

SENATE BILL No. 55

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-28-8-13; IC 20-46.

Synopsis: School referenda. Provides that a contract entered into between the governing body of a school corporation and a school administrator may not provide for the awarding of a monetary bonus or other incentive that is based solely on the approval of a public question concerning the imposition of a property tax levy. Requires a school corporation that adopts a resolution to place on the ballot an operating referendum tax levy or school safety referendum tax levy to adopt a revenue spending plan as part of the resolution. Provides requirements for a revenue spending plan.

Effective: July 1, 2021.

Bohacek

January 4, 2021, read first time and referred to Committee on Education and Career Development.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

SENATE BILL No. 55

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

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

1 SECTION 1. IC 20-28-8-13 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2021]: **Sec. 13. (a) For purposes of this section, "school**
4 **administrator" includes a principal, an assistant principal, a**
5 **superintendent, and an assistant superintendent.**

6 **(b) A contract entered into between the governing body of a**
7 **school corporation and a school administrator may not provide for**
8 **the awarding of a monetary bonus or other incentive that is based**
9 **solely on the approval of a public question under IC 6-1.1-20 or**
10 **IC 20-46.**

11 SECTION 2. IC 20-46-1-8, AS AMENDED BY P.L.154-2020,
12 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2021]: Sec. 8. (a) Subject to ~~subsection (c)~~ **subsections (c),**
14 **(d), and (e)** and this chapter, the governing body of a school
15 corporation may adopt a resolution to place a referendum under this
16 chapter on the ballot for any of the following purposes:

17 (1) The governing body of the school corporation determines that



1 it cannot, in a calendar year, carry out its public educational duty
2 unless it imposes a referendum tax levy under this chapter.

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

8 (3) The governing body makes the determination required under
9 subdivision (1) or (2) and determines to share a portion of the
10 referendum proceeds with a charter school, excluding a virtual
11 charter school, in the manner prescribed in subsection (d).

12 (b) The governing body of the school corporation shall certify a
13 copy of the resolution to place a referendum on the ballot to the
14 following:

15 (1) The department of local government finance, including the
16 language for the question required by section 10 of this chapter,
17 or in the case of a resolution to extend a referendum levy certified
18 to the department of local government finance after March 15,
19 2016, section 10.1 of this chapter. The department shall review
20 the language for compliance with section 10 or 10.1 of this
21 chapter, whichever is applicable, and either approve or reject the
22 language. The department shall send its decision to the governing
23 body of the school corporation not more than ten (10) days after
24 the resolution is submitted to the department. If the language is
25 approved, the governing body of the school corporation shall
26 certify a copy of the resolution, including the language for the
27 question and the department's approval.

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

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

32 **(4) The department of education. The department of**
33 **education shall review the revenue spending plan included as**
34 **part of the resolution and either approve or reject the revenue**
35 **spending plan. The department of education shall send its**
36 **decision to the governing body of the school corporation not**
37 **more than ten (10) days after the resolution and revenue**
38 **spending plan is submitted to the department of education.**

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

42 (1) adopt a resolution to place a referendum under this chapter on



- 1 the ballot; or
 2 (2) otherwise place a referendum under this chapter on the ballot.
- 3 (d) The resolution described in subsection (a) must indicate whether
 4 proceeds in the school corporation's education fund collected from a
 5 tax levy under this chapter will be used to provide a distribution to a
 6 charter school or charter schools, excluding a virtual charter school,
 7 under IC 20-40-3-5 as well as the amount that will be distributed to the
 8 particular charter school or charter schools. A school corporation may
 9 request from the designated charter school or charter schools any
 10 financial documentation necessary to demonstrate the financial need of
 11 the charter school or charter schools.
- 12 **(e) As part of the resolution described in subsection (a), the**
 13 **governing body of the school corporation shall adopt a revenue**
 14 **spending plan for the proposed referendum tax levy that includes:**
- 15 **(1) an estimate of the amount of annual revenue expected to**
 16 **be collected if a levy is imposed under this chapter;**
 17 **(2) the specific purposes for which the revenue collected from**
 18 **a levy imposed under this chapter will be used; and**
 19 **(3) an estimate of the annual dollar amounts that will be**
 20 **expended for each purpose described in subdivision (2).**
- 21 **If, subsequent to the governing body adopting a resolution under**
 22 **this section, an operating referendum tax levy is approved by a**
 23 **majority of the individuals who vote in a referendum under this**
 24 **chapter, the estimated annual expenditure amounts described in**
 25 **subdivision (3) of the revenue spending plan may be substantially**
 26 **modified only after review and approval from the county fiscal**
 27 **body.**
- 28 SECTION 3. IC 20-46-9-6, AS AMENDED BY P.L.154-2020,
 29 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2021]: Sec. 6. (a) Subject to this chapter, the governing body
 31 of a school corporation may adopt a resolution to place a referendum
 32 under this chapter on the ballot if the governing body of the school
 33 corporation determines that a referendum levy should be imposed for
 34 measures to improve school safety as described in IC 20-40-20-6(a) or
 35 IC 20-40-20-6(b).
- 36 (b) A school corporation may, with the approval of the majority of
 37 members of the governing body, distribute a portion of the proceeds of
 38 a tax levy collected under this chapter that is deposited in the fund to
 39 a charter school, excluding a virtual charter school, that is located
 40 within the attendance area of the school corporation, to be used by the
 41 charter school for the purposes described in IC 20-40-20-6(a).
- 42 (c) The governing body of the school corporation shall certify a



1 copy of the resolution to the following:

2 (1) The department of local government finance, including the
3 language for the question required by section 9 of this chapter, or
4 in the case of a resolution to extend a referendum levy certified to
5 the department of local government finance, section 10 of this
6 chapter. The department shall review the language for compliance
7 with section 9 or 10 of this chapter, whichever is applicable, and
8 either approve or reject the language. The department shall send
9 its decision to the governing body of the school corporation not
10 more than ten (10) days after the resolution is submitted to the
11 department. If the language is approved, the governing body of
12 the school corporation shall certify a copy of the resolution,
13 including the language for the question and the department's
14 approval.

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

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

19 **(4) The department of education. The department of**
20 **education shall review the revenue spending plan included as**
21 **part of the resolution and either approve or reject the revenue**
22 **spending plan. The department of education shall send its**
23 **decision to the governing body of the school corporation not**
24 **more than ten (10) days after the resolution and revenue**
25 **spending plan is submitted to the department of education.**

26 (d) The resolution described in subsection (a) must indicate whether
27 proceeds in the school corporation's fund collected from a tax levy
28 under this chapter will be used to provide a distribution to a charter
29 school or charter schools, excluding a virtual charter school, under
30 IC 20-40-20-6(b) as well as the amount that will be distributed to the
31 particular charter school or charter schools. A school corporation may
32 request from the designated charter school or charter schools any
33 financial documentation necessary to demonstrate the financial need of
34 the charter school or charter schools.

35 **(e) As part of the resolution described in subsection (a), the**
36 **governing body of the school corporation shall adopt a revenue**
37 **spending plan for the proposed referendum tax levy that includes:**

38 **(1) an estimate of the amount of annual revenue expected to**
39 **be collected if a levy is imposed under this chapter;**

40 **(2) the specific purposes described in IC 20-40-20-6 for which**
41 **the revenue collected from a levy imposed under this chapter**
42 **will be used; and**



1 **(3) an estimate of the annual dollar amounts that will be**
2 **expended for each purpose described in subdivision (2).**
3 **If, subsequent to the governing body adopting a resolution under**
4 **this section, a school safety referendum tax levy is approved by a**
5 **majority of the individuals who vote in a referendum under this**
6 **chapter, the estimated annual expenditure amounts described in**
7 **subdivision (3) of the revenue spending plan may be substantially**
8 **modified only after review and approval from the county fiscal**
9 **body.**

