

# General Fund Referendums for Indiana School Corporations

A Presentation to the Carmel Clay School Board

November 28, 2016

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CCHA

## General Fund Referendum

- Indiana law permits a school corporation to request a referendum to raise additional funds through increased property taxes. This increase expires after 7 years.
- The request is submitted to the voters who must approve the request in an election. CCS did this in an election held May, 2010 but that authority will expire at the end of 2017.

## Time of Referendum Election

Because there are no other elections being held in 2017, CCS will have to seek approval of its referendum in a special election. This election can be held on May 2 or November 7. CCS bears the cost of the special election.

## School Board Action to Place Referendum on Ballot

- The school board must pass a resolution to authorize the referendum to be placed on the ballot.
- The board must pass this resolution and have it certified to the Indiana Department of Local Government Finance, the county clerk and the county council (for informational purposes) by March 3, 2017 for a May 2 election or by August 1, 2017 for a November 8, election.
- Assuming a May election, a continuation of the Board's current meeting schedule, and action at a regularly-scheduled board meeting, the Board would approve the resolution on February 13, 2017.

## Additional Steps Need to Hold a Referendum

### Approval of Question by Indiana Department of Local Government Finance

- The DLGF must approve the form of the question that is placed on the ballot for compliance with the statutory requirements. Once the question is submitted to it, the DLGF has 10 days to respond. We usually give them a “heads-up” on the proposed language but the formal approval occurs after the board’s action. We will also have language giving the superintendent and counsel authority to make minor changes in language to avoid repetitive board action and delay.

## Examples of Approved Questions

HSE May, 2016

“For the seven (7) calendar years immediately following the holding of the referendum, shall the Hamilton Southeastern Schools impose a property tax rate that does not exceed twenty-two and three quarters cents (\$0.2275) on each one hundred dollars (\$100) of assessed valuation and that is in addition to all other property taxes imposed by the school corporation for the purpose of funding daily educational operations, academic and support programs, including the reduction in class sizes, and for any other educational needs of the school corporation?”

MSD of Washington Township  
November, 2016

“For the seven (7) calendar years immediately following the holding of the referendum, shall MSD of Washington Township impose a property tax rate that does not exceed eleven cents (\$0.11) on each on hundred dollars (\$100) of assessed valuation and that is in addition to all other property taxes imposed by the school corporation for the purpose of maintaining academic staff and programs and funding the operating cots of new school facilities?”

## Action by County Officials

### County Council

- No action needed; copy of resolution is given to it for informational purposes only.

### County Clerk

- Convenes a meeting of the County Election Board to make arrangements for election. The county election officials are aware that CCS will probably seek a referendum in 2017.

# Promoting a Referendum

# IC 20-46-1-20:

## Restrictions on promoting a position on a referendum

Except as otherwise provided in this section, during the period beginning with the adoption of a resolution by the governing body of a school corporation to place a referendum under this chapter on the ballot and continuing through the day on which the referendum is submitted to the voters, the school corporation may not promote a position on the referendum by doing any of the following:

## Facilities/Equipment

Using facilities or equipment, including mail and messaging systems, owned by the school corporation to promote a position on the referendum, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the school corporation.

## Expenditures

- Making an expenditure of money from a fund controlled by the school corporation to promote a position on the referendum

## Employees

- Using an employee to promote a position on the referendum during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the referendum at any time. However, if a person described in subsection (d) is advocating for or against a position on the referendum or discussing the referendum as authorized under subsection (d), an employee of the school corporation may assist the person in presenting information on the referendum, if requested to do so by the person described in subsection (d).

## Board and Certain Administrators Exception

Notwithstanding any other law, an elected or appointed school board member or a school corporation superintendent, school corporation assistant superintendent, or chief school business official of a school corporation may at any time:

- (1) personally advocate for or against a position on a referendum; or
- (2) discuss the referendum with any individual, group, or organization or personally advocate for or against a position on a referendum before any individual, group, or organization; so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds. However, this subsection does not authorize or apply to advocacy or discussion by a school board member, superintendent, assistant superintendent, or school business official to or with students that occurs during the regular school day.

## Vendors

A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation to provide goods or services to the school corporation may not spend any money to promote a position on the petition or remonstrance. A person or an organization that violates this subsection commits a Class A infraction.

- Does not apply to a personal expenditure by an employee.
- Does not apply to a person or organization who has a contract to use a school facility.

## Students

Prohibited from promoting a referendum through using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position.

BUT a student may use school equipment or facilities to report or editorialize about a local public question as part of the news coverage of the referendum by a student newspaper or broadcast.