

PROPOSED AMENDMENT

SB 8 # 2

DIGEST

Various changes. Amends the percentage increase in a public library's proposed budget beyond which the public library will be subject to binding review.

- 1 Page 1, line 11, reset in roman "a public library".
- 2 Page 1, line 12, reset in roman "or".
- 3 Page 2, line 3, reset in roman "or".
- 4 Page 2, line 5, delete "or".
- 5 Page 2, delete lines 6 through 8.
- 6 Page 2, line 13, delete "However, the governing body shall submit
- 7 its proposed".
- 8 Page 2, delete lines 14 through 18.
- 9 Page 2, line 19, delete "or, in the case of a public".
- 10 Page 2, delete line 20.
- 11 Page 2, line 21, delete "county,".
- 12 Page 4, delete lines 4 through 42.
- 13 Delete pages 5 through 7.
- 14 Page 8, delete lines 1 through 35, begin a new paragraph and insert:
- 15 "SECTION 1. IC 6-1.1-17-20.3, AS AMENDED BY P.L.230-2025,
- 16 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 17 JULY 1, 2026]: Sec. 20.3. (a) Except as provided in section 20.4 of this
- 18 chapter, this section applies only to the governing body of a public
- 19 library that:
- 20 (1) is not comprised of a majority of officials who are elected to
- 21 serve on the governing body; and
- 22 (2) has a percentage increase in the proposed budget for the
- 23 taxing unit for the ensuing calendar year that is ~~more than the~~
- 24 ~~result~~ **equal to or more than fifty percent (50%)** of
- 25 (A) the maximum levy growth quotient determined under
- 26 IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the
- 27 nearest thousandth (0.001). ~~minus~~

1 ~~(B) one (1)~~.

2 For purposes of this section, an individual who qualifies to be
3 appointed to a governing body or serves on a governing body because
4 of the individual's status as an elected official of another taxing unit
5 shall be treated as an official who was not elected to serve on the
6 governing body.

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

10 (c) If:

11 (1) the assessed valuation of a public library's territory is entirely
12 contained within a city or town; or

13 (2) the assessed valuation of a public library's territory is not
14 entirely contained within a city or town but more than fifty
15 percent (50%) of the assessed valuation of the public library's
16 territory is contained within the city or town;

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

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

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

36 (f) If a public library fails to file the information required in
37 subsection (c) or (d), whichever applies, with the appropriate fiscal
38 body by the time prescribed by this section, when calculating the
39 maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for
40 the public library for the ensuing budget year, instead of multiplying

the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the public library's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the public library's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:

(A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

(B) one (1).

STEP TWO: Multiply:

(A) the STEP ONE result; by

(B) eight-tenths (0.8).

STEP THREE: Add one (1) to the STEP TWO result.

However, if the public library files the information as required in subsection (c) or (d), whichever applies, for the budget year immediately following the budget year for which the formula under this subsection is applied, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the public library for the subsequent budget year, the public library's maximum permissible ad valorem property tax levy must be calculated as if the formula under this subsection had not been applied for the affected budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the city, town, or county for the ensuing budget year, instead of multiplying the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:

(A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

- 1 (B) one (1).
- 2 STEP TWO: Multiply:
- 3 (A) the STEP ONE result; by
- 4 (B) eight-tenths (0.8).
- 5 STEP THREE: Add one (1) to the STEP TWO result.
- 6 However, if the city, town, or county files the information as required
- 7 in subsection (e) for the budget year immediately following the budget
- 8 year for which the formula under this subsection is applied, when
- 9 calculating the maximum ad valorem property tax levy under
- 10 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent
- 11 budget year, the unit's maximum permissible ad valorem property tax
- 12 levy must be calculated as if the formula under this subsection had not
- 13 been applied for the affected budget year."
- 14 Page 8, delete lines 36 through 42.
- 15 Delete pages 9 through 13.
- (Reference is to SB 8 as introduced.)