars (\$15,000,000). In the case  
 34 of an ordinance or resolution adopted in a calendar year after  
 35 December 31, 2018, making a preliminary determination to  
 36 issue bonds or enter into a lease for the project, the threshold  
 37 amount is an amount (as determined by the department of  
 38 local government finance) equal to the result of the assessed  
 39 value growth quotient determined under IC 6-1.1-18.5-2 for  
 40 the year multiplied by the threshold amount determined  
 41 under this item for the preceding calendar year. In the case  
 42 of a threshold amount determined under this item that



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

7 (ii) An amount equal to one percent (1%) of the total gross  
 8 assessed value of property within the political subdivision  
 9 on the last assessment date, if that total gross assessed value  
 10 is more than one billion dollars (\$1,000,000,000); or ten  
 11 million dollars (\$10,000,000); if the total gross assessed  
 12 value of property within the political subdivision on the last  
 13 assessment date is not more than one billion dollars  
 14 (\$1,000,000,000).

15 **(i) If the total gross assessed value of property within the**  
 16 **political subdivision on the last assessment date is not**  
 17 **more than one billion dollars (\$1,000,000,000), ten**  
 18 **million dollars (\$10,000,000).**

19 **(ii) If the total gross assessed value of property within**  
 20 **the political subdivision on the last assessment date**  
 21 **exceeds one billion dollars (\$1,000,000,000) and is not**  
 22 **more than one billion five hundred million dollars**  
 23 **(\$1,500,000,000), ten million dollars (\$10,000,000) plus**  
 24 **one percent (1%) of the political subdivision's gross**  
 25 **assessed value that exceeds one billion dollars**  
 26 **(\$1,000,000,000).**

27 **(iii) If the total gross assessed value of property within**  
 28 **the political subdivision on the last assessment date**  
 29 **exceeds one billion five hundred million dollars**  
 30 **(\$1,500,000,000), fifteen million dollars (\$15,000,000)**  
 31 **plus one-tenth of one percent (0.1%) of the political**  
 32 **subdivision's gross assessed value that exceeds one**  
 33 **billion five hundred million dollars (\$1,500,000,000).**

34 (3) Any other controlled project that:

35 (A) is not a controlled project described in subdivision (1) or  
 36 (2); and

37 (B) will not cost the political subdivision more than the lesser  
 38 of the following **threshold amount:**

39 (i) The threshold amount determined under this item. In the  
 40 case of an ordinance or resolution adopted before January 1,  
 41 2018; making a preliminary determination to issue bonds or  
 42 enter into a lease for the project, the threshold amount is



1 twelve million dollars (\$12,000,000). In the case of an  
 2 ordinance or resolution adopted after December 31, 2017,  
 3 and before January 1, 2019, making a preliminary  
 4 determination to issue bonds or enter into a lease for the  
 5 project, the threshold amount is fifteen million dollars  
 6 (\$15,000,000). In the case of an ordinance or resolution  
 7 adopted in a calendar year after December 31, 2018, making  
 8 a preliminary determination to issue bonds or enter into a  
 9 lease for the project, the threshold amount is an amount (as  
 10 determined by the department of local government finance)  
 11 equal to the result of the assessed value growth quotient  
 12 determined under IC 6-1.1-18.5-2 for the year multiplied by  
 13 the threshold amount determined under this item for the  
 14 preceding calendar year. In the case of a threshold amount  
 15 determined under this item that applies for a calendar year  
 16 after December 31, 2018, the department of local  
 17 government finance shall publish the threshold in the  
 18 Indiana Register under IC 4-22-7-7 not more than sixty (60)  
 19 days after the date the budget agency releases the assessed  
 20 value growth quotient for the ensuing year under  
 21 IC 6-1.1-18.5-2.

22 (ii) An amount equal to one percent (1%) of the total gross  
 23 assessed value of property within the political subdivision  
 24 on the last assessment date, if that total gross assessed value  
 25 is more than one hundred million dollars (\$100,000,000); or  
 26 one million dollars (\$1,000,000); if the total gross assessed  
 27 value of property within the political subdivision on the last  
 28 assessment date is not more than one hundred million  
 29 dollars (\$100,000,000).

30 (i) If the total gross assessed value of property within the  
 31 political subdivision on the last assessment date is not  
 32 more than one hundred million dollars (\$100,000,000),  
 33 one million dollars (\$1,000,000).

34 (ii) If the total gross assessed value of property within  
 35 the political subdivision on the last assessment date  
 36 exceeds one hundred million dollars (\$100,000,000) and  
 37 is not more than one billion five hundred million dollars  
 38 (\$1,500,000,000), one million dollars (\$1,000,000) plus  
 39 one percent (1%) of the political subdivision's gross  
 40 assessed value that exceeds one hundred million dollars  
 41 (\$100,000,000).

42 (iii) If the total gross assessed value of property within





1           **the political subdivision on the last assessment date**  
 2           **exceeds one billion five hundred million dollars**  
 3           **(\$1,500,000,000), fifteen million dollars (\$15,000,000)**  
 4           **plus one-tenth of one percent (0.1%) of the political**  
 5           **subdivision's gross assessed value that exceeds one**  
 6           **billion five hundred million dollars (\$1,500,000,000).**

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

10           (1) The proper officers of a political subdivision shall publish  
 11           notice in accordance with IC 5-3-1 and send notice by first class  
 12           mail to the circuit court clerk and to any organization that delivers  
 13           to the officers, before January 1 of that year, an annual written  
 14           request for such notices of any meeting to consider adoption of a  
 15           resolution or an ordinance making a preliminary determination to  
 16           issue bonds or enter into a lease and shall conduct at least two (2)  
 17           public hearings on a preliminary determination before adoption  
 18           of the resolution or ordinance. The political subdivision must at  
 19           each of the public hearings on the preliminary determination  
 20           allow the public to testify regarding the preliminary determination  
 21           and must make the following information available to the public  
 22           at each of the public hearings on the preliminary determination,  
 23           in addition to any other information required by law:

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

28           (B) The result of:

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

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

35           (C) The information specified in subdivision (3)(A) through  
 36           (3)(H).

37           (2) When the proper officers of a political subdivision make a  
 38           preliminary determination to issue bonds or enter into a lease for  
 39           a controlled project, the officers shall give notice of the  
 40           preliminary determination by:

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

42           (B) first class mail to the circuit court clerk and to the



- 1 organizations described in subdivision (1).  
 2 (3) A notice under subdivision (2) of the preliminary  
 3 determination of the political subdivision to issue bonds or enter  
 4 into a lease for a controlled project must include the following  
 5 information:  
 6 (A) The maximum term of the bonds or lease.  
 7 (B) The maximum principal amount of the bonds or the  
 8 maximum lease rental for the lease.  
 9 (C) The estimated interest rates that will be paid and the total  
 10 interest costs associated with the bonds or lease.  
 11 (D) The purpose of the bonds or lease.  
 12 (E) A statement that any owners of property within the  
 13 political subdivision or registered voters residing within the  
 14 political subdivision who want to initiate a petition and  
 15 remonstrance process against the proposed debt service or  
 16 lease payments must file a petition that complies with  
 17 subdivisions (4) and (5) not later than thirty (30) days after  
 18 publication in accordance with IC 5-3-1.  
 19 (F) With respect to bonds issued or a lease entered into to  
 20 open:  
 21 (i) a new school facility; or  
 22 (ii) an existing facility that has not been used for at least  
 23 three (3) years and that is being reopened to provide  
 24 additional classroom space;  
 25 the estimated costs the school corporation expects to incur  
 26 annually to operate the facility.  
 27 (G) A statement of whether the school corporation expects to  
 28 appeal for a new facility adjustment (as defined in  
 29 IC 20-45-1-16 (repealed) before January 1, 2009) for an  
 30 increased maximum permissible tuition support levy to pay the  
 31 estimated costs described in clause (F).  
 32 (H) The following information:  
 33 (i) The political subdivision's current debt service levy and  
 34 rate.  
 35 (ii) The estimated increase to the political subdivision's debt  
 36 service levy and rate that will result if the political  
 37 subdivision issues the bonds or enters into the lease.  
 38 (iii) The estimated amount of the political subdivision's debt  
 39 service levy and rate that will result during the following ten  
 40 (10) years if the political subdivision issues the bonds or  
 41 enters into the lease, after also considering any changes that  
 42 will occur to the debt service levy and rate during that



- 1 period on account of any outstanding bonds or lease  
 2 obligations that will mature or terminate during that period.
- 3 (I) The information specified in subdivision (1)(A) through  
 4 (1)(B).
- 5 (4) After notice is given, a petition requesting the application of  
 6 a petition and remonstrance process may be filed by the lesser of:  
 7 (A) five hundred (500) persons who are either owners of  
 8 property within the political subdivision or registered voters  
 9 residing within the political subdivision; or  
 10 (B) five percent (5%) of the registered voters residing within  
 11 the political subdivision.
- 12 (5) The state board of accounts shall design and, upon request by  
 13 the county voter registration office, deliver to the county voter  
 14 registration office or the county voter registration office's  
 15 designated printer the petition forms to be used solely in the  
 16 petition process described in this section. The county voter  
 17 registration office shall issue to an owner or owners of property  
 18 within the political subdivision or a registered voter residing  
 19 within the political subdivision the number of petition forms  
 20 requested by the owner or owners or the registered voter. Each  
 21 form must be accompanied by instructions detailing the  
 22 requirements that:
- 23 (A) the carrier and signers must be owners of property or  
 24 registered voters;
- 25 (B) the carrier must be a signatory on at least one (1) petition;
- 26 (C) after the signatures have been collected, the carrier must  
 27 swear or affirm before a notary public that the carrier  
 28 witnessed each signature; and
- 29 (D) govern the closing date for the petition period.
- 30 Persons requesting forms may be required to identify themselves  
 31 as owners of property or registered voters and may be allowed to  
 32 pick up additional copies to distribute to other owners of property  
 33 or registered voters. Each person signing a petition must indicate  
 34 whether the person is signing the petition as a registered voter  
 35 within the political subdivision or is signing the petition as the  
 36 owner of property within the political subdivision. A person who  
 37 signs a petition as a registered voter must indicate the address at  
 38 which the person is registered to vote. A person who signs a  
 39 petition as an owner of property must indicate the address of the  
 40 property owned by the person in the political subdivision.
- 41 (6) Each petition must be verified under oath by at least one (1)  
 42 qualified petitioner in a manner prescribed by the state board of



1 accounts before the petition is filed with the county voter  
2 registration office under subdivision (7).  
3 (7) Each petition must be filed with the county voter registration  
4 office not more than thirty (30) days after publication under  
5 subdivision (2) of the notice of the preliminary determination.  
6 (8) The county voter registration office shall determine whether  
7 each person who signed the petition is a registered voter.  
8 However, after the county voter registration office has determined  
9 that at least five hundred twenty-five (525) persons who signed  
10 the petition are registered voters within the political subdivision,  
11 the county voter registration office is not required to verify  
12 whether the remaining persons who signed the petition are  
13 registered voters. If the county voter registration office does not  
14 determine that at least five hundred twenty-five (525) persons  
15 who signed the petition are registered voters, the county voter  
16 registration office shall, not more than fifteen (15) business days  
17 after receiving a petition, forward a copy of the petition to the  
18 county auditor. Not more than ten (10) business days after  
19 receiving the copy of the petition, the county auditor shall provide  
20 to the county voter registration office a statement verifying:  
21 (A) whether a person who signed the petition as a registered  
22 voter but is not a registered voter, as determined by the county  
23 voter registration office, is the owner of property in the  
24 political subdivision; and  
25 (B) whether a person who signed the petition as an owner of  
26 property within the political subdivision does in fact own  
27 property within the political subdivision.  
28 (9) The county voter registration office, not more than ten (10)  
29 business days after determining that at least five hundred  
30 twenty-five (525) persons who signed the petition are registered  
31 voters or receiving the statement from the county auditor under  
32 subdivision (8), as applicable, shall make the final determination  
33 of the number of petitioners that are registered voters in the  
34 political subdivision and, based on the statement provided by the  
35 county auditor, the number of petitioners that own property within  
36 the political subdivision. Whenever the name of an individual  
37 who signs a petition form as a registered voter contains a minor  
38 variation from the name of the registered voter as set forth in the  
39 records of the county voter registration office, the signature is  
40 presumed to be valid, and there is a presumption that the  
41 individual is entitled to sign the petition under this section. Except  
42 as otherwise provided in this chapter, in determining whether an



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

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

24 (A) the township trustee, if the political subdivision is a  
 25 township, who shall present the petition or petitions to the  
 26 township board; or

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

30 within thirty-five (35) business days of the filing of the petition  
 31 requesting a petition and remonstrance process. The certificate  
 32 must state the number of petitioners that are owners of property  
 33 within the political subdivision and the number of petitioners who  
 34 are registered voters residing within the political subdivision.

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

40 (c) A political subdivision may not divide a controlled project in  
 41 order to avoid the requirements of this section and section 3.2 of this  
 42 chapter. A person that owns property within a political subdivision or



1 a person that is a registered voter residing within a political subdivision  
 2 may file a petition with the department of local government finance  
 3 objecting that the political subdivision has divided a controlled project  
 4 in order to avoid the requirements of this section and section 3.2 of this  
 5 chapter. The petition must be filed not more than ten (10) days after the  
 6 political subdivision gives notice of the political subdivision's decision  
 7 to issue bonds or enter into leases for a capital project that the person  
 8 believes is the result of a division of a controlled project that is  
 9 prohibited by this subsection. If the department of local government  
 10 finance receives a petition under this subsection, the department shall  
 11 not later than thirty (30) days after receiving the petition make a final  
 12 determination on the issue of whether the political subdivision divided  
 13 a controlled project in order to avoid the requirements of this section  
 14 and section 3.2 of this chapter. If the department of local government  
 15 finance determines that a political subdivision divided a controlled  
 16 project in order to avoid the requirements of this section and section  
 17 3.2 of this chapter and the political subdivision continues to desire to  
 18 proceed with the project, the political subdivision shall fulfill the  
 19 requirements of this section and section 3.2 of this chapter, if  
 20 applicable, regardless of the cost of the project in dispute. A political  
 21 subdivision shall be considered to have divided a capital project in  
 22 order to avoid the requirements of this section and section 3.2 of this  
 23 chapter if the result of one (1) or more of the subprojects cannot  
 24 reasonably be considered an independently desirable end in itself  
 25 without reference to another capital project. This subsection does not  
 26 prohibit a political subdivision from undertaking a series of capital  
 27 projects in which the result of each capital project can reasonably be  
 28 considered an independently desirable end in itself without reference  
 29 to another capital project.

30 SECTION 4. IC 6-1.1-20-3.5, AS AMENDED BY P.L.246-2017,  
 31 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2019]: Sec. 3.5. (a) This section applies only to a controlled  
 33 project that meets the following conditions:

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

36 (A) An elementary school building, middle school building,  
 37 high school building, or other school building for academic  
 38 instruction that will be used for any combination of  
 39 kindergarten through grade 12 and will cost more than ~~the~~  
 40 **lesser of the following threshold amount:**

41 ~~(i) The threshold amount determined under this item. In the~~  
 42 ~~case of an ordinance or resolution adopted before January 1,~~



1 2018; making a preliminary determination to issue bonds or  
 2 enter into a lease for the project, the threshold amount is ten  
 3 million dollars (\$10,000,000). In the case of an ordinance or  
 4 resolution adopted after December 31, 2017, and before  
 5 January 1, 2019; making a preliminary determination to  
 6 issue bonds or enter into a lease for the project, the threshold  
 7 amount is fifteen million dollars (\$15,000,000). In the case  
 8 of an ordinance or resolution adopted in a calendar year after  
 9 December 31, 2018; making a preliminary determination to  
 10 issue bonds or enter into a lease for the project, the threshold  
 11 amount is an amount (as determined by the department of  
 12 local government finance) equal to the result of the assessed  
 13 value growth quotient determined under IC 6-1.1-18.5-2 for  
 14 the year multiplied by the threshold amount determined  
 15 under this item for the preceding calendar year. In the case  
 16 of a threshold amount determined under this item that  
 17 applies for a calendar year after December 31, 2018; the  
 18 department of local government finance shall publish the  
 19 threshold in the Indiana Register under IC 4-22-7-7 not more  
 20 than sixty (60) days after the date the budget agency releases  
 21 the assessed value growth quotient for the ensuing year  
 22 under IC 6-1.1-18.5-2.

23 (ii) An amount equal to one percent (1%) of the total gross  
 24 assessed value of property within the political subdivision  
 25 on the last assessment date, if that total gross assessed value  
 26 is more than one billion dollars (\$1,000,000,000); or ten  
 27 million dollars (\$10,000,000); if the total gross assessed  
 28 value of property within the political subdivision on the last  
 29 assessment date is not more than one billion dollars  
 30 (\$1,000,000,000).

31 **(i) If the total gross assessed value of property within the**  
 32 **political subdivision on the last assessment date is not**  
 33 **more than one billion dollars (\$1,000,000,000), ten**  
 34 **million dollars (\$10,000,000).**

35 **(ii) If the total gross assessed value of property within**  
 36 **the political subdivision on the last assessment date**  
 37 **exceeds one billion dollars (\$1,000,000,000) and is not**  
 38 **more than one billion five hundred million dollars**  
 39 **(\$1,500,000,000), ten million dollars (\$10,000,000) plus**  
 40 **one percent (1%) of the political subdivision's gross**  
 41 **assessed value that exceeds one billion dollars**  
 42 **(\$1,000,000,000).**



1 (iii) If the total gross assessed value of property within  
 2 the political subdivision on the last assessment date  
 3 exceeds one billion five hundred million dollars  
 4 (\$1,500,000,000), fifteen million dollars (\$15,000,000)  
 5 plus one-tenth of one percent (0.1%) of the political  
 6 subdivision's gross assessed value that exceeds one  
 7 billion five hundred million dollars (\$1,500,000,000).

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

11 (i) The threshold amount determined under this item: In the  
 12 case of an ordinance or resolution adopted before January 1,  
 13 2018, making a preliminary determination to issue bonds or  
 14 enter into a lease for the project, the threshold amount is  
 15 twelve million dollars (\$12,000,000). In the case of an  
 16 ordinance or resolution adopted after December 31, 2017,  
 17 and before January 1, 2019, making a preliminary  
 18 determination to issue bonds or enter into a lease for the  
 19 project, the threshold amount is fifteen million dollars  
 20 (\$15,000,000). In the case of an ordinance or resolution  
 21 adopted in a calendar year after December 31, 2018, making  
 22 a preliminary determination to issue bonds or enter into a  
 23 lease for the project, the threshold amount is an amount (as  
 24 determined by the department of local government finance)  
 25 equal to the result of the assessed value growth quotient  
 26 determined under IC 6-1.1-18.5-2 for the year multiplied by  
 27 the threshold amount determined under this item for the  
 28 preceding calendar year. In the case of a threshold amount  
 29 determined under this item that applies for a calendar year  
 30 after December 31, 2018, the department of local  
 31 government finance shall publish the threshold in the  
 32 Indiana Register under IC 4-22-7-7 not more than sixty (60)  
 33 days after the date the budget agency releases the assessed  
 34 value growth quotient for the ensuing year under  
 35 IC 6-1.1-18.5-2.

36 (ii) An amount equal to one percent (1%) of the total gross  
 37 assessed value of property within the political subdivision  
 38 on the last assessment date, if that total gross assessed value  
 39 is more than one hundred million dollars (\$100,000,000); or  
 40 one million dollars (\$1,000,000); if the total gross assessed  
 41 value of property within the political subdivision on the last  
 42 assessment date is not more than one hundred million





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dollars (\$100,000,000):

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

**(ii) If the total gross assessed value of property within the political subdivision on the last assessment date exceeds one hundred million dollars (\$100,000,000) and is not more than one billion five hundred million dollars (\$1,500,000,000), one million dollars (\$1,000,000) plus one percent (1%) of the political subdivision's gross assessed value that exceeds one hundred million dollars (\$100,000,000).**

**(iii) If the total gross assessed value of property within the political subdivision on the last assessment date exceeds one billion five hundred million dollars (\$1,500,000,000), fifteen million dollars (\$15,000,000) plus one-tenth of one percent (0.1%) of the political subdivision's gross assessed value that exceeds one billion five hundred million dollars (\$1,500,000,000).**

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

(i) the cost of that controlled project; plus

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

**exceeds twenty-five million dollars (\$25,000,000) plus one-tenth of one percent (0.1%) of the gross assessed value that exceeds two billion five hundred million dollars (\$2,500,000,000). For purposes of this clause, the cost of the controlled project includes only the costs for the project that will be paid from property taxes.**

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

(b) A political subdivision may not impose property taxes to pay



1 debt service on bonds or lease rentals on a lease for a controlled project  
2 without completing the following procedures:

3 (1) The proper officers of a political subdivision shall publish  
4 notice in accordance with IC 5-3-1 and send notice by first class  
5 mail to the circuit court clerk and to any organization that delivers  
6 to the officers, before January 1 of that year, an annual written  
7 request for notices of any meeting to consider the adoption of an  
8 ordinance or a resolution making a preliminary determination to  
9 issue bonds or enter into a lease and shall conduct at least two (2)  
10 public hearings on the preliminary determination before adoption  
11 of the ordinance or resolution. The political subdivision must at  
12 each of the public hearings on the preliminary determination  
13 allow the public to testify regarding the preliminary determination  
14 and must make the following information available to the public  
15 at each of the public hearings on the preliminary determination,  
16 in addition to any other information required by law:

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

21 (B) The result of:

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

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

28 (C) The information specified in subdivision (3)(A) through  
29 (3)(G).

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

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

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

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

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

40 (B) The maximum principal amount of the bonds or the  
41 maximum lease rental for the lease.

42 (C) The estimated interest rates that will be paid and the total



- 1 interest costs associated with the bonds or lease.  
 2 (D) The purpose of the bonds or lease.  
 3 (E) A statement that the proposed debt service or lease  
 4 payments must be approved in an election on a local public  
 5 question held under section 3.6 of this chapter.  
 6 (F) With respect to bonds issued or a lease entered into to  
 7 open:  
 8 (i) a new school facility; or  
 9 (ii) an existing facility that has not been used for at least  
 10 three (3) years and that is being reopened to provide  
 11 additional classroom space;  
 12 the estimated costs the school corporation expects to annually  
 13 incur to operate the facility.  
 14 (G) The following information:  
 15 (i) The political subdivision's current debt service levy and  
 16 rate.  
 17 (ii) The estimated increase to the political subdivision's debt  
 18 service levy and rate that will result if the political  
 19 subdivision issues the bonds or enters into the lease.  
 20 (iii) The estimated amount of the political subdivision's debt  
 21 service levy and rate that will result during the following ten  
 22 (10) years if the political subdivision issues the bonds or  
 23 enters into the lease, after also considering any changes that  
 24 will occur to the debt service levy and rate during that  
 25 period on account of any outstanding bonds or lease  
 26 obligations that will mature or terminate during that period.  
 27 (H) The information specified in subdivision (1)(A) through  
 28 (1)(B).  
 29 (4) After notice is given, a petition requesting the application of  
 30 the local public question process under section 3.6 of this chapter  
 31 may be filed by the lesser of:  
 32 (A) five hundred (500) persons who are either owners of  
 33 property within the political subdivision or registered voters  
 34 residing within the political subdivision; or  
 35 (B) five percent (5%) of the registered voters residing within  
 36 the political subdivision.  
 37 (5) The state board of accounts shall design and, upon request by  
 38 the county voter registration office, deliver to the county voter  
 39 registration office or the county voter registration office's  
 40 designated printer the petition forms to be used solely in the  
 41 petition process described in this section. The county voter  
 42 registration office shall issue to an owner or owners of property



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

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

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

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

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

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

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

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

31 (8) The county voter registration office shall determine whether  
 32 each person who signed the petition is a registered voter.  
 33 However, after the county voter registration office has determined  
 34 that at least five hundred twenty-five (525) persons who signed  
 35 the petition are registered voters within the political subdivision,  
 36 the county voter registration office is not required to verify  
 37 whether the remaining persons who signed the petition are  
 38 registered voters. If the county voter registration office does not  
 39 determine that at least five hundred twenty-five (525) persons  
 40 who signed the petition are registered voters, the county voter  
 41 registration office, not more than fifteen (15) business days after  
 42 receiving a petition, shall forward a copy of the petition to the



1 county auditor. Not more than ten (10) business days after  
2 receiving the copy of the petition, the county auditor shall provide  
3 to the county voter registration office a statement verifying:

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

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

11 (9) The county voter registration office, not more than ten (10)  
12 business days after determining that at least five hundred  
13 twenty-five (525) persons who signed the petition are registered  
14 voters or after receiving the statement from the county auditor  
15 under subdivision (8), as applicable, shall make the final  
16 determination of whether a sufficient number of persons have  
17 signed the petition. Whenever the name of an individual who  
18 signs a petition form as a registered voter contains a minor  
19 variation from the name of the registered voter as set forth in the  
20 records of the county voter registration office, the signature is  
21 presumed to be valid, and there is a presumption that the  
22 individual is entitled to sign the petition under this section. Except  
23 as otherwise provided in this chapter, in determining whether an  
24 individual is a registered voter, the county voter registration office  
25 shall apply the requirements and procedures used under IC 3 to  
26 determine whether a person is a registered voter for purposes of  
27 voting in an election governed by IC 3. However, an individual is  
28 not required to comply with the provisions concerning providing  
29 proof of identification to be considered a registered voter for  
30 purposes of this chapter. A person is entitled to sign a petition  
31 only one (1) time in a particular referendum process under this  
32 chapter, regardless of whether the person owns more than one (1)  
33 parcel of real property, mobile home assessed as personal  
34 property, or manufactured home assessed as personal property or  
35 a combination of those types of property within the political  
36 subdivision and regardless of whether the person is both a  
37 registered voter in the political subdivision and the owner of  
38 property within the political subdivision. Notwithstanding any  
39 other provision of this section, if a petition is presented to the  
40 county voter registration office within forty-five (45) days before  
41 an election, the county voter registration office may defer acting  
42 on the petition, and the time requirements under this section for



1 action by the county voter registration office do not begin to run  
 2 until five (5) days after the date of the election.  
 3 (10) The county voter registration office must file a certificate and  
 4 each petition with:  
 5 (A) the township trustee, if the political subdivision is a  
 6 township, who shall present the petition or petitions to the  
 7 township board; or  
 8 (B) the body that has the authority to authorize the issuance of  
 9 the bonds or the execution of a lease, if the political  
 10 subdivision is not a township;  
 11 within thirty-five (35) business days of the filing of the petition  
 12 requesting the referendum process. The certificate must state the  
 13 number of petitioners who are owners of property within the  
 14 political subdivision and the number of petitioners who are  
 15 registered voters residing within the political subdivision.  
 16 (11) If a sufficient petition requesting the local public question  
 17 process is not filed by owners of property or registered voters as  
 18 set forth in this section, the political subdivision may issue bonds  
 19 or enter into a lease by following the provisions of law relating to  
 20 the bonds to be issued or lease to be entered into.  
 21 (c) If the proper officers of a political subdivision make a  
 22 preliminary determination to issue bonds or enter into a lease, the  
 23 officers shall provide to the county auditor:  
 24 (1) a copy of the notice required by subsection (b)(2); and  
 25 (2) any other information the county auditor requires to fulfill the  
 26 county auditor's duties under section 3.6 of this chapter.  
 27 SECTION 5. IC 6-1.1-20-3.6, AS AMENDED BY P.L.246-2017,  
 28 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2019]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8  
 30 of this chapter, this section applies only to a controlled project  
 31 described in section 3.5(a) of this chapter.  
 32 (b) If a sufficient petition requesting the application of the local  
 33 public question process has been filed as set forth in section 3.5 of this  
 34 chapter, a political subdivision may not impose property taxes to pay  
 35 debt service on bonds or lease rentals on a lease for a controlled project  
 36 unless the political subdivision's proposed debt service or lease rental  
 37 is approved in an election on a local public question held under this  
 38 section.  
 39 (c) Except as provided in ~~subsection (k)~~, **subsections (d) and (l)**,  
 40 the following question shall be submitted to the eligible voters at the  
 41 election conducted under this section:  
 42 "Shall \_\_\_\_\_ (insert the name of the political subdivision)



1 issue bonds or enter into a lease to finance \_\_\_\_\_ (insert  
 2 a brief description of the controlled project), which is estimated  
 3 to cost not more than \_\_\_\_\_ (insert the total cost of the project)  
 4 and is estimated to increase the property tax rate for debt service  
 5 by \_\_\_\_\_ (insert increase in tax rate as determined by the  
 6 department of local government finance)?"

7 The public question must appear on the ballot in the form approved by  
 8 the county election board. If the political subdivision proposing to issue  
 9 bonds or enter into a lease is located in more than one (1) county, the  
 10 county election board of each county shall jointly approve the form of  
 11 the public question that will appear on the ballot in each county. The  
 12 form approved by the county election board may differ from the  
 13 language certified to the county election board by the county auditor.  
 14 If the county election board approves the language of a public question  
 15 under this subsection, the county election board shall submit the  
 16 language to the department of local government finance for review.

17 **(d) If the estimated increase in a political subdivision's property**  
 18 **tax levy for debt service for a controlled project will be offset in**  
 19 **whole or in part because of the retirement of existing debt of the**  
 20 **political subdivision, the proper officers of the political subdivision**  
 21 **may adopt a resolution that does the following:**

22 **(1) Includes a schedule that specifies:**

23 **(A) the maximum annual debt service for the controlled**  
 24 **project for each year in which such debt service will be**  
 25 **paid;**

26 **(B) the information described in section 3.5(b)(3)(G)(iii) of**  
 27 **this chapter concerning the estimated amount of the**  
 28 **political subdivision's debt service levy and tax rate that**  
 29 **will result during the following ten (10) years if the**  
 30 **political subdivision issues the bonds or enters into the**  
 31 **lease for the controlled project, after also considering any**  
 32 **changes that will occur to the debt service levy and tax rate**  
 33 **during that period on account of any outstanding bonds or**  
 34 **lease obligations that will mature or terminate during that**  
 35 **period; and**

36 **(C) whether:**

37 **(i) the outstanding bonds or lease obligations that will**  
 38 **mature or terminate during the following ten (10) years**  
 39 **were approved in a public question under this chapter;**  
 40 **and**

41 **(ii) the property taxes imposed to pay the outstanding**  
 42 **bonds or lease obligations described in item (i) are**



1 excluded from consideration in calculating tax credits  
 2 for purposes of the property tax caps under  
 3 IC 6-1.1-20.6.

4 (2) States that the proper officers of the political subdivision  
 5 intend to maintain the political subdivision's total debt service  
 6 property tax rate (including debt service for the controlled  
 7 project and for all other debt of the political subdivision) at or  
 8 below a specified property tax rate. The political subdivision's  
 9 statement that it intends to maintain its total debt service  
 10 property tax rate at or below such a specified property tax  
 11 rate may include exceptions for the following:

12 (A) Specified projects or purposes, including any projects  
 13 that the proper officers of the political subdivision declare  
 14 are required by an emergency or are required for the  
 15 safety and security of citizens or students.

16 (B) The political subdivision experiences a decrease in net  
 17 assessed value and its rate may not be maintained as a  
 18 result of the decrease.

19 If a political subdivision adopts a resolution under this subsection,  
 20 the proper officers of the political subdivision shall submit to the  
 21 department of local government finance a copy of the resolution,  
 22 information specifying the amount of existing debt that will be  
 23 retired, and a calculation showing the effect that the retirement of  
 24 the existing debt will have on the political subdivision's overall debt  
 25 service tax rates and levies. Except as provided in subsection (1), if  
 26 a political subdivision adopts a resolution under this subsection, the  
 27 following question shall be submitted to the eligible voters at the  
 28 election conducted under this section:

29 "Shall \_\_\_\_\_ (insert the name of the political subdivision)  
 30 issue bonds or enter into a lease to finance \_\_\_\_\_  
 31 (insert a brief description of the controlled project), which is  
 32 estimated to cost not more than \_\_\_\_\_ (insert the total cost  
 33 of the project), with an estimated property tax rate for the  
 34 project of \_\_\_\_\_ (insert the property tax rate for the  
 35 controlled project as determined by the department of local  
 36 government finance) but with the following estimated net  
 37 change in the total debt service property tax rate, after  
 38 accounting for the retirement of existing debt: \_\_\_\_\_  
 39 (insert net change in the political subdivision's total debt  
 40 service property tax rate, as determined by the department of  
 41 local government finance, after accounting for the retirement  
 42 of existing debt)?".





1     **The public question must appear on the ballot in the form**  
 2     **approved by the county election board. If the political subdivision**  
 3     **proposing to issue bonds or enter into a lease is located in more**  
 4     **than one (1) county, the county election board of each county shall**  
 5     **jointly approve the form of the public question that will appear on**  
 6     **the ballot in each county. The form approved by the county**  
 7     **election board may differ from the language certified to the county**  
 8     **election board by the county auditor. If the county election board**  
 9     **approves the language of a public question under this subsection,**  
 10    **the county election board shall submit the language to the**  
 11    **department of local government finance for review.**

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

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

36             (1) seventy-four (74) days before a primary election if the public  
 37             question is to be placed on the primary or municipal primary  
 38             election ballot; or

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

41     Subject to the certification requirements and deadlines under this  
 42     subsection and except as provided in subsection ~~(j)~~ **(l)**, the public



1 question shall be placed on the ballot at the next primary election,  
 2 general election, or municipal election in which all voters of the  
 3 political subdivision are entitled to vote. However, if a primary  
 4 election, general election, or municipal election will not be held during  
 5 the first year in which the public question is eligible to be placed on the  
 6 ballot under this section and if the political subdivision requests the  
 7 public question to be placed on the ballot at a special election, the  
 8 public question shall be placed on the ballot at a special election to be  
 9 held on the first Tuesday after the first Monday in May or November  
 10 of the year. The certification must occur not later than noon  
 11 seventy-four (74) days before a special election to be held in May (if  
 12 the special election is to be held in May) or noon on August 1 (if the  
 13 special election is to be held in November). The fiscal body of the  
 14 political subdivision that requests the special election shall pay the  
 15 costs of holding the special election. The county election board shall  
 16 give notice under IC 5-3-1 of a special election conducted under this  
 17 subsection. A special election conducted under this subsection is under  
 18 the direction of the county election board. The county election board  
 19 shall take all steps necessary to carry out the special election.

20 ~~(f)~~ **(g)** The circuit court clerk shall certify the results of the public  
 21 question to the following:

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

24 (2) The department of local government finance.

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

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

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

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

37 (A) except as provided in clause (B), seven hundred (700)  
 38 days after the date of the public question; or

39 (B) three hundred fifty (350) days after the date of the election,  
 40 if a petition that meets the requirements of subsection ~~(m)~~ **(n)**  
 41 is submitted to the county auditor.

42 ~~(i)~~ **(j)** IC 3, to the extent not inconsistent with this section, applies



1 to an election held under this section.

2 ~~(j)~~ **(k)** A political subdivision may not divide a controlled project in  
 3 order to avoid the requirements of this section and section 3.5 of this  
 4 chapter. A person that owns property within a political subdivision or  
 5 a person that is a registered voter residing within a political subdivision  
 6 may file a petition with the department of local government finance  
 7 objecting that the political subdivision has divided a controlled project  
 8 into two (2) or more capital projects in order to avoid the requirements  
 9 of this section and section 3.5 of this chapter. The petition must be filed  
 10 not more than ten (10) days after the political subdivision gives notice  
 11 of the political subdivision's decision under section 3.5 of this chapter  
 12 or a determination under section 5 of this chapter to issue bonds or  
 13 enter into leases for a capital project that the person believes is the  
 14 result of a division of a controlled project that is prohibited by this  
 15 subsection. If the department of local government finance receives a  
 16 petition under this subsection, the department shall not later than thirty  
 17 (30) days after receiving the petition make a final determination on the  
 18 issue of whether the political subdivision divided a controlled project  
 19 in order to avoid the requirements of this section and section 3.5 of this  
 20 chapter. If the department of local government finance determines that  
 21 a political subdivision divided a controlled project in order to avoid the  
 22 requirements of this section and section 3.5 of this chapter and the  
 23 political subdivision continues to desire to proceed with the project, the  
 24 political subdivision may appeal the determination of the department  
 25 of local government finance to the Indiana board of tax review. A  
 26 political subdivision shall be considered to have divided a capital  
 27 project in order to avoid the requirements of this section and section  
 28 3.5 of this chapter if the result of one (1) or more of the subprojects  
 29 cannot reasonably be considered an independently desirable end in  
 30 itself without reference to another capital project. This subsection does  
 31 not prohibit a political subdivision from undertaking a series of capital  
 32 projects in which the result of each capital project can reasonably be  
 33 considered an independently desirable end in itself without reference  
 34 to another capital project.

35 ~~(k)~~ **(l)** This subsection applies to a political subdivision for which a  
 36 petition requesting a public question has been submitted under section  
 37 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of  
 38 the political subdivision may adopt a resolution to withdraw a  
 39 controlled project from consideration in a public question. If the  
 40 legislative body provides a certified copy of the resolution to the county  
 41 auditor and the county election board not later than sixty-three (63)  
 42 days before the election at which the public question would be on the



1 ballot, the public question on the controlled project shall not be placed  
 2 on the ballot and the public question on the controlled project shall not  
 3 be held, regardless of whether the county auditor has certified the  
 4 public question to the county election board. If the withdrawal of a  
 5 public question under this subsection requires the county election  
 6 board to reprint ballots, the political subdivision withdrawing the  
 7 public question shall pay the costs of reprinting the ballots. If a political  
 8 subdivision withdraws a public question under this subsection that  
 9 would have been held at a special election and the county election  
 10 board has printed the ballots before the legislative body of the political  
 11 subdivision provides a certified copy of the withdrawal resolution to  
 12 the county auditor and the county election board, the political  
 13 subdivision withdrawing the public question shall pay the costs  
 14 incurred by the county in printing the ballots. If a public question on a  
 15 controlled project is withdrawn under this subsection, a public question  
 16 under this section on the same controlled project or a substantially  
 17 similar controlled project may not be submitted to the voters earlier  
 18 than three hundred fifty (350) days after the date the resolution  
 19 withdrawing the public question is adopted.

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

- 26 (1) The cost per square foot of any buildings being constructed as  
 27 part of the controlled project.
- 28 (2) The effect that approval of the controlled project would have  
 29 on the political subdivision's property tax rate. **If the retirement**  
 30 **of existing debt of the political subdivision will affect the**  
 31 **political subdivision's tax rate, the political subdivision must**  
 32 **provide information specifying:**
  - 33 (A) the amount of the debt that will be retired;
  - 34 (B) the impact that the retirement of the debt will have on  
 35 the political subdivision's property tax rate; and
  - 36 (C) the net change in the political subdivision's total debt  
 37 service property tax rate, after accounting for the  
 38 retirement of the existing debt.
- 39 (3) The maximum term of the bonds or lease.
- 40 (4) The maximum principal amount of the bonds or the maximum  
 41 lease rental for the lease.
- 42 (5) The estimated interest rates that will be paid and the total



1 interest costs associated with the bonds or lease.

2 (6) The purpose of the bonds or lease.

3 (7) In the case of a controlled project proposed by a school  
4 corporation:

5 (A) the current and proposed square footage of school building  
6 space per student;

7 (B) enrollment patterns within the school corporation; and

8 (C) the age and condition of the current school facilities.

9 ~~(m)~~ **(n)** If a majority of the eligible voters voting on the public  
10 question vote in opposition to the public question, a petition may be  
11 submitted to the county auditor to request that the limit under  
12 subsection ~~(h)(2)(B)~~ **(i)(2)(B)** apply to the holding of a subsequent  
13 public question by the political subdivision. If such a petition is  
14 submitted to the county auditor and is signed by the lesser of:

15 (1) five hundred (500) persons who are either owners of property  
16 within the political subdivision or registered voters residing  
17 within the political subdivision; or

18 (2) five percent (5%) of the registered voters residing within the  
19 political subdivision;

20 the limit under subsection ~~(h)(2)(B)~~ **(i)(2)(B)** applies to the holding of  
21 a second public question by the political subdivision and the limit  
22 under subsection ~~(h)(2)(A)~~ **(i)(2)(A)** does not apply to the holding of  
23 a second public question by the political subdivision.

24 SECTION 6. IC 6-1.1-20-10, AS AMENDED BY P.L.198-2011,  
25 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2019]: Sec. 10. (a) This section applies to:

27 **(1)** a political subdivision that adopts an ordinance or a resolution  
28 making a preliminary determination to issue bonds or enter into  
29 a lease; **and**

30 **(2) any other political subdivision that has assessed value**  
31 **within the same taxing district as the political subdivision**  
32 **described in subdivision (1).**

33 Except as otherwise provided in this section, during the period  
34 commencing with the adoption of the ordinance or resolution and, if a  
35 petition and remonstrance process is commenced under section 3.2 of  
36 this chapter, continuing through the sixty (60) day period commencing  
37 with the notice under section 3.2(b)(1) of this chapter, the political  
38 subdivision seeking to issue bonds or enter into a lease for the proposed  
39 controlled project, **or any other political subdivision that has**  
40 **assessed value within the same taxing district**, may not promote a  
41 position on the petition or remonstrance by doing any of the following:

42 (1) Using facilities or equipment, including mail and messaging



1 systems, owned by the political subdivision to promote a position  
 2 on the petition or remonstrance, unless equal access to the  
 3 facilities or equipment is given to persons with a position opposite  
 4 to that of the political subdivision.

5 (2) Making an expenditure of money from a fund controlled by  
 6 the political subdivision to promote a position on the petition or  
 7 remonstrance or to pay for the gathering of signatures on a  
 8 petition or remonstrance. This subdivision does not prohibit a  
 9 political subdivision from making an expenditure of money to an  
 10 attorney, an architect, registered professional engineer, a  
 11 construction manager, or a financial adviser for professional  
 12 services provided with respect to a controlled project.

13 (3) Using an employee to promote a position on the petition or  
 14 remonstrance during the employee's normal working hours or paid  
 15 overtime, or otherwise compelling an employee to promote a  
 16 position on the petition or remonstrance at any time. However, if  
 17 a person described in subsection (f) is advocating for or against  
 18 a position on the petition or remonstrance or discussing the  
 19 petition or remonstrance as authorized under subsection (f), an  
 20 employee of the political subdivision may assist the person in  
 21 presenting information on the petition or remonstrance, if  
 22 requested to do so by the person described in subsection (f).

23 (4) In the case of a school corporation, promoting a position on a  
 24 petition or remonstrance by:

25 (A) using students to transport written materials to their  
 26 residences or in any way involving students in a school  
 27 organized promotion of a position;

28 (B) including a statement within another communication sent  
 29 to the students' residences; or

30 (C) initiating discussion of the petition and remonstrance  
 31 process at a meeting between a teacher and parents of a  
 32 student regarding the student's performance or behavior at  
 33 school. However, if the parents initiate a discussion of the  
 34 petition and remonstrance process at the meeting, the teacher  
 35 may acknowledge the issue and direct the parents to a source  
 36 of factual information on the petition and remonstrance  
 37 process.

38 However, this section does not prohibit an official or employee of the  
 39 political subdivision from carrying out duties with respect to a petition  
 40 or remonstrance that are part of the normal and regular conduct of the  
 41 official's or employee's office or agency, including the furnishing of  
 42 factual information regarding the petition and remonstrance in response



- 1 to inquiries from any person.
- 2 (b) A person may not solicit or collect signatures for a petition or  
3 remonstrance on property owned or controlled by the political  
4 subdivision.
- 5 (c) The staff and employees of a school corporation may not  
6 personally identify a student as the child of a parent or guardian who  
7 supports or opposes a petition or remonstrance.
- 8 (d) This subsection does not apply to:
- 9 (1) a personal expenditure to promote a position on a petition and  
10 remonstrance by an employee of a school corporation whose  
11 employment is governed by a collective bargaining contract or an  
12 employment contract; or
- 13 (2) an expenditure to promote a position on a petition and  
14 remonstrance by a person or an organization that has a contract or  
15 an arrangement with the school corporation solely for the use of  
16 the school corporation's facilities.
- 17 A person or an organization that has a contract or an arrangement  
18 (whether formal or informal) with a school corporation to provide  
19 goods or services to the school corporation may not spend any money  
20 to promote a position on the petition or remonstrance. A person or an  
21 organization that violates this subsection commits a Class A infraction.
- 22 (e) An attorney, an architect, registered professional engineer, a  
23 construction manager, or a financial adviser for professional services  
24 provided with respect to a controlled project may not spend any money  
25 to promote a position on the petition or remonstrance. A person who  
26 violates this subsection:
- 27 (1) commits a Class A infraction; and
- 28 (2) is barred from performing any services with respect to the  
29 controlled project.
- 30 (f) Notwithstanding any other law, an elected or appointed public  
31 official of the political subdivision (including any school board  
32 member and school corporation superintendent), a school corporation  
33 assistant superintendent, or a chief school business official of a school  
34 corporation may at any time:
- 35 (1) personally advocate for or against a position on the petition or  
36 remonstrance; or
- 37 (2) discuss the petition or remonstrance with any individual,  
38 group, or organization or personally advocate for or against a  
39 position on the petition or remonstrance before any individual,  
40 group, or organization;
- 41 so long as it is not done by using public funds. Advocacy or discussion  
42 allowed under this subsection is not considered a use of public funds.



1 However, this subsection does not authorize or apply to advocacy or  
 2 discussion by a school board member, superintendent, assistant  
 3 superintendent, or school business official to or with students that  
 4 occurs during the regular school day.

5 SECTION 7. IC 6-1.1-20-10.1, AS AMENDED BY P.L.198-2011,  
 6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2019]: Sec. 10.1. (a) This section applies only to:

8 **(1)** a political subdivision that ~~after June 30, 2008~~, adopts an  
 9 ordinance or a resolution making a preliminary determination to  
 10 issue bonds or enter into a lease subject to sections 3.5 and 3.6 of  
 11 this chapter; **and**

12 **(2) any other political subdivision that has assessed value**  
 13 **within the same taxing district as the political subdivision**  
 14 **described in subdivision (1).**

15 (b) Except as otherwise provided in this section, during the period  
 16 beginning with the adoption of the ordinance or resolution and  
 17 continuing through the day on which a local public question is  
 18 submitted to the voters of the political subdivision under section 3.6 of  
 19 this chapter, the political subdivision seeking to issue bonds or enter  
 20 into a lease for the proposed controlled project, **or any other political**  
 21 **subdivision that has assessed value within the same taxing district,**  
 22 may not promote a position on the local public question by doing any  
 23 of the following:

24 (1) Using facilities or equipment, including mail and messaging  
 25 systems, owned by the political subdivision to promote a position  
 26 on the local public question, unless equal access to the facilities  
 27 or equipment is given to persons with a position opposite to that  
 28 of the political subdivision.

29 (2) Making an expenditure of money from a fund controlled by  
 30 the political subdivision to promote a position on the local public  
 31 question. This subdivision does not prohibit a political  
 32 subdivision from making an expenditure of money to an attorney,  
 33 an architect, a registered professional engineer, a construction  
 34 manager, or a financial adviser for professional services provided  
 35 with respect to a controlled project.

36 (3) Using an employee to promote a position on the local public  
 37 question during the employee's normal working hours or paid  
 38 overtime, or otherwise compelling an employee to promote a  
 39 position on the local public question at any time. However, if a  
 40 person described in subsection (f) is advocating for or against a  
 41 position on the local public question or discussing the local public  
 42 question as authorized under subsection (f), an employee of the





1 political subdivision may assist the person in presenting  
 2 information on the local public question, if requested to do so by  
 3 the person described in subsection (f).

4 (4) In the case of a school corporation, promoting a position on a  
 5 local public question by:

6 (A) using students to transport written materials to their  
 7 residences or in any way involving students in a school  
 8 organized promotion of a position;

9 (B) including a statement within another communication sent  
 10 to the students' residences; or

11 (C) initiating discussion of the local public question at a  
 12 meeting between a teacher and parents of a student regarding  
 13 the student's performance or behavior at school. However, if  
 14 the parents initiate a discussion of the local public question at  
 15 the meeting, the teacher may acknowledge the issue and direct  
 16 the parents to a source of factual information on the local  
 17 public question.

18 However, this section does not prohibit an official or employee of the  
 19 political subdivision from carrying out duties with respect to a local  
 20 public question that are part of the normal and regular conduct of the  
 21 official's or employee's office or agency, including the furnishing of  
 22 factual information regarding the local public question in response to  
 23 inquiries from any person.

24 (c) The staff and employees of a school corporation may not  
 25 personally identify a student as the child of a parent or guardian who  
 26 supports or opposes a controlled project subject to a local public  
 27 question held under section 3.6 of this chapter.

28 (d) This subsection does not apply to:

29 (1) a personal expenditure to promote a position on a local public  
 30 question by an employee of a school corporation whose  
 31 employment is governed by a collective bargaining contract or an  
 32 employment contract; or

33 (2) an expenditure to promote a position on a local public  
 34 question by a person or an organization that has a contract or an  
 35 arrangement (whether formal or informal) with the school  
 36 corporation solely for the use of the school corporation's facilities.

37 A person or an organization that has a contract or an arrangement  
 38 (whether formal or informal) with a school corporation to provide  
 39 goods or services to the school corporation may not spend any money  
 40 to promote a position on a local public question. A person or an  
 41 organization that violates this subsection commits a Class A infraction.

42 (e) An attorney, an architect, a registered professional engineer, a



1 construction manager, or a financial adviser for professional services  
 2 provided with respect to a controlled project may not spend any money  
 3 to promote a position on a local public question. A person who violates  
 4 this subsection:

5 (1) commits a Class A infraction; and

6 (2) is barred from performing any services with respect to the  
 7 controlled project.

8 (f) Notwithstanding any other law, an elected or appointed public  
 9 official of the political subdivision (including any school board  
 10 member and school corporation superintendent), a school corporation  
 11 assistant superintendent, or a chief school business official of a school  
 12 corporation may at any time:

13 (1) personally advocate for or against a position on the local  
 14 public question; or

15 (2) discuss the public question with any individual, group, or  
 16 organization or otherwise personally advocate for or against a  
 17 position on the public question before any individual, group, or  
 18 organization;

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

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



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1034, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 13.

Page 2, line 4, delete ";" and insert "**, including bridges that are designated as being in a local road and street system;**".

Page 2, line 5, delete ";" and insert "**, including bridges that are designated as being in an arterial road and street system;**".

Page 2, line 7, delete "." and insert "**, including designated bridges.**".

Page 16, line 4, after "." insert "**For purposes of this clause, the cost of the controlled project includes only the costs for the project that will be paid from property taxes.**".

Page 22, delete lines 20 through 23, and insert:

**"rate may include exceptions for the following:**

**(A) Specified projects or purposes, including any projects that the proper officers of the political subdivision declare are required by an emergency or are required for the safety and security of citizens or students.**

**(B) The political subdivision experiences a decrease in net assessed value and its rate may not be maintained as a result of the decrease."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1034 as introduced.)

HUSTON

Committee Vote: yeas 22, nays 1.

