



Reprinted
February 2, 2018

HOUSE BILL No. 1005

DIGEST OF HB 1005 (Updated February 1, 2018 5:03 pm - DI 87)

Citations Affected: IC 6-1.1; IC 12-7; IC 12-20; IC 36-1.5; IC 36-6; noncode.

Synopsis: Township government consolidation. Requires all townships with a population of less than 1,200 (as determined by the 2010 federal decennial census) to merge with other townships, effective not later than January 1, 2023. Requires merging townships to adopt identical resolutions and a merger plan. Requires the department of local government finance (DLGF) to assist merging townships. Provides the following with regard to the required merger: (1) Requires merging townships to opt for a township legislative body in which: (A) members are elected at large; or (B) one member must reside within the geographic area of each of the former townships, and all voters of the new merged township vote for all legislative body members. (2) The new merged township government assumes the indebtedness of the former townships, but may levy property taxes to pay the indebtedness only within the geographic area of the former township that incurred the debt. (3) Provides that only the property owners, school corporations, and residents residing within the geographic area of a former township in which seminary lands are located may continue to receive the benefits from the seminary lands after the merger. (4) Provides that firefighting and emergency services
(Continued next page)

Effective: Upon passage; July 1, 2018; January 1, 2019.

Ziemke, Torr, Mahan, DeLaney

January 8, 2018, read first time and referred to Committee on Government and Regulatory Reform.

January 23, 2018, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

January 30, 2018, amended, reported — Do Pass.

February 1, 2018, read second time, amended, ordered engrossed.

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equipment must remain housed and maintained within the geographic boundaries of a former township for not less than five years after the effective date of a township merger. Makes the following changes with regard to all townships: (1) Makes a stylistic change to a statute that allows a participating unit in a newly formed fire protection territory to phase in the unit's property tax levy. (2) Allows a township assistance applicant to appeal to the county commissioners if a township trustee refuses or fails to respond to a request for township assistance services. (3) Amends the information required in the township trustee's annual statistical report. (4) Caps a township board member's salary, for calendar year 2019 and every year thereafter, at not more than \$7,000 per year plus a per diem at a rate recommended by the trustee and approved by the township legislative body. (5) Requires a township to prepare a capital improvement plan for the ensuing three years if the balance in certain capital improvement funds in the preceding year exceeds 150% of the township's annual budget estimate. Prohibits the township from collecting property taxes for certain capital improvement funds in the ensuing year unless the township has adopted a capital improvement plan. Urges the legislative council to assign to the appropriate interim study committee the task of studying issues related to the funding of township firefighting services. Makes the following changes in the government reorganization statutes in IC 36-1.5 (government modernization statutes): (1) Removes obsolete references to dates for phasing in changes to procedures for reorganizing political subdivisions. (2) Removes provisions requiring political subdivisions to establish a voter threshold for approving a public question for certain reorganizations (county-municipality reorganizations and municipality-township reorganizations). (3) Requires the DLGF to provide guidance to political subdivisions regarding government reorganization, including posting written information on the DLGF Internet web site and providing education and training upon request. (4) Updates the government modernization statutes to recognize the school corporation operations fund and the elimination of the transportation, school bus replacement, and capital projects funds. (5) Provides that a plan of reorganization must specify any adjustments (instead of decreases) that the DLGF will make to levies, rates, and budgets of the reorganizing political subdivisions. (6) Requires the legislative bodies of political subdivisions that adopt substantially identical resolutions to reorganize to prepare and vote on a plan of reorganization. (7) Provides that if the voters of two or more political subdivisions petition to mutually reorganize, and at least one of the political subdivisions declines to participate, a public question must be conducted on the reorganization if a petition is filed by 5% of the voters of each of the political subdivisions who voted for secretary of state at the most recent general election. (8) Requires that, if a legislative body of a political subdivision does not adopt a final plan of reorganization, 5% (instead of 10%) of voters of the political subdivision who voted for secretary of state at the most recent general election, must sign a petition to have the reorganization plan approved or rejected by voters in a public question. (9) Removes a provision requiring reorganizing political subdivisions to pay the cost of the DLGF's review of a fiscal impact analysis of the reorganization. (10) Removes the requirement that a political subdivision follow the procedure for reorganization in order to enter into a cooperative agreement with another political subdivision, and specifies that the requirements for an interlocal agreement must be followed. (11) Provides that if a cooperative agreement provides for abolishing an elected office, the voters of the political subdivision whose elected office is to be abolished may file a remonstrance petition objecting to the abolition of the elected office with the circuit court clerk of each county in which the political subdivision is located.



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February 2, 2018

Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1005

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

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

1 SECTION 1. IC 6-1.1-18.5-3.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2018]: **Sec. 3.5. This section applies to a**
4 **township that merges under IC 36-6-1.5 with another township.**
5 **The property tax rate limits in IC 36-6-1.5-12 apply in a township**
6 **if the township satisfies the requirements under that statute.**
7 SECTION 2. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.245-2015,
8 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2018]: Sec. 10.5. (a) The ad valorem property tax levy limits
10 imposed by section 3 of this chapter do not apply to ad valorem
11 property taxes imposed by a civil taxing unit for fire protection services
12 within a fire protection territory under IC 36-8-19, if the civil taxing
13 unit is a participating unit in a fire protection territory established
14 before August 1, 2001. For purposes of computing the ad valorem
15 property tax levy limits imposed on a civil taxing unit by section 3 of
16 this chapter on a civil taxing unit that is a participating unit in a fire
17 protection territory, established before August 1, 2001, the civil taxing

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1 unit's ad valorem property tax levy for a particular calendar year does
 2 not include that part of the levy imposed under IC 36-8-19. Any
 3 property taxes imposed by a civil taxing unit that are exempted by this
 4 subsection from the ad valorem property tax levy limits imposed by
 5 section 3 of this chapter and first due and payable after December 31,
 6 2008, may not increase annually by a percentage greater than the result
 7 of:

8 (1) the assessed value growth quotient determined under section
 9 2 of this chapter; minus

10 (2) one (1).

11 (b) The department of local government finance may, under this
 12 subsection, increase the maximum permissible ad valorem property tax
 13 levy that would otherwise apply to a civil taxing unit under section 3
 14 of this chapter to meet the civil taxing unit's obligations to a fire
 15 protection territory established under IC 36-8-19. To obtain an increase
 16 in the civil taxing unit's maximum permissible ad valorem property tax
 17 levy, a civil taxing unit shall submit a petition to the department of
 18 local government finance in the year immediately preceding the first
 19 year in which the civil taxing unit levies a tax to support the fire
 20 protection territory. The petition must be filed before the date specified
 21 in section 12(a)(1) of this chapter of that year. The department of local
 22 government finance shall make a final determination of the civil taxing
 23 unit's budget, ad valorem property tax levy, and property tax rate for the
 24 fire protection territory for the ensuing calendar year. In making its
 25 determination under this subsection, the department of local
 26 government finance shall consider the amount that the civil taxing unit
 27 is obligated to provide to meet the expenses of operation and
 28 maintenance of the fire protection services within the territory,
 29 including the participating unit's reasonable share of an operating
 30 balance for the fire protection territory. The department of local
 31 government finance shall determine the entire amount of the allowable
 32 adjustment in the final determination. The department shall order the
 33 **allowable adjustment determined by the department to be**
 34 implemented:

35 (1) in the amounts; and

36 (2) over the number of years, not exceeding three (3) years;

37 requested by the petitioning civil taxing unit. However, the department
 38 of local government finance may not approve under this subsection a
 39 property tax levy greater than zero (0) if the civil taxing unit did not
 40 exist as of the assessment date for which the tax levy will be imposed.
 41 For purposes of applying this subsection to the civil taxing unit's
 42 maximum permissible ad valorem property tax levy in subsequent



1 calendar years, the department of local government finance may
 2 determine not to consider part or all of the part of the property tax levy
 3 imposed to establish the operating balance of the fire protection
 4 territory.

5 SECTION 3. IC 12-7-2-24.9 IS REPEALED [EFFECTIVE JULY
 6 1, 2018]. ~~Sec. 24.9: "Case contact"; for purposes of IC 12-20-28-3, has~~
 7 ~~the meaning set forth in IC 12-20-28-3(b).~~

8 SECTION 4. IC 12-7-2-192.3 IS REPEALED [EFFECTIVE JULY
 9 1, 2018]. ~~Sec. 192.3: "Total number of households containing township~~
 10 ~~assistance recipients"; for purposes of IC 12-20-28-3, has the meaning~~
 11 ~~set forth in IC 12-20-28-3(c).~~

12 SECTION 5. IC 12-7-2-192.4, AS AMENDED BY P.L.180-2005,
 13 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2018]: Sec. 192.4. "Total number of recipients", for purposes
 15 of IC 12-20-28-3, has the meaning set forth in ~~IC 12-20-28-3(d).~~
 16 **IC 12-20-28-3(a).**

17 SECTION 6. IC 12-7-2-192.5 IS REPEALED [EFFECTIVE JULY
 18 1, 2018]. ~~Sec. 192.5: "Total number of requests for assistance"; for~~
 19 ~~purposes of IC 12-20-28-3, has the meaning set forth in~~
 20 ~~IC 12-20-28-3(e).~~

21 SECTION 7. IC 12-20-15-1, AS AMENDED BY P.L.73-2005,
 22 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2018]: Sec. 1. (a) If an applicant for or recipient of township
 24 assistance is not satisfied with the decision of the township trustee, as
 25 administrator of township assistance, the applicant or recipient may
 26 appeal to the board of commissioners.

27 **(b) If an applicant:**

28 **(1) requests a township assistance application and the**
 29 **township trustee refuses to provide the application; or**
 30 **(2) makes a telephone inquiry for township assistance services**
 31 **and at least twenty-four (24) hours elapse after the inquiry is**
 32 **made, excluding Saturdays, Sundays, and legal holidays;**
 33 **a denial of township assistance by the township trustee occurs. The**
 34 **applicant may appeal the denial to the board of commissioners**
 35 **under this chapter.**

36 SECTION 8. IC 12-20-15-2, AS AMENDED BY P.L.73-2005,
 37 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: Sec. 2. An applicant for township assistance must file
 39 the applicant's appeal not more than fifteen (15) days from:

40 **(1) the date of issuance by the township trustee of adequate**
 41 **written notice of the denial of township assistance as provided by**
 42 **IC 12-20-6-8;**



- 1 **(2) the date on which the township trustee refuses to provide**
 2 **an application, in the case of a denial under section 1(b)(1) of**
 3 **this chapter; or**
 4 **(3) the date on which the denial occurs under section 1(b)(2)**
 5 **of this chapter.**

6 An appeal must be made in writing or orally as required by the board
 7 of commissioners.

8 SECTION 9. IC 12-20-15-4, AS AMENDED BY P.L.73-2005,
 9 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2018]: Sec. 4. (a) In hearing an appeal, the board of
 11 commissioners and a hearing officer shall:

- 12 (1) review and consider any report or investigative documents the
 13 trustee prepared before making the appealed decision; and
 14 (2) be governed by the township's township assistance standards
 15 for determining eligibility to the extent that the standards comply
 16 with existing law for the granting of township assistance. If no
 17 legally sufficient standards have been established, the board of
 18 commissioners and the hearing officer shall be guided by the
 19 circumstances in each case.

20 (b) The board of commissioners shall remand a case to a trustee for
 21 further proceedings if:

- 22 (1) new evidence was presented by the applicant to the board of
 23 commissioners; and
 24 (2) the board of commissioners determines that the new evidence
 25 presented would have made the individual eligible for assistance.

26 **(c) The board of commissioners shall remand a case to a trustee**
 27 **for further proceedings if the board of commissioners determines**
 28 **that a denial occurred under section 1(b) of this chapter.**

29 (e) (d) If a case is remanded to a trustee, the trustee shall issue a
 30 new determination of eligibility not later than seventy-two (72) hours
 31 after receiving the written decision remanding the case, excluding
 32 weekends and legal holidays listed in IC 1-1-9.

33 SECTION 10. IC 12-20-28-3, AS AMENDED BY P.L.1-2009,
 34 SECTION 106, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) ~~The definitions in this section~~
 36 ~~apply to a report that is required to be filed under this section:~~

37 (b) ~~As used in this section, "case contact" means any act of service~~
 38 ~~in which a township employee has reason to enter a comment or~~
 39 ~~narrative into the record of an application for township assistance~~
 40 ~~under this article regardless of whether the applicant receives or does~~
 41 ~~not receive township assistance funds.~~

42 (c) ~~As used in this section, "total number of households containing~~



1 township assistance recipients" means the sum to be determined by
 2 counting the total number of individuals who file an application for
 3 which assistance is granted. A household may be counted only once
 4 during a calendar year regardless of the number of times assistance is
 5 provided if the same individual makes the application for assistance.

6 (d) (a) As used in this section, "total number of recipients" means
 7 the number of individuals who are members of a household that
 8 receives assistance on at least one (1) occasion during the calendar
 9 year. An individual may be counted only one (1) time during a calendar
 10 year regardless of the:

- 11 (1) number of times assistance is provided; or
- 12 (2) number of households in which the individual resides during
 13 a particular year.

14 (e) As used in this section, "total number of requests for assistance"
 15 means the number of times an individual or a household separately
 16 requests any type of township assistance.

17 (f) (b) The township trustee shall file an annual statistical report on
 18 township housing; medical care; utility assistance; food assistance;
 19 burial assistance; food pantry assistance; services related to
 20 representative payee programs; services related to special
 21 nontraditional programs; and case management services with the state
 22 board of accounts. The township trustee shall provide a copy of the
 23 annual statistical report to the county auditor. The county auditor shall
 24 keep the copy of the report in the county auditor's office. Except as
 25 provided in subsection (k); (h), the report must be made on a form
 26 provided by the state board of accounts. The report must contain the
 27 following information:

- 28 (1) The total number of requests for assistance.
- 29 (2) The total number of each of the following:
 - 30 (A) Recipients of township assistance.
 - 31 (B) Households containing recipients of township assistance.
 - 32 (C) Case contacts made with or on behalf of:
 - 33 (i) recipients of township assistance; or
 - 34 (ii) members of a household receiving township assistance.
- 35 (3) The total value of benefits provided to recipients of township
 36 assistance.
- 37 (4) The total value of benefits provided through the efforts of
 38 township staff from sources other than township funds.
- 39 (5) The total number of each of the following:
 - 40 (A) Recipients of township assistance and households
 41 receiving utility assistance.
 - 42 (B) Recipients assisted by township staff in receiving utility



- 1 assistance from sources other than township funds.
- 2 (6) The total value of benefits provided for the payment of
- 3 utilities; including the value of benefits of utility assistance
- 4 provided through the efforts of township staff from sources other
- 5 than township funds.
- 6 (7) The total number of each of the following:
- 7 (A) Recipients of township assistance and households
- 8 receiving housing assistance.
- 9 (B) Recipients assisted by township staff in receiving housing
- 10 assistance from sources other than township funds.
- 11 (8) The total value of benefits provided for housing assistance;
- 12 including the value of benefits of housing assistance provided
- 13 through the efforts of township staff from sources other than
- 14 township funds.
- 15 (9) The total number of each of the following:
- 16 (A) Recipients of township assistance and households
- 17 receiving food assistance.
- 18 (B) Recipients assisted by township staff in receiving food
- 19 assistance from sources other than township funds.
- 20 (10) The total value of food assistance provided; including the
- 21 value of food assistance provided through the efforts of township
- 22 staff from sources other than township funds.
- 23 (11) The total number of each of the following:
- 24 (A) Recipients of township assistance and households
- 25 provided health care.
- 26 (B) Recipients assisted by township staff in receiving health
- 27 care assistance from sources other than township funds.
- 28 (12) The total value of health care provided; including the value
- 29 of health care assistance provided through the efforts of township
- 30 staff from sources other than township funds.
- 31 (13) The total number of funerals, burials, and cremations.
- 32 (14) The total value of funerals, burials, and cremations; including
- 33 the difference between the:
- 34 (A) actual value of the funerals, burials, and cremations; and
- 35 (B) amount paid by the township for the funerals, burials, and
- 36 cremations.
- 37 (15) The total of each of the following:
- 38 (A) Number of nights of emergency shelter provided to the
- 39 homeless.
- 40 (B) Number of nights of emergency shelter provided to
- 41 homeless individuals through the efforts of township staff from
- 42 sources other than township funds.



- 1 (C) Value of the nights of emergency shelter provided to
 2 homeless individuals by the township and the value of the
 3 nights of emergency shelter provided through the efforts of the
 4 township staff from sources other than township funds.
 5 (16) The total of each of the following:
 6 (A) Number of referrals of township assistance applicants to
 7 other programs.
 8 (B) Value of the services provided by the township in making
 9 referrals to other programs.
 10 (17) The total number of training programs or job placements
 11 found for recipients of township assistance with the assistance of
 12 the township trustee.
 13 (18) The number of hours spent by recipients of township
 14 assistance at workfare.
 15 (19) The total value of the services provided by workfare to the
 16 township and other agencies.
 17 (20) The total amount of reimbursement for assistance received
 18 from:
 19 (A) recipients;
 20 (B) members of recipients' households; or
 21 (C) recipients' estates;
 22 under IC 12-20-6-10; IC 12-20-27-1, or IC 12-20-27-1.5.
 23 (21) The total amount of reimbursement for assistance received
 24 from medical programs under IC 12-20-16-2(e).
 25 (22) The total of each of the following:
 26 (A) Number of individuals assisted through a representative
 27 payee program.
 28 (B) Amount of funds processed through the representative
 29 payee program that are not township funds.
 30 (23) The total of each of the following:
 31 (A) Number of individuals assisted through special
 32 nontraditional programs provided through the township
 33 without the expenditure of township funds.
 34 (B) Amount of funds used to provide the special nontraditional
 35 programs that are not township funds.
 36 (24) The total of each of the following:
 37 (A) Number of hours an investigator of township assistance
 38 spends providing case management services to a recipient of
 39 township assistance or a member of a household receiving
 40 township assistance.
 41 (B) Value of the case management services provided.
 42 (25) The total number of housing inspections performed by the



- 1 township.
- 2 If the total number or value of any item required to be reported under
- 3 this subsection is zero (0); the township trustee shall include the
- 4 notation "0" in the report where the total number or value is required
- 5 to be reported.
- 6 (c) The state board of accounts shall determine the information
- 7 that must be included by the township trustee in the annual
- 8 statistical report. However, the state board of accounts must
- 9 require the township trustee to provide:
- 10 (1) information regarding the total number of recipients of
- 11 township assistance and the total dollar amount of benefits
- 12 provided; and
- 13 (2) any other information required by:
- 14 (A) the division of family resources; and
- 15 (B) the department;
- 16 to comply with any reporting requirements under federal law.
- 17 ~~(g)~~ (d) The state board of accounts shall compare and compile all
- 18 data reported by townships under ~~subsection (f)~~ **this section** into a
- 19 statewide statistical report. The department shall summarize the data
- 20 compiled by the state board of accounts that relate to the fixing of
- 21 township budgets, levies, and tax rates and shall include the
- 22 department's summary within the statewide statistical report prepared
- 23 under this subsection. Before July 1 of each year, the state board of
- 24 accounts shall file the statewide statistical report prepared under this
- 25 subsection with the executive director of the legislative services agency
- 26 in an electronic format under IC 5-14-6.
- 27 ~~(h)~~ (e) The state board of accounts shall forward a copy of:
- 28 (1) each annual report forwarded to the board by townships under
- 29 ~~subsection (f); this section;~~ and
- 30 (2) the statewide statistical report; ~~under subsection (g);~~
- 31 to the department and the division of family resources.
- 32 ~~(i)~~ (f) The division of family resources shall include in the division's
- 33 periodic reports made to the United States Department of Health and
- 34 Human Services concerning the Temporary Assistance for Needy
- 35 Families (TANF) and Supplemental Security Income (SSI) programs
- 36 information forwarded to the division under ~~subsection (h)~~ **this section**
- 37 concerning the total number of recipients of township assistance and
- 38 the total dollar amount of benefits provided.
- 39 ~~(j)~~ (g) The department may not approve the budget of a township
- 40 trustee who fails to file an annual report under ~~subsection (f)~~ **this**
- 41 **section** in the preceding calendar year.
- 42 ~~(k)~~ (h) This section does not prevent the electronic transfer of data



1 required to be reported under IC 12-2-1-40 (before its repeal) or this
2 section if the following conditions are met:

3 (1) The method of reporting is acceptable to both the township
4 trustee reporting the information and the governmental entity to
5 which the information is reported.

6 (2) A written copy of information reported by electronic transfer
7 is on file with the township trustee reporting information by
8 electronic means.

9 **(3) (i)** The information required to be reported by the township
10 trustee under this section shall be maintained by the township trustee
11 in accordance with IC 5-15-6.

12 SECTION 11. IC 36-1.5-1-2, AS ADDED BY P.L.186-2006,
13 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2018]: Sec. 2. **(a)** This article contains full and complete
15 authority for the following:

16 (1) Reorganization of political subdivisions.

17 (2) Exercise of governmental functions under a cooperative
18 agreement under this article.

19 (3) Transfer of responsibilities between offices and officers under
20 this article.

21 **(b) The department of local government finance shall provide**
22 **assistance to political subdivisions with regard to performing any**
23 **act authorized under subsection (a), including the following:**

24 **(1) The department shall:**

25 **(A) prepare written materials with information that**
26 **provides guidance to political subdivisions in implementing**
27 **the provisions of this article; and**

28 **(B) post all guidance materials on the department's**
29 **Internet web site.**

30 **(2) The department shall provide, upon request, educational**
31 **programs and training to any employee or elected or**
32 **appointed officer of a political subdivision to assist and**
33 **provide guidance in implementing the provisions of this**
34 **article.**

35 SECTION 12. IC 36-1.5-1-4, AS AMENDED BY P.L.255-2013,
36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2018]: Sec. 4. A political subdivision **may do the following:**

38 (1) ~~may~~ Exercise the powers granted under this article to **do the**
39 **following without complying with the provisions of any other**
40 **law, statute, or rule:**

41 **(A) Reorganize. or**

42 **(B) Enter into cooperative agreements. However, a political**



- 1 **subdivision shall comply with IC 36-1-7.**
 2 ~~without complying with the provisions of any other law, statute,~~
 3 ~~or rule; and~~
 4 (2) ~~may~~; After the reorganization, exercise any power described
 5 in IC 36-1.5-4-38.
- 6 SECTION 13. IC 36-1.5-3-4, AS AMENDED BY P.L.255-2013,
 7 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2018]: Sec. 4. ~~(a)~~ Subject to this chapter, the department of
 9 local government finance shall adjust the maximum permissible
 10 property tax levies, maximum permissible property tax rates, and
 11 budgets of political subdivisions that enter into a reorganization under
 12 this article as provided in section 5 of this chapter.
- 13 ~~(b) Upon the termination of a reorganization under this chapter, the~~
 14 ~~department of local government finance shall adjust the maximum~~
 15 ~~permissible property tax levies; maximum permissible property tax~~
 16 ~~rates; and budgets of political subdivisions terminating the~~
 17 ~~reorganization to do the following:~~
- 18 ~~(1) Restore taxing powers of a political subdivision after the~~
 19 ~~termination of a reorganization under this article that are~~
 20 ~~necessary to fund governmental services to the individuals and~~
 21 ~~entities served by the political subdivision:~~
- 22 ~~(2) Restore taxing powers of a political subdivision after the~~
 23 ~~withdrawal of a party from a reorganization under this article that~~
 24 ~~are necessary to fund governmental services to the individuals~~
 25 ~~and entities served by the political subdivision:~~
- 26 SECTION 14. IC 36-1.5-3-5, AS AMENDED BY P.L.217-2017,
 27 SECTION 159, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JANUARY 1, 2019]: Sec. 5. (a) This subsection applies
 29 to the plan of reorganization of a political subdivision other than a
 30 school corporation. The plan of reorganization must specify the ~~amount~~
 31 **adjustments** (if any) ~~of the decrease~~ that the department of local
 32 government finance shall make to the maximum permissible property
 33 tax levies, maximum permissible property tax rates, and budgets under
 34 IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision
 35 to:
- 36 (1) eliminate double taxation for services or goods provided by
 37 the reorganized political subdivision; or
 38 (2) eliminate any excess by which the amount of property taxes
 39 imposed by the reorganized political subdivision exceeds the
 40 amount necessary to pay for services or goods provided under this
 41 article.
- 42 (b) This subsection applies to a plan of reorganization for a school



1 corporation. The plan of reorganization must specify the adjustments
 2 that the department of local government finance shall make to the
 3 maximum permissible property tax levies, maximum permissible
 4 property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of
 5 the reorganized school corporation. The following apply to a school
 6 corporation reorganized under this article:

7 (1) The new maximum permissible tax levy under ~~IC 20-46-4~~
 8 ~~(transportation fund)~~ and ~~IC 20-46-5 (school bus replacement)~~
 9 **IC 20-46-8 (operations fund)** for the first calendar year in which
 10 the reorganization is effective equals the following:

11 STEP ONE: Determine for each school corporation that is part
 12 of the reorganization the sum of the maximum levies under
 13 ~~IC 20-46-4~~ and ~~IC 20-46-5~~ **IC 20-46-8** for the ensuing
 14 calendar year, including the assessed value growth quotient
 15 (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

16 STEP TWO: Determine the sum of the STEP ONE amounts.

17 STEP THREE: Multiply the STEP TWO amount by one
 18 hundred three percent (103%).

19 (2) ~~The new maximum capital projects fund rate under IC 20-46-6~~
 20 ~~for the first calendar year in which the reorganization is effective~~
 21 ~~equals the following:~~

22 ~~STEP ONE: Determine for each school corporation that is part~~
 23 ~~of the reorganization the maximum amount that could have~~
 24 ~~been levied using the school corporation's maximum capital~~
 25 ~~projects fund tax rate for the calendar year.~~

26 ~~STEP TWO: Determine the sum of the STEP ONE amounts.~~

27 ~~STEP THREE: Determine the sum of the certified net assessed~~
 28 ~~values for all the school corporations that are part of the~~
 29 ~~reorganization.~~

30 ~~STEP FOUR: Divide the STEP TWO amount by the STEP~~
 31 ~~THREE amount.~~

32 ~~STEP FIVE: Determine the product (rounded to the nearest~~
 33 ~~ten-thousandth (0.0001)) of:~~

34 ~~(i) the STEP FOUR amount; multiplied by~~

35 ~~(ii) one hundred (100).~~

36 ~~(3) (2) The new debt service levy under IC 20-46-7 for the first~~
 37 ~~calendar year in which the reorganization is effective equals the~~
 38 ~~sum of the debt service fund levies for each school corporation~~
 39 ~~that is part of the reorganization that would have been permitted~~
 40 ~~under IC 20-46-7 in the calendar year.~~

41 (c) The fiscal body of the reorganized political subdivision shall
 42 determine and certify to the department of local government finance



1 the amount of the ~~adjustment~~ **adjustments** (if any) under subsection
2 (a).

3 (d) The amount of the ~~adjustment~~ **adjustments** (if any) under
4 subsection (a) or (b) must comply with the reorganization agreement
5 under which the political subdivision or school corporation is
6 reorganized under this article.

7 SECTION 15. IC 36-1.5-4-5, AS AMENDED BY P.L.233-2015,
8 SECTION 334, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) Except as provided in
10 subsection (b), a reorganization approved under this chapter takes
11 effect when all of the following have occurred:

12 (1) The later of:

13 (A) the date that a copy of a joint certification from the county
14 election board in each county in which reorganizing political
15 subdivisions are located that indicates that:

16 (i) the reorganization has been approved by the voters of
17 each reorganizing political subdivision; or

18 (ii) in the case of a reorganization described in section
19 1(a)(7) or 1(a)(9) of this chapter, the reorganization has been
20 approved as set forth in section ~~32(b) or 32(c)~~ **32** of this
21 chapter;

22 is recorded as required by section 31 of this chapter; or

23 (B) the date specified in the finally adopted plan of
24 reorganization.

25 (2) The appointed or elected officers of the reorganized political
26 subdivision are elected (as prescribed by section 36 of this
27 chapter) or appointed and qualified, if:

28 (A) the reorganized political subdivision is a new political
29 subdivision and reorganizing political subdivisions are not
30 being consolidated into one (1) of the reorganizing political
31 subdivisions;

32 (B) the reorganized political subdivision will have different
33 boundaries than any of the reorganizing political subdivisions;

34 (C) the reorganized political subdivision will have different
35 appointment or election districts than any of the reorganizing
36 political subdivisions; or

37 (D) the finally adopted plan of reorganization requires new
38 appointed or elected officers before the reorganization
39 becomes effective.

40 (b) A reorganization approved under this chapter may not take effect
41 during the year preceding a year in which a federal decennial census is
42 conducted. A consolidation that would otherwise take effect during the



1 year preceding a year in which a federal decennial census is conducted
 2 takes effect January 1 of the year in which a federal decennial census
 3 is conducted.

4 SECTION 16. IC 36-1.5-4-11, AS AMENDED BY P.L.219-2013,
 5 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2018]: Sec. 11. (a) The voters of a political subdivision may
 7 initiate a proposed reorganization by filing a written petition,
 8 substantially in the form prescribed by the department, with the clerk
 9 of the political subdivision that:

- 10 (1) proposes a reorganization;
 11 (2) names the political subdivisions that would be reorganized in
 12 the proposed reorganization; and
 13 (3) ~~for a petition filed after December 31, 2013;~~ contains all of the
 14 following:
 15 (A) The signature of each petitioner.
 16 (B) The name of each petitioner legibly printed.
 17 (C) The residence mailing address of each petitioner.
 18 (D) The date on which each petitioner signed the petition.

19 (b) The clerk shall transmit the petition to the county voter
 20 registration office of the county in which a majority of the population
 21 of the political subdivision is located. If the county voter registration
 22 office determines that the written petition is signed by at least five
 23 percent (5%) of the voters of the political subdivision, as determined
 24 by the vote cast in the political subdivision for secretary of state at the
 25 most recent general election, the clerk of the political subdivision shall
 26 certify the petition to the legislative body of the political subdivision.
 27 In certifying the number of voters, the clerk shall disregard any
 28 signature on the petition that is dated under subsection (a)(3)(D) more
 29 than ninety (90) days before the date the petition was filed with the
 30 clerk.

31 **(c) This subsection applies if the voters of two (2) or more**
 32 **political subdivisions file petitions under this section with the clerks**
 33 **of each political subdivision to initiate a mutual reorganization of**
 34 **the political subdivisions. If five percent (5%) of the voters of each**
 35 **political subdivision as determined by the vote cast in the political**
 36 **subdivision for secretary of state at the most recent general**
 37 **election sign a written petition, the clerks shall certify the petitions**
 38 **to the legislative bodies of each political subdivision.**

39 SECTION 17. IC 36-1.5-4-13.4 IS ADDED TO THE INDIANA
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2018]: **Sec. 13.4. (a) This section applies only**
 42 **to a mutual reorganization of political subdivisions initiated by**



1 petition of the voters under section 11(c) of this chapter.

2 (b) If a legislative body of a political subdivision adopts a
3 resolution under section 12 or 13 of this chapter to decline to
4 participate in a reorganization, the legislative body must certify the
5 resolution to the offices listed in section 23 of this chapter. The
6 registered voters of each political subdivision that adopted a
7 resolution to decline to participate in the reorganization may
8 submit a petition to the clerk of the circuit court approving a
9 reorganization with the political subdivisions named in the petition,
10 and requesting that a public question be held on the resolution.

11 (c) The petition must be submitted not later than one hundred
12 eighty (180) days after the date that the resolution to decline to
13 participate in the reorganization was adopted. If more than one (1)
14 political subdivision adopted a resolution declining to participate
15 in the reorganization, petitions containing the number of voters
16 required under subsection (d) must be submitted by the voters in
17 each of the political subdivisions that declined to participate in
18 order for a public question to be placed on the ballot. A petition
19 must be submitted to the clerk of the political subdivision not later
20 than one hundred eighty (180) days after the date that the
21 resolution was adopted by the legislative body of the political
22 subdivision to decline to participate.

23 (d) In certifying the number of voters, the clerk shall disregard
24 any signature on the petition that is dated under section 11(a)(3)(D)
25 of this chapter more than one hundred eighty (180) days before the
26 date the petition was filed with the clerk. If the petition is signed by
27 at least five percent (5%) of the voters of the political subdivision,
28 as determined by the vote cast in the political subdivision for
29 secretary of state at the most recent general election:

30 (1) the political subdivision is considered to have approved the
31 holding of the public question on participating in a
32 reorganization with the other named political subdivisions,
33 notwithstanding the vote by the legislative body not to
34 participate in the reorganization; and

35 (2) the clerk of the circuit court shall certify the holding of the
36 public question on the participation of the political
37 subdivisions in a reorganization with the other named
38 political subdivisions.

39 Sections 26 through 33 of this chapter apply except that the public
40 question concerns the participation of the political subdivisions in
41 a proposed reorganization instead of a proposed plan of
42 reorganization and any reference to a plan of reorganization shall



1 be considered a reference to participation of the political
2 subdivisions in a proposed reorganization.

3 (e) If the reorganization is approved by the voters required
4 under section 30 or 32 of this chapter, the reorganization shall
5 proceed. The political subdivisions shall prepare a plan of
6 reorganization under section 18 of this chapter and vote on the
7 plan of reorganization under section 20 of this chapter.

8 (f) If the reorganization is rejected by the voters under section
9 30 or 32 of this chapter, the reorganization is terminated.

10 SECTION 18. IC 36-1.5-4-13.5 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2018]: **Sec. 13.5. If the legislative bodies of all**
13 **political subdivisions named in a resolution adopt substantially**
14 **identical resolutions to reorganize, the legislative bodies of the**
15 **political subdivisions shall prepare and vote on the plan of**
16 **reorganization under section 20 of this chapter.**

17 SECTION 19. IC 36-1.5-4-18, AS AMENDED BY P.L.233-2015,
18 SECTION 335, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2018]: Sec. 18. (a) ~~A reorganization committee~~
20 ~~(before January 1, 2014) or~~ The legislative bodies of the reorganizing
21 political subdivisions ~~(after December 31, 2013)~~ shall prepare a
22 comprehensive plan of reorganization for the reorganizing political
23 subdivisions. The plan of reorganization governs the actions, duties,
24 and powers of the reorganized political subdivision that are not
25 specified by law.

26 (b) The plan of reorganization must include at least the following:

27 (1) The name and a description of the reorganized political
28 subdivision that will succeed the reorganizing political
29 subdivisions.

30 (2) A description of the boundaries of the reorganized political
31 subdivision.

32 (3) Subject to section 40 of this chapter, a description of the
33 taxing areas in which taxes to retire obligations of the
34 reorganizing political subdivisions will be imposed.

35 (4) A description of the membership of the legislative body, fiscal
36 body, and executive of the reorganized political subdivision, a
37 description of the election districts or appointment districts from
38 which officers will be elected or appointed, and the manner in
39 which the membership of each elected or appointed office will be
40 elected or appointed.

41 (5) A description of the services to be offered by the reorganized
42 political subdivision and the service areas in which the services



- 1 will be offered.
- 2 (6) The disposition of the personnel, the agreements, the assets,
3 and, subject to section 40 of this chapter, the liabilities of the
4 reorganizing political subdivisions, including the terms and
5 conditions upon which the transfer of property and personnel will
6 be achieved.
- 7 (7) Any other matter that the ~~(A) reorganization committee~~
8 ~~(before January 1, 2014) determines or the legislative bodies of~~
9 ~~the reorganizing political subdivisions (after December 31, 2013)~~
10 ~~determine to be necessary or appropriate or (B) legislative bodies~~
11 ~~of the reorganizing political subdivisions require the~~
12 ~~reorganization committee (before January 1, 2014); to include in~~
13 ~~the plan of reorganization.~~
- 14 (8) This subdivision applies only to a reorganization described in
15 section 1(a)(7) of this chapter that is voted on by voters after
16 December 31, 2013; regardless of when the plan of reorganization
17 is adopted. The reorganization committee (before January 1,
18 2014) or the legislative bodies of the reorganizing political
19 subdivisions (after December 31, 2013) shall include in the
20 reorganization plan an approval threshold; specified as a
21 percentage; that applies for purposes of section 32(b) of this
22 chapter. The approval threshold must be the same for each
23 municipality that is a party to the proposed reorganization and to
24 each township that is a party to the proposed reorganization. The
25 approval threshold must be greater than fifty percent (50%); but
26 not more than fifty-five percent (55%).
- 27 (9) This subdivision applies only to a reorganization described in
28 section 1(a)(7) of this chapter that is voted on by voters after
29 December 31, 2013; regardless of when the plan of reorganization
30 is adopted. The reorganization committee (before January 1,
31 2014) or the legislative bodies of the reorganizing political
32 subdivisions (after December 31, 2013) shall determine and
33 include in the reorganization plan the percentage of voters in both
34 the municipality and the township voting on the public question
35 regarding the proposed reorganization who must vote in favor of
36 the proposed reorganization for the public question to be
37 approved. This percentage is referred to in this chapter as the
38 "municipality-township vote approval percentage". The
39 municipality-township vote approval percentage must be greater
40 than fifty percent (50%).
- 41 (10) In the case of a reorganization described in section 1(a)(9) of
42 this chapter; the reorganization committee (before January 1;



2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall include in the reorganization plan an approval threshold, specified as a percentage, that applies for purposes of section 32(c) of this chapter. The approval threshold must be the same for each municipality that is a party to the proposed reorganization and to the county that is a party to the proposed reorganization. The approval threshold must be greater than fifty percent (50%); but not more than fifty-five percent (55%).

(11) In the case of a reorganization described in section 1(a)(9) of this chapter, the reorganization committee (before January 1, 2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall determine and include in the reorganization plan the percentage of voters voting on the public question regarding the proposed reorganization who must vote, on a countywide basis, in favor of the proposed reorganization for the public question to be approved. This percentage is referred to in this chapter as the "countywide vote approval percentage". The countywide vote approval percentage must be greater than fifty percent (50%).

(12) (8) The fiscal impact analysis required by subsection (d).

(c) In the case of a plan of reorganization submitted to a political subdivision by a reorganization committee after June 30, 2010, and before January 1, 2014, or prepared by the legislative bodies of the reorganizing political subdivisions after December 31, 2013, The political subdivision shall post a copy of the plan of reorganization on an Internet web site maintained or authorized by the political subdivision not more than thirty (30) days after receiving the plan of reorganization from the reorganization committee (before January 1, 2014) or (after December 31, 2013) not more than thirty (30) days after the plan of reorganization is prepared by the legislative bodies of the reorganizing political subdivisions. If the plan of reorganization is amended, the political subdivision shall post the amended plan on the Internet web site maintained or authorized by the political subdivision within seven (7) days after the amended plan is adopted.

(d) The legislative bodies of the reorganizing political subdivisions preparing a reorganization plan after December 31, 2013, must include in the plan of reorganization a fiscal impact analysis of the proposed reorganization. The fiscal impact analysis must include at least the following:

(1) The estimated effect of the proposed reorganization on taxpayers in each of the political subdivisions to which the



1 proposed reorganization applies, including the expected tax rates,
 2 tax levies, expenditure levels, service levels, and annual debt
 3 service payments in those political subdivisions.

4 (2) A description of the planned services to be provided in the
 5 reorganized political subdivision and the method or methods of
 6 financing the planned services. The fiscal impact analysis must:

7 (A) present itemized estimated costs for each department or
 8 agency of the reorganized political subdivision; and

9 (B) explain how specific and detailed expenses will be funded
 10 from taxes, fees, grants, and other funding.

11 (3) A description of the capital improvements to be provided in
 12 the reorganized political subdivision and the method or methods
 13 of financing those capital improvements.

14 (4) Any estimated effects on political subdivisions in the county
 15 that are not participating in the reorganization and on taxpayers
 16 located in those political subdivisions.

17 (e) The legislative bodies of the reorganizing political subdivisions
 18 ~~preparing a plan of reorganization after December 31, 2013,~~ must
 19 submit the fiscal impact analysis described in subsection (d) to the
 20 department of local government finance at least three (3) months before
 21 the election in which the public question will be on the ballot. A
 22 legislative body of a reorganizing political subdivision may not adopt
 23 a plan of reorganization unless the legislative bodies of the
 24 reorganizing political subdivisions have submitted the fiscal impact
 25 analysis to the department of local government finance as required by
 26 this subsection. The department of local government finance must do
 27 the following within a reasonable time, but not later than thirty (30)
 28 days ~~before~~ **after** the date of the election in which the public question
 29 ~~will be on the ballot: the fiscal impact analysis is submitted to the~~
 30 **department of local government finance:**

31 (1) Review the fiscal impact analysis.

32 (2) Make any comments concerning the fiscal impact analysis that
 33 the department considers appropriate.

34 (3) Provide the department's comments under subdivision (2) to
 35 the legislative body of the reorganizing political subdivisions.

36 (4) Post the department's comments under subdivision (2) on the
 37 department's Internet web site.

38 The department of local government finance shall certify to the
 39 legislative bodies of the reorganizing political subdivisions the total
 40 amount of expense incurred by the department in carrying out the
 41 department's review and preparing the department's comments. Upon
 42 receipt of the department's certification of the expenses, the



1 reorganizing political subdivisions shall immediately pay to the
 2 treasurer of state the amount charged. The share of the cost to be paid
 3 by each reorganizing political subdivision shall be determined by the
 4 legislative bodies of the reorganizing political subdivisions. Money
 5 paid by a reorganizing political subdivision under this subsection shall
 6 be deposited in the state general fund:

7 SECTION 20. IC 36-1.5-4-23.5, AS AMENDED BY P.L.202-2013,
 8 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2018]: Sec. 23.5. (a) This section does not apply to a final
 10 plan of reorganization that is adopted and rescinded by the legislative
 11 body of a political subdivision under section 27.5 of this chapter. If the
 12 legislative bodies of all political subdivisions that have been presented
 13 with (before January 1, 2014) an initial plan of reorganization prepared
 14 under section 18 of this chapter or that have prepared (after December
 15 31, 2013) an initial plan of reorganization under section 18 of this
 16 chapter:

17 (1) have not adopted voted on the adoption of a final plan of
 18 reorganization within one (1) year after the initial plan of
 19 reorganization is presented; or

20 (2) have voted to reject the plan of reorganization;
 21 under section 20 of this chapter, the registered voters of a political
 22 subdivision in which the initial plan of reorganization was presented to
 23 a legislative body (before January 1, 2014) or prepared by a legislative
 24 body (after December 31, 2013) but not adopted may submit a petition
 25 to the clerk of the circuit court approving a final plan of reorganization
 26 and requesting that a public question be held on the final plan of
 27 reorganization.

28 (b) The petition must be submitted not later than one hundred eighty
 29 (180) days after the date that is one (1) year after the initial plan of
 30 reorganization was presented to the legislative body (before January 1,
 31 2014) or prepared by the legislative body. (after December 31, 2013).
 32 A petition submitted after December 31, 2013, must meet the
 33 requirements of section 11(a)(3) of this chapter. In certifying the
 34 number of voters, the clerk shall disregard any signature on the petition
 35 that is dated under section 11(a)(3)(D) of this chapter more than one
 36 hundred eighty (180) days before the date the petition was filed with
 37 the clerk. If the petition is signed by at least ten five percent (10%)
 38 (5%) of the voters of the political subdivision, as determined by the
 39 vote cast in the political subdivision for secretary of state at the most
 40 recent general election:

41 (1) the political subdivision is considered to have approved the
 42 holding of the public question on the final plan of reorganization,



1 notwithstanding the vote by the legislative body:

2 (A) failing to vote on the adoption of a final plan of
3 reorganization; or

4 (B) voting to rejecting reject the final plan of reorganization;
5 and

6 (2) the clerk of the circuit court shall certify approval of the final
7 plan of the reorganization and the holding of the public question
8 in the manner specified in section 23 of this chapter.

9 SECTION 21. IC 36-1.5-4-27.5 IS REPEALED [EFFECTIVE JULY
10 1, 2018]. Sec. 27.5: (a) Before the public question on a reorganization
11 under this chapter is placed on the ballot, the legislative body of a
12 political subdivision may adopt a resolution to rescind the plan of
13 reorganization previously adopted and certified by the legislative body.
14 The resolution to rescind the plan of reorganization must be certified
15 by the legislative body to the:

16 (1) clerk of each reorganizing political subdivision;

17 (2) county fiscal officer of each county in which a reorganizing
18 political subdivision is located; and

19 (3) county recorder of each county in which a reorganizing
20 political subdivision is located;

21 not later than July 15:

22 (b) Each county recorder receiving a certification under subsection
23 (a) shall do the following:

24 (1) Record the certification in the records of the county recorder
25 without charge.

26 (2) Notify the county election board of each county in which a
27 reorganizing political subdivision is located that the public
28 question on the plan of reorganization is not eligible to be placed
29 on the ballot for consideration by:

30 (A) the voters of each reorganizing political subdivision; and

31 (B) in the case of a reorganization described in section 1(a)(9)
32 of this chapter, the voters of the entire county.

33 (c) After the county recorder of each county in which the
34 reorganizing political subdivisions are located has notified the county
35 election board under subsection (b) that a public question on a plan of
36 reorganization is not eligible to be placed on the ballot, the county
37 election board shall not place the public question on the ballot.

38 SECTION 22. IC 36-1.5-4-30, AS AMENDED BY P.L.219-2013,
39 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2018]: Sec. 30. (a) Except as provided in subsections (b) and
41 (c), at the same time that election results are certified under IC 3, the
42 circuit court clerk of each of the counties in which a public question



1 under this chapter is on the ballot shall jointly issue, in the form
 2 prescribed by the Indiana election commission, a certificate declaring
 3 whether the public question is approved or rejected by a majority of the
 4 voters voting on the public question in each of the reorganizing
 5 political subdivisions. In addition to any other requirements in IC 3
 6 concerning filing of the certification, the certification shall be sent to
 7 each of the following:

- 8 (1) The clerk of each of the reorganizing political subdivisions.
- 9 (2) The county auditor of each county in which a reorganizing
 10 political subdivision is located.
- 11 (3) The county recorder of each county in which a reorganizing
 12 political subdivision is located.
- 13 (4) The state board of accounts.
- 14 (5) The department of local government finance.
- 15 (6) The department of state revenue.
- 16 (7) The budget agency.
- 17 (8) If any of the reorganizing political subdivisions is a school
 18 corporation, the department of education.

19 (b) In the case of a public question on a reorganization described in
 20 section 1(a)(7) of this chapter that is voted on by voters: ~~after~~
 21 ~~December 31, 2013:~~

- 22 (1) the public question on a plan of reorganization shall be placed
 23 on the ballot for consideration by the voters of the reorganizing
 24 municipality and township;
- 25 (2) the vote on the public question by the voters of a reorganizing
 26 municipality and township shall be tabulated by determining the
 27 sum of the votes of voters who reside in:
 - 28 (A) each reorganizing municipality;
 - 29 (B) the reorganizing township and not the reorganizing
 30 municipality; and
 - 31 (C) each reorganizing municipality and the reorganizing
 32 township;
- 33 (3) the vote on the public question by the voters of:
 - 34 (A) each reorganizing municipality; and
 - 35 (B) each reorganizing township (excluding the voters of the
 36 reorganizing municipalities);
 shall be tabulated separately; and
- 37 (4) the circuit court clerk shall issue, in a form prescribed by the
 38 Indiana election commission, separate certificates regarding
 39 whether the public question is approved or rejected by the voters
 40 of:
 41 (A) each reorganizing municipality and township as set forth
 42



- 1 in subdivision (2)(C);
 2 (B) each reorganizing municipality; and
 3 (C) each reorganizing township, excluding the voters of the
 4 reorganizing municipalities;
 5 voting on the public question.
 6 (c) In the case of a public question on a reorganization described in
 7 section 1(a)(9) of this chapter:
 8 (1) the public question on a plan of reorganization shall be placed
 9 on the ballot for consideration by the voters of the entire county;
 10 (2) the vote on the public question by the voters of the entire
 11 county shall be tabulated;
 12 (3) the vote on the public question by the voters of:
 13 (A) each reorganizing municipality; and
 14 (B) the county (excluding the voters of the reorganizing
 15 municipalities);
 16 shall be tabulated separately; and
 17 (4) the circuit court clerk shall issue, in a form prescribed by the
 18 state election board, separate certificates regarding whether the
 19 public question is approved or rejected by the voters of:
 20 (A) the entire county;
 21 (B) each reorganizing municipality; and
 22 (C) the county, excluding the voters of the reorganizing
 23 municipalities;
 24 voting on the public question.
 25 SECTION 23. IC 36-1.5-4-32, AS AMENDED BY P.L.202-2013,
 26 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2018]: Sec. 32. (a) This subsection does not apply to a
 28 reorganization described in section 1(a)(7) or 1(a)(9) of this chapter. A
 29 reorganization as specified in the plan of reorganization is approved if
 30 **a majority more than fifty percent (50%)** of the voters in each
 31 reorganizing political subdivision voting on the public question
 32 approve the public question on the reorganization. If a reorganizing
 33 political subdivision includes the territory of another reorganizing
 34 political subdivision, the vote of voters of a reorganizing political
 35 subdivision who also are voters in a second reorganizing political
 36 subdivision that is geographically larger than the first political
 37 subdivision and that includes the territory of the first political
 38 subdivision shall be included only in the tally of votes for the first
 39 reorganizing political subdivision in which the voters reside.
 40 (b) This subsection applies only to a reorganization described in
 41 section 1(a)(7) of this chapter. ~~This subsection applies only to a~~
 42 ~~reorganization voted on by voters after December 31, 2013.~~ In the case



1 of a proposed reorganization between a municipality and a township,
2 the reorganization is approved only if:

3 (1) the percentage of all voters voting on the public question who:

4 (A) reside in:

5 (i) the reorganizing municipality;

6 (ii) the reorganizing township and not the reorganizing
7 municipality; and

8 (iii) both the reorganizing municipality and the reorganizing
9 township; and

10 (B) vote in favor of the proposed reorganization;

11 is greater than fifty percent (50%);

12 (2) the percentage of voters of the reorganizing municipality
13 voting on the public question in favor of the reorganization ~~equals~~
14 ~~or exceeds the approval threshold included in the final~~
15 ~~reorganization plan; which must be~~ is greater than fifty percent
16 (50%); ~~but not more than fifty-five percent (55%);~~ and

17 (3) the percentage of voters who reside within the reorganizing
18 township but do not reside within the reorganizing municipality
19 and who vote on the public question in favor of the reorganization
20 ~~equals or exceeds the approval threshold included in the final~~
21 ~~reorganization plan; which must be~~ is greater than fifty percent
22 (50%). ~~but not more than fifty-five percent (55%).~~

23 ~~If the reorganization is not approved, the reorganization is terminated.~~

24 In tabulating the votes under subdivisions (2) and (3), the vote of voters
25 of a reorganizing municipality who are also voters in the reorganizing
26 township shall be included only in the tally of votes for the
27 municipality in which the voters reside.

28 (c) ~~The following apply~~ **This subsection applies** only to a
29 reorganization described in section 1(a)(9) of this chapter.

30 (†) ~~In the case of a public question voted on by voters before~~
31 ~~January 1, 2014, the reorganization is approved only if:~~

32 (A) ~~the percentage of voters voting on the public question who~~
33 ~~vote, on a countywide basis, in favor of the proposed~~
34 ~~reorganization is at least equal to the countywide vote approval~~
35 ~~percentage specified in the final reorganization plan;~~

36 (B) ~~the legislative bodies of the reorganizing political~~
37 ~~subdivisions have agreed that the vote on the public question~~
38 ~~shall be conducted with an approval threshold; and the~~
39 ~~percentage of voters of the county (excluding the voters of the~~
40 ~~reorganizing municipalities) voting on the public question who~~
41 ~~vote against the reorganization is less than the approval~~
42 ~~threshold included in the final reorganization plan; and~~



1 ~~(C)~~ the legislative bodies of the reorganizing political
 2 subdivisions have agreed that the vote on the public question
 3 shall be conducted with an approval threshold; and the
 4 percentage of voters of each reorganizing municipality voting
 5 on the public question who vote against the reorganization is
 6 less than the approval threshold included in the final
 7 reorganization plan.

8 ~~(2)~~ In the case of a public question voted on by voters after December
 9 31, 2013, The reorganization is approved only if all of the following
 10 requirements are met:

11 ~~(A)~~ **(1)** More than fifty percent (50%) of the voters in the county
 12 voting on the public question vote (on a countywide basis) in
 13 favor of the proposed reorganization.

14 ~~(B)~~ **(2)** The percentage of voters of the reorganizing county
 15 (excluding the voters of the reorganizing municipalities) voting
 16 on the public question in favor of the reorganization equals or
 17 exceeds the approval threshold included in the final
 18 reorganization plan. The approval threshold must be greater than
 19 fifty percent (50%), but not more than fifty-five percent (55%).

20 ~~(C)~~ **(3)** The percentage of voters of each reorganizing
 21 municipality voting on the public question in favor of the
 22 reorganization equals or exceeds the approval threshold included
 23 in the final reorganization plan. The approval threshold must be
 24 greater than fifty percent (50%), but not more than fifty-five
 25 percent (55%).

26 If the reorganization is not approved, the reorganization is terminated.
 27 In tabulating the votes under **this** subsection, ~~(c)(1)(B); (c)(1)(C);~~
 28 ~~(c)(2)(B); and (c)(2)(C);~~ the vote of voters of a reorganizing
 29 municipality who also are voters in the county shall be included only
 30 in the tally of votes for the municipality in which the voters reside.

31 SECTION 24. IC 36-1.5-4-33, AS AMENDED BY P.L.202-2013,
 32 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2018]: Sec. 33. Except in the case of a reorganization
 34 described in section 1(a)(7) or 1(a)(9) of this chapter, if a
 35 reorganization is not approved by ~~the majority~~ **more than fifty percent**
 36 **(50%)** of the voters in each reorganizing political subdivision voting
 37 on the public question, the reorganization is terminated. A political
 38 subdivision in which voters of the political subdivision approved the
 39 reorganization may continue with a reorganization with another
 40 political subdivision in which the reorganization was approved only if
 41 a new plan of reorganization is approved by the voters of each political
 42 subdivision in the manner provided by this chapter.



1 SECTION 25. IC 36-1.5-4-34, AS AMENDED BY P.L.202-2013,
 2 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 34. (a) This section applies if:

4 (1) in the case of a reorganization that is not described in section
 5 1(a)(7) or 1(a)(9) of this chapter, ~~the majority more than fifty~~
 6 **percent (50%)** of the voters of each of the reorganizing political
 7 subdivisions voting on the public question approve the public
 8 question concerning the reorganization; or

9 (2) in the case of a reorganization described in section 1(a)(7) or
 10 1(a)(9) of this chapter, the reorganization is approved as set forth
 11 in section ~~32(b) or 32(c)~~ **32** of this chapter.

12 (b) The political subdivisions are reorganized in the form and under
 13 the conditions specified by the legislative bodies of the reorganizing
 14 political subdivisions in the plan of reorganization filed with the county
 15 recorder under this chapter.

16 SECTION 26. IC 36-1.5-4-34.5, AS ADDED BY P.L.255-2013,
 17 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2018]: Sec. 34.5. (a) This section applies to a reorganization
 19 under this chapter that ~~(1) occurs after June 30, 2006; and (2)~~ involves
 20 one (1) or more municipalities and one (1) or more townships, all of
 21 which are participating units in a fire protection territory on the date the
 22 reorganization is approved by voters.

23 (b) The fiscal body of a reorganized political subdivision that results
 24 from a reorganization described in subsection (a) may:

25 (1) establish an equipment replacement fund under
 26 IC 36-8-19-8.5 and impose a property tax for the fund as provided
 27 in IC 36-8-19-8.5; and

28 (2) take any other action under IC 36-8-19-8.5 that may be taken
 29 under that section by a participating unit in a fire protection
 30 territory.

31 (c) If a reorganized political subdivision establishes an equipment
 32 replacement fund under IC 36-8-19-8.5 as authorized by this section,
 33 the department of local government finance may adjust the maximum
 34 permissible ad valorem property tax levy that would otherwise apply
 35 to the reorganized political subdivision in the same manner in which
 36 the department may adjust the maximum permissible ad valorem
 37 property tax levy of a civil taxing unit under IC 6-1.1-18.5-10.5 to meet
 38 the civil taxing unit's obligations to a fire protection territory
 39 established under IC 36-8-19.

40 SECTION 27. IC 36-1.5-4-43 IS REPEALED [EFFECTIVE JULY
 41 1, 2018]. ~~Sec. 43. The legislative body or voters of a reorganized~~
 42 ~~political subdivision may terminate a reorganization or restore one (1)~~



1 or more of the reorganizing political subdivisions participating in a
 2 reorganization in the same manner that a reorganization may be
 3 initiated under this chapter. If the voters in the reorganized political
 4 subdivision approve a public question approving termination of the
 5 reorganization or restoration of a reorganizing political subdivision, the
 6 reorganized political subdivision shall terminate the reorganization and
 7 restore the reorganizing political subdivisions in the same manner as
 8 a reorganization is completed under this chapter.

9 SECTION 28. IC 36-1.5-5-1, AS ADDED BY P.L.186-2006,
 10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2018]: Sec. 1. Notwithstanding any other law, two (2) or more
 12 political subdivisions may enter into a cooperative agreement under
 13 this chapter by using the same procedures set forth in this article for the
 14 initiation and approval of a reorganization under this article. A
 15 cooperative agreement under this chapter may be initiated and
 16 approved only in the manner set forth in this article for the initiation
 17 and approval of a reorganization under this article. **IC 36-1-7.**

18 SECTION 29. IC 36-1.5-5-2 IS REPEALED [EFFECTIVE JULY
 19 1, 2018]. Sec. 2: (a) A cooperative agreement under this chapter must
 20 provide at least for the following:

21 (1) Its duration.

22 (2) Its purpose.

23 (3) The manner of financing, staffing, and supplying any joint
 24 undertaking and of establishing and maintaining a budget for any
 25 joint undertaking that is the subject of the cooperative agreement.

26 (4) The methods that may be employed in accomplishing the
 27 partial or complete termination of the cooperative agreement and
 28 for disposing of property upon partial or complete termination of
 29 the cooperative agreement.

30 (5) The manner in which the cooperative agreement is to be
 31 administered.

32 (6) The manner of acquiring, holding, and disposing of real and
 33 personal property that is the subject of the cooperative agreement.

34 (b) A cooperative agreement may include any condition or term that
 35 is necessary or appropriate.

36 SECTION 30. IC 36-1.5-5-3, AS ADDED BY P.L.186-2006,
 37 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: Sec. 3. (a) The cooperative agreement may transfer the
 39 functions of an employee or a department of a political subdivision,
 40 including an elected office, to another employee or department of any
 41 political subdivision that has entered into the cooperative agreement.

42 (b) The functions of an elected office may be transferred only to



1 another elected office.

2 (c) **Subject to section 9 of this chapter**, the cooperative agreement
3 may provide for the ~~abolishment of~~ **abolishing** an elected office that is
4 not required by the Constitution of the State of Indiana.

5 SECTION 31. IC 36-1.5-5-7, AS ADDED BY P.L.186-2006,
6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2018]: Sec. 7. (a) A cooperative agreement:

8 (1) transferring the functions of an elected office; **or**

9 (2) **abolishing an elected office;**

10 becomes effective only at the end of the term of the incumbent that
11 holds the office.

12 (b) **Any law, rule, or agreement that requires or permits an**
13 **action by an elected officer after:**

14 (1) **the functions of the elected officer are transferred; or**

15 (2) **after the elected office is abolished;**

16 **shall be treated as referring to the elected officer to which the**
17 **functions have been transferred by the cooperative agreement.**

18 ~~(b)~~ (c) Any law, rule, or agreement that requires or permits an action
19 by an employee ~~or elected officer~~ after the functions of the employee
20 ~~or elected officer~~ are transferred shall be treated as referring to the
21 employee ~~or elected officer~~ to which the functions have been
22 transferred by the cooperative agreement.

23 SECTION 32. IC 36-1.5-5-9 IS ADDED TO THE INDIANA CODE
24 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
25 1, 2018]: Sec. 9. (a) **This section applies only if a cooperative**
26 **agreement provides for abolishing an elected office.**

27 (b) **This section applies if, not later than thirty (30) days after a**
28 **cooperative agreement is adopted by the political subdivisions that**
29 **are party to the agreement, the voters of the political subdivision**
30 **whose elected office is to be abolished file a remonstrance petition**
31 **objecting to the abolition of the elected office with the circuit court**
32 **clerk of each county in which the political subdivision is located.**

33 (c) **For purposes of this section, the day that the last political**
34 **subdivision that is a party to the cooperative agreement adopts the**
35 **cooperative agreement is considered the day that the cooperative**
36 **agreement is adopted.**

37 (d) **The number of voters of the political subdivision required to**
38 **sign a remonstrance petition under subsection (b) must be at least**
39 **two percent (2%) of the number of votes cast for secretary of state**
40 **in the political subdivision at the most recent election for secretary**
41 **of state.**

42 (e) **If subsection (d) is satisfied, the circuit court clerk shall**



1 create the following two (2) separate signature forms:

2 (1) A form for opposition signatures that must be headed with
3 substantially the following statement:

4 "I, the undersigned voter, object to abolishing the office of
5 (insert the name of the office to be abolished by the
6 cooperative agreement) of (insert the name of the political
7 subdivision).".

8 (2) A form for supporting signatures that must be headed with
9 substantially the following statement:

10 "I, the undersigned voter, support abolishing of the office of
11 (insert the name of the office to be abolished by the
12 cooperative agreement) of (insert the name of the political
13 subdivision).".

14 (f) The county voter registration office shall issue to a registered
15 voter of the county residing within the political subdivision the
16 number of forms of the kind requested by the voter. Each form
17 must be accompanied by instructions describing the following
18 requirements:

19 (1) The carrier and signers must be registered voters of the
20 county and the political subdivision.

21 (2) The carrier must be a signatory on at least one (1) form
22 the carrier circulates.

23 (3) After signatures have been collected, the carrier must
24 swear or affirm before a notary public that the carrier
25 witnessed each signature.

26 (4) The date and time by which forms must be returned to the
27 county voter registration office.

28 (g) An individual requesting forms may be required to provide
29 proof that the individual is a registered voter of the county and the
30 political subdivision.

31 (h) An individual who signs a form must indicate the address at
32 which the person is registered to vote.

33 (i) Each form must be verified under oath by at least one (1)
34 registered voter of the county and the political subdivision.

35 (j) Each form must be filed with the county voter registration
36 office not later than noon, one hundred twenty (120) days after
37 adoption of the cooperative agreement by the political subdivisions
38 that are parties to the agreement. A form submitted after this time
39 may not be considered under this section.

40 (k) The county voter registration office shall determine whether
41 each individual who has signed a form is a registered voter of the
42 county and the political subdivision. If the name of an individual



1 who signs a form as a registered voter contains a minor variation
 2 from the name of the registered voter as set forth in the records of
 3 the county voter registration office, the signature is presumed to be
 4 valid, and there is a presumption that the individual is entitled to
 5 sign the form under this section. In determining whether an
 6 individual is a registered voter, the county voter registration office
 7 shall apply the requirements and procedures used under IC 3 to
 8 determine whether an individual is a registered voter for purposes
 9 of voting in an election governed by IC 3. However, an individual
 10 is not required to comply with the provisions concerning providing
 11 proof of identification to be considered a registered voter for
 12 purposes of this section. An individual is entitled to sign only one
 13 (1) form one (1) time in a particular process under this section.

14 (l) Notwithstanding any other provision of this section, if a form
 15 is presented to the county voter registration office not later than
 16 forty-five (45) days before an election, the county voter registration
 17 office may defer acting on the form, and the time requirements
 18 under this section for action by the county voter registration office
 19 do not begin to run until five (5) days after the date of the election.

20 (m) Not later than ten (10) days after the deadline set in
 21 subsection (j), the county voter registration office shall certify to
 22 each of the political subdivisions that are parties to the cooperative
 23 agreement the total number of registered voters of the county and
 24 the political subdivision who have signed forms:

25 (1) in favor of abolishing the elected office; and

26 (2) in opposition to abolishing the elected office.

27 (n) If more voters of the political subdivision sign forms in favor
 28 of abolishing the elected office than sign forms in opposition to
 29 abolishing the elected office, the elected office is abolished, as
 30 provided in the cooperative agreement.

31 (o) If more voters of the political subdivision sign forms in
 32 opposition to abolishing the elected office than sign forms in favor
 33 of abolishing the elected office, the elected office is not abolished.
 34 However, the cooperative agreement may still be implemented if
 35 the adopting political subdivisions determine that the cooperative
 36 agreement can be effectively implemented without abolishing the
 37 elected office.

38 SECTION 33. IC 36-6-1.5-4.1 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2018]: Sec. 4.1. (a) As used in this section,
 41 "small township" means a township that has a population of less
 42 than one thousand two hundred (1,200), as determined by the 2010



1 federal decennial census.

2 (b) A township government of a small township shall merge with
3 the township government of one (1) or more other townships. The
4 townships shall adopt identical resolutions and a merger plan
5 under section 5 of this chapter. The new township that results from
6 the merger must have a population of more than one thousand two
7 hundred (1,200), as determined by the 2010 federal decennial
8 census.

9 (c) With regard to a merger under this section, the population
10 of a township is the population of the township as determined by
11 the 2010 federal decennial census. A township's population as
12 determined by the 2020 federal decennial census, a federal special
13 census, a special tabulation, or a corrected population count does
14 not apply to a merger under this section.

15 (d) If a small township and one (1) or more other townships fail
16 to mutually approve identical merger resolutions under section 5
17 of this chapter not later than July 1, 2020, the department of local
18 government finance shall conduct a survey of townships contiguous
19 to the small township to determine which townships are amenable
20 to merge with the small township.

21 (e) The department of local government finance shall report the
22 survey results to the small township and the township contiguous
23 to the small township that has the largest population. If a small
24 township and one (1) or more other townships fail to mutually
25 approve identical merger resolutions under section 5 of this
26 chapter on or before January 1, 2021, the small township shall
27 automatically merge with the township contiguous to the small
28 township that has the largest population. The townships shall
29 prepare identical resolutions under section 5 of this chapter. The
30 department of local government finance shall provide assistance as
31 set forth in subsection (f).

32 (f) The department of local government finance shall work with
33 and assist any township in preparing a merger plan regarding the
34 transfer of property, indebtedness, and functions to the new
35 township government.

36 (g) The merger takes effect on the earlier of the following:

37 (1) If an effective date for the merger is agreed upon by the
38 townships, the date that is specified in the resolutions.

39 (2) January 1, 2023.

40 If the effective date of the merger is January 1, 2023, the trustee
41 and township board members of the new township government
42 shall be elected in the 2022 general election.



1 **(h) If the effective date of the merger is earlier than January 1,**
 2 **2023, the resolutions must specify:**
 3 **(1) the name of the township trustee of the former townships**
 4 **who shall serve as the township executive;**
 5 **(2) the option agreed upon by the merging townships**
 6 **regarding the township legislative body under IC 36-6-6-2.3;**
 7 **and**
 8 **(3) the names of the township board members who shall serve**
 9 **as the township legislative body;**
 10 **of the new township for the period after the merger becomes**
 11 **effective and until January 1 of the year following the next general**
 12 **election in which the township trustee and township board**
 13 **members of the new township are elected.**

14 SECTION 34. IC 36-6-1.5-4.2 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2018]: **Sec. 4.2. Before adopting a resolution**
 17 **under section 5 of this chapter, the township trustee of the**
 18 **proposed new township government may submit a copy of the**
 19 **resolution, including any proposed incorporated merger plan, to**
 20 **the department of local government finance for a nonbinding**
 21 **review. The resolution and plan must contain the following:**

- 22 **(1) Details regarding the transfer of property, indebtedness,**
 23 **and functions from each former township government to the**
 24 **new township government.**
- 25 **(2) The information required under section 12 of this chapter.**
- 26 **(3) The option proposed by the merging townships regarding**
 27 **the township legislative body of the new township government**
 28 **under IC 36-6-6-2.3.**
- 29 **(4) The name of the new township agreed upon by the**
 30 **merging townships.**
- 31 **(5) The names of the current township board members and**
 32 **township trustee who will serve in the offices for the new**
 33 **township government until the next election.**

34 **The department shall review and make comments on the resolution**
 35 **and merger agreement that the department considers appropriate.**

36 SECTION 35. IC 36-6-1.5-5, AS AMENDED BY P.L.255-2013,
 37 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: **Sec. 5. (a) The township trustees, with the approval of**
 39 **a majority of the members of the township legislative body of each**
 40 **township that wants to merge proposes to merge township**
 41 **governments under this chapter, must comply with this section.**

42 **(b) The township trustees must present identical resolutions**



1 approving the township government merger **that incorporate the**
 2 **merger plan agreed upon by the merging townships** to the trustees'
 3 respective township legislative bodies. A township legislative body
 4 may adopt a resolution under this chapter only after the legislative body
 5 has held a public hearing concerning the proposed merger. The
 6 township legislative body shall hold the hearing not earlier than thirty
 7 (30) days after the date the resolution is introduced. The hearing shall
 8 be conducted in accordance with IC 5-14-1.5 and notice of the hearing
 9 shall be published in accordance with IC 5-3-1.

10 (c) The township legislative bodies may adopt the identical
 11 resolutions approving the township government merger **that**
 12 **incorporate the merger plan agreed upon by the merging**
 13 **townships** under this chapter not later than ninety (90) days after the
 14 legislative body has held the public hearing under subsection (b).

15 (d) The trustees of the participating townships shall jointly file a
 16 copy of the identical resolutions with:

- 17 (1) the department of local government finance;
- 18 (2) the circuit court clerk; and
- 19 (3) the office of the secretary of state.

20 (e) **This subsection does not apply to a merger under section 4.1**
 21 **of this chapter.** A township legislative body may not adopt a resolution
 22 ordering a merger after January 1 of a year in which:

- 23 (1) a general election is held; and
- 24 (2) a township trustee is elected.

25 (f) A merger under this chapter may reduce the term of a township
 26 trustee of a former township government.

27 SECTION 36. IC 36-6-1.5-8, AS ADDED BY P.L.240-2005,
 28 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2018]: Sec. 8. (a) **This subsection does not apply to a**
 30 **merger under section 4.1 of this chapter.** On the date a merger takes
 31 effect, **the following occur:**

- 32 (1) The former township governments are abolished as separate
 33 entities.
- 34 (2) Each township subject to the merger retains its geographical
 35 boundaries and its name.
- 36 (3) The territory of the new township government includes all the
 37 territory that comprised the territories of the former township
 38 governments before the merger.
- 39 (4) The agencies of the former township governments are
 40 abolished.
- 41 (5) The functions of the abolished agencies are assigned to
 42 agencies of the new township government.



1 (6) The:
 2 (A) property;
 3 (B) records;
 4 (C) personnel;
 5 (D) rights; and
 6 (E) liabilities;
 7 related to the functions of the abolished agencies are assigned to
 8 agencies of the new township government. ~~and~~
 9 (7) Any bonds and other indebtedness of, or assumed by, the
 10 former township governments are transferred to the new township
 11 government.
 12 **(b) This subsection applies only to a merger under section 4.1 of**
 13 **this chapter. On the date the merger takes effect under section**
 14 **4.1(g) of this chapter, the following occur:**
 15 **(1) The agencies of the former township governments are**
 16 **abolished.**
 17 **(2) The geographical boundary of the new township includes**
 18 **all the territory of the townships that merged to form the new**
 19 **township.**
 20 **(3) The name of the new township is the name agreed upon by**
 21 **the merging townships.**
 22 **(4) The territory of the new township government includes all**
 23 **the territory that comprised the territories of the former**
 24 **township governments before the merger.**
 25 **(5) The functions of the abolished agencies are assigned to**
 26 **agencies of the new township government as set forth in the**
 27 **resolutions and merger plan adopted by the merging**
 28 **townships.**
 29 **(6) The:**
 30 **(A) property;**
 31 **(B) records;**
 32 **(C) personnel;**
 33 **(D) rights; and**
 34 **(E) liabilities;**
 35 **related to the functions of the abolished agencies are assigned**
 36 **to agencies of the new township government as set forth in the**
 37 **resolutions and merger plan adopted by the merging**
 38 **townships.**
 39 **(7) Subject to subsection (c), any bonds and other**
 40 **indebtedness of, or assumed by, the former township**
 41 **governments are transferred to the new township**
 42 **government.**



1 (c) This subsection applies only to a merger under section 4.1 of
2 this chapter. The new township government may levy property
3 taxes to pay township indebtedness or lease rental obligations
4 incurred by a former township only in the geographic area of the
5 former township that originally issued the debt or entered into the
6 lease rental agreement. The territory of the former township
7 comprises a taxing district for the payment of township
8 indebtedness or lease rental obligations existing at the time of the
9 merger. Once the indebtedness or obligation is paid, the taxing
10 district is abolished. Notwithstanding any other law, to assume,
11 defease, pay, or refund all or a part of the indebtedness or lease
12 rental obligations described in this subsection, the former township
13 is not required to comply with any other statutory procedures or
14 approvals that apply when a unit incurs indebtedness or lease
15 rental obligations.

16 (d) This subsection applies only to a merger under section 4.1 of
17 this chapter. As used in this subsection, "emergency services
18 equipment" refers to the following:

- 19 (1) Fire trucks.
- 20 (2) Emergency service vehicles.
- 21 (3) Firefighting tools.
- 22 (4) Protective wear.
- 23 (5) Breathing apparatuses.
- 24 (6) Communication devices, including hand held devices and
25 vehicle radios.
- 26 (7) Similar products used by public safety service providers.

27 Notwithstanding any other law, any emergency services equipment
28 purchased by a former township before the effective date of the
29 merger shall be housed and maintained within the geographic area
30 of the former township for a period of not less than five (5) years
31 after the effective date of the merger. However, if the emergency
32 services equipment was jointly purchased with another township,
33 the emergency services equipment shall be housed and maintained
34 for a period of not less than five (5) years after the effective date of
35 the merger in the geographic area of the township or townships in
36 which the equipment was housed or maintained before the effective
37 date of the merger. Nothing in this subsection prohibits the
38 deployment or use of the emergency services equipment at a
39 location outside of the geographic area of the former township
40 after the effective date of the merger, as long as the emergency
41 services equipment, when not deployed or in use, is housed and
42 maintained in the location required under this subsection.



1 SECTION 37. IC 36-6-1.5-9, AS ADDED BY P.L.240-2005,
 2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 9. (a) Upon the corporate dissolution of a
 4 township government under this article, the following apply for
 5 purposes of all state and federal licensing and regulatory laws, statutory
 6 entitlements, gifts, grants-in-aid, governmental loans, or other
 7 governmental assistance under state or federal statutes, rules, or
 8 regulations:

9 (1) The entire geographic area and population of a new township
 10 government that is established under this chapter shall be used
 11 when calculating and determining the distribution basis for the
 12 following:

13 (A) State or federal government statutory entitlements.

14 (B) Gifts.

15 (C) Grants-in-aid.

16 (D) Loans.

17 (E) Any form of governmental assistance that is not listed in
 18 this subdivision.

19 (2) Following a public hearing for which notice is published in
 20 accordance with IC 5-3-1 at least thirty (30) days before the
 21 public hearing takes place, the executive of a new township
 22 government that is established under this chapter shall determine
 23 and designate to the appropriate state or federal agency the:

24 (A) geographic areas;

25 (B) parts of roads;

26 (C) segments of population; or

27 (D) combinations of the items listed in clauses (A) through
 28 (C);

29 that constitute rural or urban areas, roads, or populations, if this
 30 designation was previously required of any township that merges
 31 under this chapter.

32 **(b) This subsection applies only to a merger under section 4.1 of**
 33 **this chapter. Except as otherwise provided in any other:**

34 **(1) state and federal licensing and regulatory law;**

35 **(2) statutory entitlement; or**

36 **(3) gifts, grants-in-aid, governmental loans, or other**
 37 **governmental assistance under state or federal statutes, rules,**
 38 **or regulation;**

39 **applicable to a new township government, the population of the**
 40 **new township government is the sum of the populations of the**
 41 **merging townships, as determined by the 2010 federal decennial**
 42 **census.**



1 SECTION 38. IC 36-6-1.5-12, AS AMENDED BY P.L.255-2013,
 2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 12. (a) Subject to subsection (b), the officers of
 4 the new township government shall:

5 (1) obtain from the department of local government finance
 6 approval under IC 6-1.1-18.5-7, **notwithstanding the fact that**
 7 **the new township may not have existed as of January 1 of the**
 8 **preceding year, of:**

9 (A) a budget;

10 (B) an ad valorem property tax levy; and

11 (C) a property tax rate;

12 (2) fix the annual budget under IC 6-1.1-17;

13 (3) impose a property tax levy; and

14 (4) take any action necessary to ensure the collection of fees and
 15 other revenue;

16 for the new township government for the budget year following the
 17 year the officers take office.

18 (b) The resolutions approving the township government merger
 19 under this chapter must specify the **amount adjustments** (if any) **of the**
 20 **decrease** that the department of local government finance shall make
 21 to the maximum permissible property tax levies, maximum permissible
 22 property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of
 23 the new township to:

24 (1) eliminate double taxation for services or goods provided by
 25 the new township; or

26 (2) eliminate any excess by which the amount of property taxes
 27 imposed by the new township exceeds the amount necessary to
 28 pay for services or goods provided under this article.

29 (c) The fiscal body of the new township shall determine and certify
 30 to the department of local government finance the amount of the
 31 adjustment (if any) under subsection (b). The amount of the adjustment
 32 (if any) to be made under subsection (b) must comply with the
 33 resolutions approving the township government merger.

34 SECTION 39. IC 36-6-1.5-13 IS ADDED TO THE INDIANA
 35 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 36 [EFFECTIVE JULY 1, 2018]: **Sec. 13. (a) This section applies only**
 37 **to a township that:**

38 (1) **contains seminary land; and**

39 (2) **merges with another township under this chapter.**

40 (b) **As used in this section, "seminary land" means land**
 41 **dedicated to the inhabitants of a township by the Northwest**
 42 **Territory Ordinance of 1787 for educational purposes.**



1 (c) Notwithstanding any other provision of this chapter, after
 2 the effective date of a merger under this chapter, the township
 3 trustee of the new township shall do the following:

4 (1) Maintain the seminary lands school account under
 5 IC 20-42-3.

6 (2) Increase the township trustee's required bond in the
 7 amount set forth in IC 20-42-3-11.

8 (3) Pay the annual rental received from seminary lands and
 9 the interest from the lease or sale of seminary lands only to
 10 the school corporations within the geographic boundaries of
 11 the former township where the seminary lands are located as
 12 set forth in IC 20-42-3-9.

13 (4) Perform any other duty or obligation of the township
 14 trustee under IC 20-42-3.

15 (d) Only the school property tax obligations of the owners of
 16 land within the geographic boundaries of the former township
 17 where the seminary lands are located shall:

18 (1) be credited on their school property tax obligations on a
 19 pro rata basis by the amount of the payment under subsection
 20 (c)(3); and

21 (2) have their property tax obligations reduced each year on
 22 a pro rata basis by the amount of the payment as set forth in
 23 IC 20-42-3-9.

24 (e) As set forth in IC 20-42-3-10, the trustee of the new
 25 township, with the advice and consent of the township board of the
 26 new township, shall use the seminary lands school account only for
 27 the educational purposes and for the benefit of the residents within
 28 the geographic boundaries of the former township.

29 SECTION 40. IC 36-6-1.6-2.5 IS ADDED TO THE INDIANA
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2018]: **Sec. 2.5. This chapter does not apply**
 32 **to townships that merge under IC 36-6-1.5-4.1.**

33 SECTION 41. IC 36-6-6-2.1, AS ADDED BY P.L.240-2005,
 34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2018]: Sec. 2.1. (a) **Except as provided in subsection (b),**
 36 this section applies if township governments merge under IC 36-6-1.5.

37 **(b) This section does not apply to township governments that**
 38 **merge under IC 36-6-1.5-4.1.**

39 ~~(b)~~(c) If two (2) township governments merge, the resulting merged
 40 township government shall elect a three (3) member township board.
 41 The voters of the resulting merged township government shall elect all
 42 the members of the township board. ~~One (1) member must reside~~



1 within the boundaries of each of the township governments that
2 merged.

3 ~~(c)~~ **(d)** If at least three (3) township governments merge, the
4 resulting merged township government shall elect a township board
5 that has the same number of members as the number of township
6 governments that merged. The voters of the resulting merged township
7 shall elect all the members of the township board. ~~One (1) township~~
8 ~~board member must reside within the boundaries of each of the~~
9 ~~townships that merged.~~

10 SECTION 42. IC 36-6-6-2.3 IS ADDED TO THE INDIANA CODE
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2018]: **Sec. 2.3. (a) This section applies only to township**
13 **governments that merge under IC 36-6-1.5-4.1.**

14 **(b) The resolutions adopted by the merging townships under**
15 **IC 36-6-1.5-5 must select one (1) of the following options regarding**
16 **the township legislative body of the resulting merged township:**

17 **(1) The resolution may require that each member of the**
18 **township legislative body may reside anywhere within the**
19 **boundaries of the merged township. The resolution shall**
20 **determine the number of members of the township legislative**
21 **body as follows:**

22 **(A) If the resulting merged township has a population of**
23 **fifty thousand (50,000) or less, as determined by the 2010**
24 **federal decennial census, the merged township shall elect**
25 **a three (3) member township legislative body. The voters**
26 **of the resulting merged township government shall elect all**
27 **the members of the township legislative body.**

28 **(B) If the resulting merged township has a population of**
29 **more than fifty thousand (50,000), as determined by the**
30 **2010 federal decennial census, the merged township may**
31 **elect:**

32 **(i) a three (3) member township legislative body; or**

33 **(ii) a five (5) member township legislative body.**

34 **The voters of the resulting merged township government**
35 **shall elect all the members of the township legislative body.**

36 **(2) The resolution may require one (1) member of the**
37 **township legislative body to reside within the geographic area**
38 **of each of the former townships that merged. The resulting**
39 **merged township government shall elect a township legislative**
40 **body that has the same number of members as the number of**
41 **township governments that merged. The voters of the**
42 **resulting merged township government shall elect all the**



- 1 **members of the township legislative body.**
- 2 SECTION 43. IC 36-6-6-3, AS AMENDED BY P.L.240-2005,
3 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2018]: Sec. 3. (a) This subsection applies to townships in a
5 county containing a consolidated city. One (1) member of the
6 legislative body must reside within each legislative body district. If a
7 member of the legislative body ceases to be a resident of the district
8 from which the member was elected, the office becomes vacant.
- 9 (b) This subsection applies to townships not included in subsection
10 (a) or (c). A member of the legislative body must reside within the
11 township as provided in Article 6, Section 6 of the Constitution of the
12 State of Indiana. If a member of the legislative body ceases to be a
13 resident of the township, the office becomes vacant.
- 14 (c) This subsection applies to a township government that:
- 15 (1) is created by a merger of township governments under
16 IC 36-6-1.5; and
- 17 (2) elects a township board under section 2.1 of this chapter.
- 18 ~~One (1) member of the legislative body must reside within the~~
19 ~~boundaries of each of the former townships that merged. If a member~~
20 ~~of the legislative body ceases to be a resident of that former township,~~
21 ~~the office becomes vacant. **The voters of the resulting merged**~~
22 ~~**township shall elect all members of the township board.**~~
- 23 SECTION 44. IC 36-6-6-4, AS AMENDED BY P.L.266-2013,
24 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2018]: Sec. 4. (a) Except as provided in subsections (b) and
26 (c), two (2) members of the legislative body constitute a quorum.
- 27 (b) Before January 1, 2017, four (4) members of the legislative body
28 in a county containing a consolidated city constitute a quorum. After
29 December 31, 2016, three (3) members of the legislative body in a
30 county having a consolidated city constitute a quorum.
- 31 (c) This subsection applies to a township government that:
- 32 (1) is created by a merger of township governments under
33 IC 36-6-1.5; and
- 34 (2) elects a township board under section 2.1 **or 2.3** of this
35 chapter.
- 36 A majority of the members of the legislative body constitute a quorum.
- 37 (d) If a township board has an even number of members, the
38 township executive shall serve as an ex officio member of the township
39 board for the purpose of casting the deciding vote to break a tie.
- 40 SECTION 45. IC 36-6-6-10, AS AMENDED BY P.L.6-2013,
41 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2018]: Sec. 10. (a) This section does not apply to the



1 appropriation of money to pay a deputy or an employee of a township
2 assessor with assessment duties or to an elected township assessor.

3 (b) **Subject to subsection (i)**, the township legislative body shall fix
4 the:

- 5 (1) salaries;
- 6 (2) wages;
- 7 (3) rates of hourly pay; and
- 8 (4) remuneration other than statutory allowances;

9 of all officers and employees of the township.

10 (c) Subject to subsection (d), the township legislative body may
11 reduce the salary of an elected or appointed official. However, except
12 as provided in ~~subsection (h)~~, **subsections (h) and (i)**, the official is
13 entitled to a salary that is not less than the salary fixed for the first year
14 of the term of office that immediately preceded the current term of
15 office.

16 (d) Except as provided in subsection (h), the township legislative
17 body may not alter the salaries of elected or appointed officers during
18 the fiscal year for which they are fixed, but it may add or eliminate any
19 other position and change the salary of any other employee, if the
20 necessary funds and appropriations are available.

21 (e) **Subject to subsection (i)**, if a change in the mileage allowance
22 paid to state officers and employees is established by July 1 of any
23 year, that change shall be included in the compensation fixed for the
24 township executive and assessor under this section, to take effect
25 January 1 of the next year. However, the township legislative body may
26 by ordinance provide for the change in the sum per mile to take effect
27 before January 1 of the next year.

28 (f) The township legislative body may not reduce the salary of the
29 township executive without the consent of the township executive
30 during the term of office of the township executive as set forth in
31 IC 36-6-4-2.

32 (g) This subsection applies when a township executive dies or
33 resigns from office. **Subject to subsection (i)**, the person filling the
34 vacancy of the township executive shall receive at least the same salary
35 the previous township executive received for the remainder of the
36 unexpired term of office of the township executive (as set forth in
37 IC 36-6-4-2), unless the person consents to a reduction in salary.

38 (h) In a year in which there is not an election of members to the
39 township legislative body, the township legislative body may vote to
40 reduce the salaries of the members of the township legislative body by
41 any amount.

42 (i) **The township legislative body may not approve a salary and**



1 per diem for a member of the township legislative body for
 2 calendar year 2019, and every year thereafter, that exceed the
 3 amounts set forth in this subsection. The township legislative body
 4 may pay each member of the township legislative body a
 5 reasonable amount for service as a member, not to exceed:

- 6 (1) seven thousand dollars (\$7,000) per year; and
- 7 (2) per diem at a rate recommended by the township trustee
 8 and adopted by the township legislative body.

9 SECTION 46. IC 36-6-9 IS ADDED TO THE INDIANA CODE AS
 10 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 11 1, 2018]:

12 **Chapter 9. Township Capital Improvement Plan**

13 **Sec. 1. This chapter applies after December 31, 2018.**

14 **Sec. 2. As used in this chapter, "capital improvement" means:**

- 15 (1) acquisition of land;
- 16 (2) site improvements;
- 17 (3) infrastructure improvements;
- 18 (4) construction of buildings or structures;
- 19 (5) rehabilitation, renovation, or enlargement of buildings or
 20 structures; or
- 21 (6) acquisition or improvement of machinery, equipment,
 22 furnishings, or facilities.

23 **Sec. 3. As used in this chapter, "capital improvement fund"**
 24 **means a township fund the money in which may be used for the**
 25 **payment of capital improvements. The term includes:**

- 26 (1) the general fund;
- 27 (2) the fire protection and emergency services fund under
 28 IC 36-8-13;
- 29 (3) a cumulative firefighting building and equipment fund
 30 under IC 36-8-14;
- 31 (4) an equipment replacement fund under IC 36-8-19-8.5;
- 32 (5) a cumulative township vehicle and building fund under
 33 IC 36-9-17.5;
- 34 (6) a cumulative building fund under IC 36-10-7.5-19;
- 35 (7) a public park fund under IC 36-10-7-7; and
- 36 (8) any other fund established by a township for the payment
 37 of capital improvements.

38 **Sec. 4. As used in this chapter, "plan" refers to a township**
 39 **capital improvement plan adopted or amended under this chapter.**

40 **Sec. 5. This chapter applies to a township if the total amount of**
 41 **funds in a township's capital improvement funds exceeds one**
 42 **hundred fifty percent (150%) of the township's total annual budget**



1 estimate prepared under IC 6-1.1-17-2 for the ensuing year.

2 **Sec. 6. A township must adopt a capital improvement plan that**
 3 **meets the requirements of this chapter. The township trustee shall**
 4 **prepare the plan and the township board shall hold a public**
 5 **hearing on a proposed or amended plan before adoption of the**
 6 **plan.**

7 **Sec. 7. A township may not collect property taxes in the ensuing**
 8 **year for a capital improvement fund described in section 3(3)**
 9 **through 3(8) of this chapter, unless the township has adopted a**
 10 **plan that meets the requirements of this chapter.**

11 **Sec. 8. (a) The department of local government finance shall**
 12 **prescribe the format of a plan.**

13 **(b) A plan must:**

14 **(1) apply to at least the three (3) years immediately following**
 15 **the year the plan is adopted;**

16 **(2) estimate for each year to which the plan applies the nature**
 17 **and amount of proposed expenditures from each of the**
 18 **township's capital improvement funds; and**

19 **(3) estimate:**

20 **(A) the source of all revenue to be dedicated to the**
 21 **proposed expenditures in each of the three (3) calendar**
 22 **years; and**

23 **(B) the amount of property taxes to be collected in each of**
 24 **the three (3) calendar years and retained in the capital**
 25 **improvement fund for expenditures proposed for a later**
 26 **year.**

27 **Sec. 9. A township trustee, with the approval of the township**
 28 **legislative body, may amend a plan to:**

29 **(1) provide money for the purposes of a capital improvement**
 30 **fund; or**

31 **(2) supplement money accumulated in a capital improvement**
 32 **fund for the purposes of the capital improvement fund.**

33 **Sec. 10. A plan shall be considered by:**

34 **(1) the county fiscal body in reviewing the township budget**
 35 **under IC 6-1.1-17-3.6; and**

36 **(2) the department of local government finance when**
 37 **reviewing a budget, tax rate, and tax levy of a township under**
 38 **IC 6-1.1-17-16.**

39 **SECTION 47. [EFFECTIVE UPON PASSAGE] (a) The legislative**
 40 **council is urged to assign to an appropriate interim study**
 41 **committee the task of studying issues related to the funding of**
 42 **township firefighting services, including the issue of whether a**



1 **minimum funding level or tax rate should be established for**
2 **township firefighting funds.**

3 **(b) This SECTION expires January 1, 2019.**

4 **SECTION 48. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1005, 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 3, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-18.5-13, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

- (A) The first calendar year in which those costs are incurred.
- (B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year. ~~and in which a statewide general reassessment of real property under IC 6-1.1-4-4 does not first become effective.~~

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:



(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this chapter.



(3) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

(4) Permission for a township to increase the township's levy in excess of the limitations established under section 3 of this chapter if the department finds that the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4. The maximum increase that the department may authorize for a township for a particular calendar year is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of two cents (\$0.02) per one hundred dollars (\$100) of assessed valuation.

(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:

(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7); minus

(2) the sum of:

(A) the total amount of state funds received in 2009 by the city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus

(B) any previous permanent increases to the city's levy that were authorized to account for the transfer to the state of the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).

SECTION 4. IC 6-1.1-18.5-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 27. The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for a township's firefighting fund under IC 36-8-13-4 for 2020 and thereafter if:**



(1) the township imposed a debt service levy in 2019 to pay amounts borrowed under IC 36-6-6-14 to furnish fire protection for the township or a part of the township; and
 (2) the township executive before August 1, 2019, submits a petition to the department of local government finance, on a form prescribed by the department, requesting the increase.
 The amount of the increase under this section in the township's maximum permissible ad valorem property tax levy under section 3 of this chapter for the township's firefighting fund is equal to the total amount of the principal that will be due in 2020 on amounts borrowed by the township under IC 36-6-6-14 to furnish fire protection for the township or a part of the township."

Page 9, delete lines 12 through 42, begin a new paragraph and insert:

"SECTION 13. IC 36-6-1.5-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4.1. (a) As used in this section, "small township" means a township that has a population of less than one thousand two hundred (1,200), as determined by the 2010 federal decennial census.

(b) A township government of a small township shall merge with the township government of one (1) or more other townships. The townships shall adopt identical resolutions and a merger plan under section 5 of this chapter. The new township that results from the merger must have a population of more than one thousand two hundred (1,200), as determined by the 2010 federal decennial census.

(c) With regard to a merger under this section, the population of a township is the population of the township as determined by the 2010 federal decennial census. A township's population as determined by the 2020 federal decennial census, a federal special census, a special tabulation, or a corrected population count does not apply to a merger under this section.

(d) If a small township and one (1) or more other townships fail to mutually approve identical merger resolutions under section 5 of this chapter not later than July 1, 2020, the department of local government finance shall conduct a survey of townships contiguous to the small township to determine which townships are amenable to merge with the small township.

(e) The department of local government finance shall report the survey results to the small township and the township contiguous to the small township that has the largest population. If a small



township and one (1) or more other townships fail to mutually approve identical merger resolutions under section 5 of this chapter on or before January 1, 2021, the small township shall automatically merge with the township contiguous to the small township that has the largest population. The townships shall prepare identical resolutions under section 5 of this chapter. The department of local government finance shall provide assistance as set forth in subsection (f).

(f) The department of local government finance shall work with and assist any township in preparing a merger plan regarding the transfer of property, indebtedness, and functions to the new township government.

(g) The merger takes effect on the earlier of the following:

- (1) If an effective date for the merger is agreed upon by the townships, the date that is specified in the resolutions.
- (2) January 1, 2023.

If the effective date of the merger is January 1, 2023, the trustee and township board members of the new township government shall be elected in the 2022 general election.

(h) If the effective date of the merger is earlier than January 1, 2023, the resolutions must specify:

- (1) the name of the township trustee of the former townships who shall serve as the township executive;
- (2) the option agreed upon by the merging townships regarding the township legislative body under IC 36-6-6-2.3; and
- (3) the names of the township board members who shall serve as the township legislative body;

of the new township for the period after the merger becomes effective and until January 1 of the year following the next general election in which the township trustee and township board members of the new township are elected."

Page 10, delete lines 1 through 18.

Page 10, line 25, delete "agreement," and insert "**plan**,".

Page 10, line 26, delete "agreement" and insert "**plan**".

Page 10, delete lines 32 through 35, begin a new line block indented and insert:

"(3) The option proposed by the merging townships regarding the township legislative body of the new township government under IC 36-6-6-2.3.

(4) The name of the new township agreed upon by the merging townships."



Page 10, line 36, delete "(4)" and insert "(5)".

Page 11, line 1, delete "Except as provided in section 4.1 of this".

Page 11, line 2, delete "chapter and subject to section 4.2 of this chapter, the" and insert "The".

Page 11, line 4, strike "wants to merge" and insert "**proposes to merge**".

Page 11, line 8, after "merger" insert "**that incorporate the merger plan agreed upon by the merging townships**".

Page 11, line 17, after "merger" insert "**that incorporate the merger plan agreed upon by the merging townships**".

Page 11, line 34, after "(a)" insert "**This subsection does not apply to a merger under section 4.1 of this chapter.**".

Page 12, line 13, delete "This subdivision does not apply to a merger under section".

Page 12, line 14, delete "4.1 of this chapter.".

Page 12, delete lines 17 through 26, begin a new paragraph and insert:

"(b) This subsection applies only to a merger under section 4.1 of this chapter. On the date the merger takes effect under section 4.1(g) of this chapter, the following occur:

(1) The agencies of the former township governments are abolished.

(2) The geographical boundary of the new township includes all the territory of the townships that merged to form the new township.

(3) The name of the new township is the name agreed upon by the merging townships.

(4) The territory of the new township government includes all the territory that comprised the territories of the former township governments before the merger.

(5) The functions of the abolished agencies are assigned to agencies of the new township government as set forth in the resolutions and merger plan adopted by the merging townships.

(6) The:

(A) property;

(B) records;

(C) personnel;

(D) rights; and

(E) liabilities;

related to the functions of the abolished agencies are assigned to agencies of the new township government as set forth in the



resolutions and merger plan adopted by the merging townships.

(7) Subject to subsection (c), any bonds and other indebtedness of, or assumed by, the former township governments are transferred to the new township government."

Page 12, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 17. IC 36-6-1.5-9, AS ADDED BY P.L.240-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. **(a)** Upon the corporate dissolution of a township government under this article, the following apply for purposes of all state and federal licensing and regulatory laws, statutory entitlements, gifts, grants-in-aid, governmental loans, or other governmental assistance under state or federal statutes, rules, or regulations:

(1) The entire geographic area and population of a new township government that is established under this chapter shall be used when calculating and determining the distribution basis for the following:

- (A) State or federal government statutory entitlements.
- (B) Gifts.
- (C) Grants-in-aid.
- (D) Loans.
- (E) Any form of governmental assistance that is not listed in this subdivision.

(2) Following a public hearing for which notice is published in accordance with IC 5-3-1 at least thirty (30) days before the public hearing takes place, the executive of a new township government that is established under this chapter shall determine and designate to the appropriate state or federal agency the:

- (A) geographic areas;
- (B) parts of roads;
- (C) segments of population; or
- (D) combinations of the items listed in clauses (A) through (C);

that constitute rural or urban areas, roads, or populations, if this designation was previously required of any township that merges under this chapter.

(b) This subsection applies only to a merger under section 4.1 of this chapter. Except as otherwise provided in any other:

- (1) state and federal licensing and regulatory law;**
- (2) statutory entitlement; or**



(3) gifts, grants-in-aid, governmental loans, or other governmental assistance under state or federal statutes, rules, or regulation;

applicable to a new township government, the population of the new township government is the sum of the populations of the merging townships, as determined by the 2010 federal decennial census.

SECTION 18. IC 36-6-1.5-12, AS AMENDED BY P.L.255-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12. (a) Subject to subsection (b), the officers of the new township government shall:

(1) obtain from the department of local government finance approval under IC 6-1.1-18.5-7, **notwithstanding the fact that the new township may not have existed as of January 1 of the preceding year**, of:

- (A) a budget;
- (B) an ad valorem property tax levy; and
- (C) a property tax rate;

(2) fix the annual budget under IC 6-1.1-17;

(3) impose a property tax levy; and

(4) take any action necessary to ensure the collection of fees and other revenue;

for the new township government for the budget year following the year the officers take office.

(b) The resolutions approving the township government merger under this chapter must specify the amount (if any) of the decrease that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the new township to:

(1) eliminate double taxation for services or goods provided by the new township; or

(2) eliminate any excess by which the amount of property taxes imposed by the new township exceeds the amount necessary to pay for services or goods provided under this article.

(c) The fiscal body of the new township shall determine and certify to the department of local government finance the amount of the adjustment (if any) under subsection (b). The amount of the adjustment (if any) to be made under subsection (b) must comply with the resolutions approving the township government merger.

SECTION 19. IC 36-6-1.5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

HB 1005—LS 7114/DI 92



[EFFECTIVE JULY 1, 2018]: **Sec. 13. (a) This section applies only to a township that:**

- (1) contains seminary land; and
- (2) merges with another township under this chapter.

(b) As used in this section, "seminary land" means land dedicated to the inhabitants of a township by the Northwest Territory Ordinance of 1787 for educational purposes.

(c) Notwithstanding any other provision of this chapter, after the effective date of a merger under this chapter, the township trustee of the new township shall do the following:

- (1) Maintain the seminary lands school account under IC 20-42-3.
- (2) Increase the township trustee's required bond in the amount set forth in IC 20-42-3-11.
- (3) Pay the annual rental received from seminary lands and the interest from the lease or sale of seminary lands only to the school corporations within the geographic boundaries of the former township where the seminary lands are located as set forth in IC 20-42-3-9.
- (4) Perform any other duty or obligation of the township trustee under IC 20-42-3.

(d) Only the school property tax obligations of the owners of land within the geographic boundaries of the former township where the seminary lands are located shall:

- (1) be credited on their school property tax obligations on a pro rata basis by the amount of the payment under subsection (c)(3); and
- (2) have their property tax obligations reduced each year on a pro rata basis by the amount of the payment as set forth in IC 20-42-3-9.

(e) As set forth in IC 20-42-3-10, the trustee of the new township, with the advice and consent of the township board of the new township, shall use the seminary lands school account only for the educational purposes and for the benefit of the residents within the geographic boundaries of the former township."

Page 13, delete lines 4 through 31.

Page 14, delete lines 9 through 23, begin a new paragraph and insert:

"SECTION 19. IC 36-6-6-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 2.3. (a) This section applies only to township governments that merge under IC 36-6-1.5-4.1.**



(b) The resolutions adopted by the merging townships under IC 36-6-1.5-5 must select one (1) of the following options regarding the township legislative body of the resulting merged township:

(1) The resolution may require that each member of the township legislative body may reside anywhere within the boundaries of the merged township. The resolution shall determine the number of members of the township legislative body as follows:

(A) If the resulting merged township has a population of fifty thousand (50,000) or less, as determined by the 2010 federal decennial census, the merged township shall elect a three (3) member township legislative body. The voters of the resulting merged township government shall elect all the members of the township legislative body.

(B) If the resulting merged township has a population of more than fifty thousand (50,000), as determined by the 2010 federal decennial census, the merged township may elect:

- (i) a three (3) member township legislative body; or
- (ii) a five (5) member township legislative body.

The voters of the resulting merged township government shall elect all the members of the township legislative body.

(2) The resolution may require one (1) member of the township legislative body to reside within the geographic area of each of the former townships that merged. The resulting merged township government shall elect a township legislative body that has the same number of members as the number of township governments that merged. The voters of the resulting merged township government shall elect all the members of the township legislative body."

Page 18, after line 18, begin a new paragraph and insert:

"SECTION 24. **An emergency is declared for this act.**"

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1005 as introduced.)

MAHAN

Committee Vote: yeas 10, nays 0.

HB 1005—LS 7114/DI 92



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1005, 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 3, delete lines 5 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 9.

Page 12, between lines 16 and 17, begin a new paragraph and insert: "SECTION 13. IC 36-1.5-1-2, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2. **(a)** This article contains full and complete authority for the following:

- (1) Reorganization of political subdivisions.
- (2) Exercise of governmental functions under a cooperative agreement under this article.
- (3) Transfer of responsibilities between offices and officers under this article.

(b) The department of local government finance shall provide assistance to political subdivisions with regard to performing any act authorized under subsection (a), including the following:

- (1) The department shall:**
 - (A) prepare written materials with information that provides guidance to political subdivisions in implementing the provisions of this article; and**
 - (B) post all guidance materials on the department's Internet web site.**
- (2) The department shall provide, upon request, educational programs and training to any employee or elected or appointed officer of a political subdivision to assist and provide guidance in implementing the provisions of this article.**

SECTION 14. IC 36-1.5-1-4, AS AMENDED BY P.L.255-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. A political subdivision **may do the following:**

- (1) ~~may~~ Exercise the powers granted under this article to **do the following without complying with the provisions of any other law, statute, or rule:**
 - (A) Reorganize. ~~or~~
 - (B) Enter into cooperative agreements. However, a political subdivision shall comply with IC 36-1-7.**

~~without complying with the provisions of any other law, statute,~~



or rule; and

(2) ~~may~~; After the reorganization, exercise any power described in IC 36-1.5-4-38.

SECTION 15. IC 36-1.5-3-4, AS AMENDED BY P.L.255-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. (a) Subject to this chapter, the department of local government finance shall adjust the maximum permissible property tax levies, maximum permissible property tax rates, and budgets of political subdivisions that enter into a reorganization under this article as provided in section 5 of this chapter.

(b) ~~Upon the termination of a reorganization under this chapter, the department of local government finance shall adjust the maximum permissible property tax levies, maximum permissible property tax rates, and budgets of political subdivisions terminating the reorganization to do the following:~~

(1) ~~Restore taxing powers of a political subdivision after the termination of a reorganization under this article that are necessary to fund governmental services to the individuals and entities served by the political subdivision.~~

(2) ~~Restore taxing powers of a political subdivision after the withdrawal of a party from a reorganization under this article that are necessary to fund governmental services to the individuals and entities served by the political subdivision.~~

SECTION 16. IC 36-1.5-3-5, AS AMENDED BY P.L.217-2017, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019]: Sec. 5. (a) This subsection applies to the plan of reorganization of a political subdivision other than a school corporation. The plan of reorganization must specify the ~~amount adjustments~~ (if any) ~~of the decrease~~ that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision to:

(1) eliminate double taxation for services or goods provided by the reorganized political subdivision; or

(2) eliminate any excess by which the amount of property taxes imposed by the reorganized political subdivision exceeds the amount necessary to pay for services or goods provided under this article.

(b) This subsection applies to a plan of reorganization for a school corporation. The plan of reorganization must specify the adjustments that the department of local government finance shall make to the



maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation. The following apply to a school corporation reorganized under this article:

- (1) The new maximum permissible tax levy under ~~IC 20-46-4 (transportation fund) and IC 20-46-5 (school bus replacement)~~ **IC 20-46-8 (operations fund)** for the first calendar year in which the reorganization is effective equals the following:

STEP ONE: Determine for each school corporation that is part of the reorganization the sum of the maximum levies under ~~IC 20-46-4 and IC 20-46-5~~ **IC 20-46-8** for the ensuing calendar year, including the assessed value growth quotient (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).

- (2) ~~The new maximum capital projects fund rate under IC 20-46-6 for the first calendar year in which the reorganization is effective equals the following:~~

~~STEP ONE: Determine for each school corporation that is part of the reorganization the maximum amount that could have been levied using the school corporation's maximum capital projects fund tax rate for the calendar year.~~

~~STEP TWO: Determine the sum of the STEP ONE amounts.~~

~~STEP THREE: Determine the sum of the certified net assessed values for all the school corporations that are part of the reorganization.~~

~~STEP FOUR: Divide the STEP TWO amount by the STEP THREE amount.~~

~~STEP FIVE: Determine the product (rounded to the nearest ten-thousandth (0.0001)) of:~~

~~(i) the STEP FOUR amount; multiplied by~~

~~(ii) one hundred (100).~~

- (3) ~~(2)~~ The new debt service levy under IC 20-46-7 for the first calendar year in which the reorganization is effective equals the sum of the debt service fund levies for each school corporation that is part of the reorganization that would have been permitted under IC 20-46-7 in the calendar year.

(c) The fiscal body of the reorganized political subdivision shall determine and certify to the department of local government finance the amount of the ~~adjustment~~ **adjustments** (if any) under subsection (a).



(d) The amount of the ~~adjustment~~ **adjustments** (if any) under subsection (a) or (b) must comply with the reorganization agreement under which the political subdivision or school corporation is reorganized under this article.

SECTION 17. IC 36-1.5-4-5, AS AMENDED BY P.L.233-2015, SECTION 334, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) Except as provided in subsection (b), a reorganization approved under this chapter takes effect when all of the following have occurred:

(1) The later of:

(A) the date that a copy of a joint certification from the county election board in each county in which reorganizing political subdivisions are located that indicates that:

- (i) the reorganization has been approved by the voters of each reorganizing political subdivision; or
- (ii) in the case of a reorganization described in section 1(a)(7) or 1(a)(9) of this chapter, the reorganization has been approved as set forth in section ~~32(b) or 32(c)~~ **32** of this chapter;

is recorded as required by section 31 of this chapter; or

(B) the date specified in the finally adopted plan of reorganization.

(2) The appointed or elected officers of the reorganized political subdivision are elected (as prescribed by section 36 of this chapter) or appointed and qualified, if:

(A) the reorganized political subdivision is a new political subdivision and reorganizing political subdivisions are not being consolidated into one (1) of the reorganizing political subdivisions;

(B) the reorganized political subdivision will have different boundaries than any of the reorganizing political subdivisions;

(C) the reorganized political subdivision will have different appointment or election districts than any of the reorganizing political subdivisions; or

(D) the finally adopted plan of reorganization requires new appointed or elected officers before the reorganization becomes effective.

(b) A reorganization approved under this chapter may not take effect during the year preceding a year in which a federal decennial census is conducted. A consolidation that would otherwise take effect during the year preceding a year in which a federal decennial census is conducted takes effect January 1 of the year in which a federal decennial census



is conducted.

SECTION 18. IC 36-1.5-4-11, AS AMENDED BY P.L.219-2013, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 11. (a) The voters of a political subdivision may initiate a proposed reorganization by filing a written petition, substantially in the form prescribed by the department, with the clerk of the political subdivision that:

- (1) proposes a reorganization;
- (2) names the political subdivisions that would be reorganized in the proposed reorganization; and
- (3) ~~for a petition filed after December 31, 2013~~; contains all of the following:
 - (A) The signature of each petitioner.
 - (B) The name of each petitioner legibly printed.
 - (C) The residence mailing address of each petitioner.
 - (D) The date on which each petitioner signed the petition.

(b) The clerk shall transmit the petition to the county voter registration office of the county in which a majority of the population of the political subdivision is located. If the county voter registration office determines that the written petition is signed by at least five percent (5%) of the voters of the political subdivision, as determined by the vote cast in the political subdivision for secretary of state at the most recent general election, the clerk of the political subdivision shall certify the petition to the legislative body of the political subdivision. In certifying the number of voters, the clerk shall disregard any signature on the petition that is dated under subsection (a)(3)(D) more than ninety (90) days before the date the petition was filed with the clerk.

(c) This subsection applies if the voters of two (2) or more political subdivisions file petitions under this section with the clerks of each political subdivision to initiate a mutual reorganization of the political subdivisions. If five percent (5%) of the voters of each political subdivision as determined by the vote cast in the political subdivision for secretary of state at the most recent general election sign a written petition, the clerks shall certify the petitions to the legislative bodies of each political subdivision.

SECTION 19. IC 36-1.5-4-13.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 13.4. (a) This section applies only to a mutual reorganization of political subdivisions initiated by petition of the voters under section 11(c) of this chapter.**

(b) If a legislative body of a political subdivision adopts a



resolution under section 12 or 13 of this chapter to decline to participate in a reorganization, the legislative body must certify the resolution to the offices listed in section 23 of this chapter. The registered voters of each political subdivision that adopted a resolution to decline to participate in the reorganization may submit a petition to the clerk of the circuit court approving a reorganization with the political subdivisions named in the petition, and requesting that a public question be held on the resolution.

(c) The petition must be submitted not later than one hundred eighty (180) days after the date that the resolution to decline to participate in the reorganization was adopted. If more than one (1) political subdivision adopted a resolution declining to participate in the reorganization, petitions containing the number of voters required under subsection (d) must be submitted by the voters in each of the political subdivisions that declined to participate in order for a public question to be placed on the ballot. A petition must be submitted to the clerk of the political subdivision not later than one hundred eighty (180) days after the date that the resolution was adopted by the legislative body of the political subdivision to decline to participate.

(d) In certifying the number of voters, the clerk shall disregard any signature on the petition that is dated under section 11(a)(3)(D) of this chapter more than one hundred eighty (180) days before the date the petition was filed with the clerk. If the petition is signed by at least five percent (5%) of the voters of the political subdivision, as determined by the vote cast in the political subdivision for secretary of state at the most recent general election:

- (1) the political subdivision is considered to have approved the holding of the public question on participating in a reorganization with the other named political subdivisions, notwithstanding the vote by the legislative body not to participate in the reorganization; and
- (2) the clerk of the circuit court shall certify the holding of the public question on the participation of the political subdivisions in a reorganization with the other named political subdivisions.

Sections 26 through 33 of this chapter apply except that the public question concerns the participation of the political subdivisions in a proposed reorganization instead of a proposed plan of reorganization and any reference to a plan of reorganization shall be considered a reference to participation of the political subdivisions in a proposed reorganization.



(e) If the reorganization is approved by the voters required under section 30 or 32 of this chapter, the reorganization shall proceed. The political subdivisions shall prepare a plan of reorganization under section 18 of this chapter and vote on the plan of reorganization under section 20 of this chapter.

(f) If the reorganization is rejected by the voters under section 30 or 32 of this chapter, the reorganization is terminated.

SECTION 20. IC 36-1.5-4-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 13.5. If the legislative bodies of all political subdivisions named in a resolution adopt substantially identical resolutions to reorganize, the legislative bodies of the political subdivisions shall prepare and vote on the plan of reorganization under section 20 of this chapter.**

SECTION 21. IC 36-1.5-4-18, AS AMENDED BY P.L.233-2015, SECTION 335, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 18. (a) ~~A reorganization committee (before January 1, 2014) or~~ The legislative bodies of the reorganizing political subdivisions ~~(after December 31, 2013)~~ shall prepare a comprehensive plan of reorganization for the reorganizing political subdivisions. The plan of reorganization governs the actions, duties, and powers of the reorganized political subdivision that are not specified by law.

(b) The plan of reorganization must include at least the following:

- (1) The name and a description of the reorganized political subdivision that will succeed the reorganizing political subdivisions.
- (2) A description of the boundaries of the reorganized political subdivision.
- (3) Subject to section 40 of this chapter, a description of the taxing areas in which taxes to retire obligations of the reorganizing political subdivisions will be imposed.
- (4) A description of the membership of the legislative body, fiscal body, and executive of the reorganized political subdivision, a description of the election districts or appointment districts from which officers will be elected or appointed, and the manner in which the membership of each elected or appointed office will be elected or appointed.
- (5) A description of the services to be offered by the reorganized political subdivision and the service areas in which the services will be offered.
- (6) The disposition of the personnel, the agreements, the assets,



and, subject to section 40 of this chapter, the liabilities of the reorganizing political subdivisions, including the terms and conditions upon which the transfer of property and personnel will be achieved.

(7) Any other matter that the ~~(A) reorganization committee (before January 1, 2014) determines or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) determine to be necessary or appropriate or (B) legislative bodies of the reorganizing political subdivisions require the reorganization committee (before January 1, 2014);~~ to include in the plan of reorganization.

(8) This subdivision applies only to a reorganization described in section 1(a)(7) of this chapter that is voted on by voters after December 31, 2013, regardless of when the plan of reorganization is adopted. The reorganization committee (before January 1, 2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall include in the reorganization plan an approval threshold, specified as a percentage, that applies for purposes of section 32(b) of this chapter. The approval threshold must be the same for each municipality that is a party to the proposed reorganization and to each township that is a party to the proposed reorganization. The approval threshold must be greater than fifty percent (50%); but not more than fifty-five percent (55%).

(9) This subdivision applies only to a reorganization described in section 1(a)(7) of this chapter that is voted on by voters after December 31, 2013, regardless of when the plan of reorganization is adopted. The reorganization committee (before January 1, 2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall determine and include in the reorganization plan the percentage of voters in both the municipality and the township voting on the public question regarding the proposed reorganization who must vote in favor of the proposed reorganization for the public question to be approved. This percentage is referred to in this chapter as the "municipality-township vote approval percentage". The municipality-township vote approval percentage must be greater than fifty percent (50%).

(10) In the case of a reorganization described in section 1(a)(9) of this chapter, the reorganization committee (before January 1, 2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall include in the



reorganization plan an approval threshold, specified as a percentage, that applies for purposes of section 32(e) of this chapter. The approval threshold must be the same for each municipality that is a party to the proposed reorganization and to the county that is a party to the proposed reorganization. The approval threshold must be greater than fifty percent (50%); but not more than fifty-five percent (55%).

(11) In the case of a reorganization described in section 1(a)(9) of this chapter, the reorganization committee (before January 1, 2014) or the legislative bodies of the reorganizing political subdivisions (after December 31, 2013) shall determine and include in the reorganization plan the percentage of voters voting on the public question regarding the proposed reorganization who must vote, on a countywide basis, in favor of the proposed reorganization for the public question to be approved. This percentage is referred to in this chapter as the "countywide vote approval percentage". The countywide vote approval percentage must be greater than fifty percent (50%).

(12) (8) The fiscal impact analysis required by subsection (d).

(c) In the case of a plan of reorganization submitted to a political subdivision by a reorganization committee after June 30, 2010, and before January 1, 2014, or prepared by the legislative bodies of the reorganizing political subdivisions after December 31, 2013, The political subdivision shall post a copy of the plan of reorganization on an Internet web site maintained or authorized by the political subdivision not more than thirty (30) days after receiving the plan of reorganization from the reorganization committee (before January 1, 2014) or (after December 31, 2013) not more than thirty (30) days after the plan of reorganization is prepared by the legislative bodies of the reorganizing political subdivisions. If the plan of reorganization is amended, the political subdivision shall post the amended plan on the Internet web site maintained or authorized by the political subdivision within seven (7) days after the amended plan is adopted.

(d) The legislative bodies of the reorganizing political subdivisions preparing a reorganization plan after December 31, 2013, must include in the plan of reorganization a fiscal impact analysis of the proposed reorganization. The fiscal impact analysis must include at least the following:

(1) The estimated effect of the proposed reorganization on taxpayers in each of the political subdivisions to which the proposed reorganization applies, including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt



service payments in those political subdivisions.

(2) A description of the planned services to be provided in the reorganized political subdivision and the method or methods of financing the planned services. The fiscal impact analysis must:

(A) present itemized estimated costs for each department or agency of the reorganized political subdivision; and

(B) explain how specific and detailed expenses will be funded from taxes, fees, grants, and other funding.

(3) A description of the capital improvements to be provided in the reorganized political subdivision and the method or methods of financing those capital improvements.

(4) Any estimated effects on political subdivisions in the county that are not participating in the reorganization and on taxpayers located in those political subdivisions.

(e) The legislative bodies of the reorganizing political subdivisions ~~preparing a plan of reorganization after December 31, 2013,~~ must submit the fiscal impact analysis described in subsection (d) to the department of local government finance at least three (3) months before the election in which the public question will be on the ballot. A legislative body of a reorganizing political subdivision may not adopt a plan of reorganization unless the legislative bodies of the reorganizing political subdivisions have submitted the fiscal impact analysis to the department of local government finance as required by this subsection. The department of local government finance must do the following within a reasonable time, but not later than thirty (30) days ~~before~~ **after** the date of the election in which the public question ~~will be on the ballot:~~ **the fiscal impact analysis is submitted to the department of local government finance:**

(1) Review the fiscal impact analysis.

(2) Make any comments concerning the fiscal impact analysis that the department considers appropriate.

(3) Provide the department's comments under subdivision (2) to the legislative body of the reorganizing political subdivisions.

(4) Post the department's comments under subdivision (2) on the department's Internet web site.

The department of local government finance shall certify to the legislative bodies of the reorganizing political subdivisions the total amount of expense incurred by the department in carrying out the department's review and preparing the department's comments. Upon receipt of the department's certification of the expenses, the reorganizing political subdivisions shall immediately pay to the treasurer of state the amount charged. The share of the cost to be paid



by each reorganizing political subdivision shall be determined by the legislative bodies of the reorganizing political subdivisions. Money paid by a reorganizing political subdivision under this subsection shall be deposited in the state general fund.

SECTION 22. IC 36-1.5-4-23.5, AS AMENDED BY P.L.202-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 23.5. **(a)** This section does not apply to a final plan of reorganization that is adopted and rescinded by the legislative body of a political subdivision under section 27.5 of this chapter. If the legislative bodies of all political subdivisions that have been presented with (before January 1, 2014) an initial plan of reorganization prepared under section 18 of this chapter or that have prepared (after December 31, 2013) an initial plan of reorganization under section 18 of this chapter:

(1) have not adopted voted on the adoption of a final plan of reorganization within one (1) year after the initial plan of reorganization is presented; or

(2) have voted to reject the plan of reorganization;

under section 20 of this chapter, the registered voters of a political subdivision in which the initial plan of reorganization was presented to a legislative body (before January 1, 2014) or prepared by a legislative body (after December 31, 2013) but not adopted may submit a petition to the clerk of the circuit court approving a final plan of reorganization and requesting that a public question be held on the final plan of reorganization.

(b) The petition must be submitted not later than one hundred eighty (180) days after the date that is one (1) year after the initial plan of reorganization was presented to the legislative body (before January 1, 2014) or prepared by the legislative body. (after December 31, 2013): A petition submitted after December 31, 2013; must meet the requirements of section 11(a)(3) of this chapter. In certifying the number of voters, the clerk shall disregard any signature on the petition that is dated under section 11(a)(3)(D) of this chapter more than one hundred eighty (180) days before the date the petition was filed with the clerk. If the petition is signed by at least ten five percent (10%) **(5%)** of the voters of the political subdivision, as determined by the vote cast in the political subdivision for secretary of state at the most recent general election:

(1) the political subdivision is considered to have approved the holding of the public question on the final plan of reorganization, notwithstanding the vote by the legislative body:

(A) failing to vote on the adoption of a final plan of



reorganization; or

(B) voting to rejecting reject the final plan of reorganization;
and

(2) the clerk of the circuit court shall certify approval of the final plan of the reorganization and the holding of the public question in the manner specified in section 23 of this chapter.

SECTION 23. IC 36-1.5-4-27.5 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 27.5: (a) Before the public question on a reorganization under this chapter is placed on the ballot, the legislative body of a political subdivision may adopt a resolution to rescind the plan of reorganization previously adopted and certified by the legislative body. The resolution to rescind the plan of reorganization must be certified by the legislative body to the:

- (1) clerk of each reorganizing political subdivision;
- (2) county fiscal officer of each county in which a reorganizing political subdivision is located; and
- (3) county recorder of each county in which a reorganizing political subdivision is located;

not later than July 15:

(b) Each county recorder receiving a certification under subsection

(a) shall do the following:

- (1) Record the certification in the records of the county recorder without charge.
- (2) Notify the county election board of each county in which a reorganizing political subdivision is located that the public question on the plan of reorganization is not eligible to be placed on the ballot for consideration by:
 - (A) the voters of each reorganizing political subdivision; and
 - (B) in the case of a reorganization described in section 1(a)(9) of this chapter, the voters of the entire county.

(c) After the county recorder of each county in which the reorganizing political subdivisions are located has notified the county election board under subsection (b) that a public question on a plan of reorganization is not eligible to be placed on the ballot, the county election board shall not place the public question on the ballot.

SECTION 24. IC 36-1.5-4-30, AS AMENDED BY P.L.219-2013, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 30. (a) Except as provided in subsections (b) and (c), at the same time that election results are certified under IC 3, the circuit court clerk of each of the counties in which a public question under this chapter is on the ballot shall jointly issue, in the form prescribed by the Indiana election commission, a certificate declaring



whether the public question is approved or rejected by a majority of the voters voting on the public question in each of the reorganizing political subdivisions. In addition to any other requirements in IC 3 concerning filing of the certification, the certification shall be sent to each of the following:

- (1) The clerk of each of the reorganizing political subdivisions.
- (2) The county auditor of each county in which a reorganizing political subdivision is located.
- (3) The county recorder of each county in which a reorganizing political subdivision is located.
- (4) The state board of accounts.
- (5) The department of local government finance.
- (6) The department of state revenue.
- (7) The budget agency.
- (8) If any of the reorganizing political subdivisions is a school corporation, the department of education.

(b) In the case of a public question on a reorganization described in section 1(a)(7) of this chapter that is voted on by voters: ~~after December 31, 2013:~~

- (1) the public question on a plan of reorganization shall be placed on the ballot for consideration by the voters of the reorganizing municipality and township;
- (2) the vote on the public question by the voters of a reorganizing municipality and township shall be tabulated by determining the sum of the votes of voters who reside in:
 - (A) each reorganizing municipality;
 - (B) the reorganizing township and not the reorganizing municipality; and
 - (C) each reorganizing municipality and the reorganizing township;
- (3) the vote on the public question by the voters of:
 - (A) each reorganizing municipality; and
 - (B) each reorganizing township (excluding the voters of the reorganizing municipalities);
 shall be tabulated separately; and
- (4) the circuit court clerk shall issue, in a form prescribed by the Indiana election commission, separate certificates regarding whether the public question is approved or rejected by the voters of:
 - (A) each reorganizing municipality and township as set forth in subdivision (2)(C);
 - (B) each reorganizing municipality; and



(C) each reorganizing township, excluding the voters of the reorganizing municipalities; voting on the public question.

(c) In the case of a public question on a reorganization described in section 1(a)(9) of this chapter:

(1) the public question on a plan of reorganization shall be placed on the ballot for consideration by the voters of the entire county;

(2) the vote on the public question by the voters of the entire county shall be tabulated;

(3) the vote on the public question by the voters of:

(A) each reorganizing municipality; and

(B) the county (excluding the voters of the reorganizing municipalities);

shall be tabulated separately; and

(4) the circuit court clerk shall issue, in a form prescribed by the state election board, separate certificates regarding whether the public question is approved or rejected by the voters of:

(A) the entire county;

(B) each reorganizing municipality; and

(C) the county, excluding the voters of the reorganizing municipalities;

voting on the public question.

SECTION 25. IC 36-1.5-4-32, AS AMENDED BY P.L.202-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 32. (a) This subsection does not apply to a reorganization described in section 1(a)(7) or 1(a)(9) of this chapter. A reorganization as specified in the plan of reorganization is approved if **a majority more than fifty percent (50%)** of the voters in each reorganizing political subdivision voting on the public question approve the public question on the reorganization. If a reorganizing political subdivision includes the territory of another reorganizing political subdivision, the vote of voters of a reorganizing political subdivision who also are voters in a second reorganizing political subdivision that is geographically larger than the first political subdivision and that includes the territory of the first political subdivision shall be included only in the tally of votes for the first reorganizing political subdivision in which the voters reside.

(b) This subsection applies only to a reorganization described in section 1(a)(7) of this chapter. ~~This subsection applies only to a reorganization voted on by voters after December 31, 2013.~~ In the case of a proposed reorganization between a municipality and a township, the reorganization is approved only if:

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- (1) the percentage of all voters voting on the public question who:
 - (A) reside in:
 - (i) the reorganizing municipality;
 - (ii) the reorganizing township and not the reorganizing municipality; and
 - (iii) both the reorganizing municipality and the reorganizing township; and
 - (B) vote in favor of the proposed reorganization; is greater than fifty percent (50%);
- (2) the percentage of voters of the reorganizing municipality voting on the public question in favor of the reorganization ~~equals or exceeds the approval threshold included in the final reorganization plan; which must be~~ is greater than fifty percent (50%); ~~but not more than fifty-five percent (55%);~~ and
- (3) the percentage of voters who reside within the reorganizing township but do not reside within the reorganizing municipality and who vote on the public question in favor of the reorganization ~~equals or exceeds the approval threshold included in the final reorganization plan; which must be~~ is greater than fifty percent (50%). ~~but not more than fifty-five percent (55%).~~

If the reorganization is not approved, the reorganization is terminated. In tabulating the votes under subdivisions (2) and (3), the vote of voters of a reorganizing municipality who are also voters in the reorganizing township shall be included only in the tally of votes for the municipality in which the voters reside.

(c) ~~The following apply~~ **This subsection applies** only to a reorganization described in section 1(a)(9) of this chapter.

(1) ~~In the case of a public question voted on by voters before January 1, 2014, the reorganization is approved only if:~~

- (A) ~~the percentage of voters voting on the public question who vote, on a countywide basis, in favor of the proposed reorganization is at least equal to the countywide vote approval percentage specified in the final reorganization plan;~~
- (B) ~~the legislative bodies of the reorganizing political subdivisions have agreed that the vote on the public question shall be conducted with an approval threshold, and the percentage of voters of the county (excluding the voters of the reorganizing municipalities) voting on the public question who vote against the reorganization is less than the approval threshold included in the final reorganization plan; and~~
- (C) ~~the legislative bodies of the reorganizing political subdivisions have agreed that the vote on the public question~~



shall be conducted with an approval threshold; and the percentage of voters of each reorganizing municipality voting on the public question who vote against the reorganization is less than the approval threshold included in the final reorganization plan.

(2) In the case of a public question voted on by voters after December 31, 2013, The reorganization is approved only if all of the following requirements are met:

~~(A)~~ (1) More than fifty percent (50%) of the voters in the county voting on the public question vote (on a countywide basis) in favor of the proposed reorganization.

~~(B)~~ (2) The percentage of voters of the reorganizing county (excluding the voters of the reorganizing municipalities) voting on the public question in favor of the reorganization equals or exceeds the approval threshold included in the final reorganization plan. The approval threshold must be greater than fifty percent (50%), but not more than fifty-five percent (55%).

~~(C)~~ (3) The percentage of voters of each reorganizing municipality voting on the public question in favor of the reorganization equals or exceeds the approval threshold included in the final reorganization plan. The approval threshold must be greater than fifty percent (50%), but not more than fifty-five percent (55%).

If the reorganization is not approved, the reorganization is terminated. In tabulating the votes under **this** subsection, ~~(e)(1)(B)~~, ~~(e)(1)(C)~~, ~~(e)(2)(B)~~, and ~~(e)(2)(C)~~, the vote of voters of a reorganizing municipality who also are voters in the county shall be included only in the tally of votes for the municipality in which the voters reside.

SECTION 26. IC 36-1.5-4-33, AS AMENDED BY P.L.202-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 33. Except in the case of a reorganization described in section 1(a)(7) or 1(a)(9) of this chapter, if a reorganization is not approved by **the majority more than fifty percent (50%)** of the voters in each reorganizing political subdivision voting on the public question, the reorganization is terminated. A political subdivision in which voters of the political subdivision approved the reorganization may continue with a reorganization with another political subdivision in which the reorganization was approved only if a new plan of reorganization is approved by the voters of each political subdivision in the manner provided by this chapter.

SECTION 27. IC 36-1.5-4-34, AS AMENDED BY P.L.202-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2018]: Sec. 34. (a) This section applies if:

- (1) in the case of a reorganization that is not described in section 1(a)(7) or 1(a)(9) of this chapter, **the majority more than fifty percent (50%)** of the voters of each of the reorganizing political subdivisions voting on the public question approve the public question concerning the reorganization; or
- (2) in the case of a reorganization described in section 1(a)(7) or 1(a)(9) of this chapter, the reorganization is approved as set forth in ~~section 32(b) or 32(c)~~ **32** of this chapter.

(b) The political subdivisions are reorganized in the form and under the conditions specified by the legislative bodies of the reorganizing political subdivisions in the plan of reorganization filed with the county recorder under this chapter.

SECTION 28. IC 36-1.5-4-34.5, AS ADDED BY P.L.255-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 34.5. (a) This section applies to a reorganization under this chapter that ~~(1) occurs after June 30, 2006; and (2) involves one (1) or more municipalities and one (1) or more townships, all of which are participating units in a fire protection territory on the date the reorganization is approved by voters.~~

(b) The fiscal body of a reorganized political subdivision that results from a reorganization described in subsection (a) may:

- (1) establish an equipment replacement fund under IC 36-8-19-8.5 and impose a property tax for the fund as provided in IC 36-8-19-8.5; and
- (2) take any other action under IC 36-8-19-8.5 that may be taken under that section by a participating unit in a fire protection territory.

(c) If a reorganized political subdivision establishes an equipment replacement fund under IC 36-8-19-8.5 as authorized by this section, the department of local government finance may adjust the maximum permissible ad valorem property tax levy that would otherwise apply to the reorganized political subdivision in the same manner in which the department may adjust the maximum permissible ad valorem property tax levy of a civil taxing unit under IC 6-1.1-18.5-10.5 to meet the civil taxing unit's obligations to a fire protection territory established under IC 36-8-19.

SECTION 29. IC 36-1.5-4-43 IS REPEALED [EFFECTIVE JULY 1, 2018]. ~~Sec. 43. The legislative body or voters of a reorganized political subdivision may terminate a reorganization or restore one (1) or more of the reorganizing political subdivisions participating in a reorganization in the same manner that a reorganization may be~~



initiated under this chapter. If the voters in the reorganized political subdivision approve a public question approving termination of the reorganization or restoration of a reorganizing political subdivision, the reorganized political subdivision shall terminate the reorganization and restore the reorganizing political subdivisions in the same manner as a reorganization is completed under this chapter.

SECTION 30. IC 36-1.5-5-1, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. Notwithstanding any other law, two (2) or more political subdivisions may enter into a cooperative agreement under this chapter by using the same procedures set forth in ~~this article for the initiation and approval of a reorganization under this article.~~ A cooperative agreement under this chapter may be initiated and approved only in the manner set forth in this article for the initiation and approval of a reorganization under this article. **IC 36-1-7.**

SECTION 31. IC 36-1.5-5-2 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 2: (a) A cooperative agreement under this chapter must provide at least for the following:

- (1) Its duration.
- (2) Its purpose.
- (3) The manner of financing, staffing, and supplying any joint undertaking and of establishing and maintaining a budget for any joint undertaking that is the subject of the cooperative agreement.
- (4) The methods that may be employed in accomplishing the partial or complete termination of the cooperative agreement and for disposing of property upon partial or complete termination of the cooperative agreement.
- (5) The manner in which the cooperative agreement is to be administered.
- (6) The manner of acquiring, holding, and disposing of real and personal property that is the subject of the cooperative agreement.

(b) A cooperative agreement may include any condition or term that is necessary or appropriate.

SECTION 32. IC 36-1.5-5-3, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The cooperative agreement may transfer the functions of an employee or a department of a political subdivision, including an elected office, to another employee or department of any political subdivision that has entered into the cooperative agreement.

(b) The functions of an elected office may be transferred only to another elected office.

(c) **Subject to section 9 of this chapter**, the cooperative agreement



may provide for ~~the abolishment of~~ **abolishing** an elected office that is not required by the Constitution of the State of Indiana.

SECTION 33. IC 36-1.5-5-7, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 7. (a) A cooperative agreement:

- (1) transferring the functions of an elected office; **or**
- (2) **abolishing an elected office;**

becomes effective only at the end of the term of the incumbent that holds the office.

(b) Any law, rule, or agreement that requires or permits an action by an elected officer after:

- (1) **the functions of the elected officer are transferred; or**
- (2) **after the elected office is abolished;**

shall be treated as referring to the elected officer to which the functions have been transferred by the cooperative agreement.

~~(b)~~ (c) Any law, rule, or agreement that requires or permits an action by an employee ~~or elected officer~~ after the functions of the employee ~~or elected officer~~ are transferred shall be treated as referring to the employee ~~or elected officer~~ to which the functions have been transferred by the cooperative agreement.

SECTION 34. IC 36-1.5-5-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. (a) **This section applies only if a cooperative agreement provides for abolishing an elected office.**

(b) This section applies if, not later than thirty (30) days after a cooperative agreement is adopted by the political subdivisions that are party to the agreement, the voters of the political subdivision whose elected office is to be abolished file a remonstrance petition objecting to the abolition of the elected office with the circuit court clerk of each county in which the political subdivision is located.

(c) For purposes of this section, the day that the last political subdivision that is a party to the cooperative agreement adopts the cooperative agreement is considered the day that the cooperative agreement is adopted.

(d) The number of voters of the political subdivision required to sign a remonstrance petition under subsection (b) must be at least two percent (2%) of the number of votes cast for secretary of state in the political subdivision at the most recent election for secretary of state.

(e) If subsection (d) is satisfied, the circuit court clerk shall create the following two (2) separate signature forms:

- (1) **A form for opposition signatures that must be headed with**



substantially the following statement:

"I, the undersigned voter, object to abolishing the office of (insert the name of the office to be abolished by the cooperative agreement) of (insert the name of the political subdivision).".

(2) A form for supporting signatures that must be headed with substantially the following statement:

"I, the undersigned voter, support abolishing of the office of (insert the name of the office to be abolished by the cooperative agreement) of (insert the name of the political subdivision).".

(f) The county voter registration office shall issue to a registered voter of the county residing within the political subdivision the number of forms of the kind requested by the voter. Each form must be accompanied by instructions describing the following requirements:

(1) The carrier and signers must be registered voters of the county and the political subdivision.

(2) The carrier must be a signatory on at least one (1) form the carrier circulates.

(3) After signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature.

(4) The date and time by which forms must be returned to the county voter registration office.

(g) An individual requesting forms may be required to provide proof that the individual is a registered voter of the county and the political subdivision.

(h) An individual who signs a form must indicate the address at which the person is registered to vote.

(i) Each form must be verified under oath by at least one (1) registered voter of the county and the political subdivision.

(j) Each form must be filed with the county voter registration office not later than noon, one hundred twenty (120) days after adoption of the cooperative agreement by the political subdivisions that are parties to the agreement. A form submitted after this time may not be considered under this section.

(k) The county voter registration office shall determine whether each individual who has signed a form is a registered voter of the county and the political subdivision. If the name of an individual who signs a form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of



the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the form under this section. In determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether an individual is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this section. An individual is entitled to sign only one (1) form one (1) time in a particular process under this section.

(l) Notwithstanding any other provision of this section, if a form is presented to the county voter registration office not later than forty-five (45) days before an election, the county voter registration office may defer acting on the form, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(m) Not later than ten (10) days after the deadline set in subsection (j), the county voter registration office shall certify to each of the political subdivisions that are parties to the cooperative agreement the total number of registered voters of the county and the political subdivision who have signed forms:

- (1) in favor of abolishing the elected office; and
- (2) in opposition to abolishing the elected office.

(n) If more voters of the political subdivision sign forms in favor of abolishing the elected office than sign forms in opposition to abolishing the elected office, the elected office is abolished, as provided in the cooperative agreement.

(o) If more voters of the political subdivision sign forms in opposition to abolishing the elected office than sign forms in favor of abolishing the elected office, the elected office is not abolished. However, the cooperative agreement may still be implemented if the adopting political subdivisions determine that the cooperative agreement can be effectively implemented without abolishing the elected office."

Page 18, line 13, strike "amount" and insert "adjustments".

Page 18, line 13, strike "of the decrease".

Page 22, line 42, delete "five thousand dollars (\$5,000)" and insert "seven thousand dollars (\$7,000)".

Page 24, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 24. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to an appropriate interim



study committee the task of studying issues related to the funding of township firefighting services, including the issue of whether a minimum funding level or tax rate should be established for township firefighting funds.

(b) This SECTION expires January 1, 2019."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1005 as printed as printed January 23, 2018.)

BROWN T

Committee Vote: yeas 15, nays 7.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1005 be amended to read as follows:

Page 34, between lines 15 and 16, begin a new paragraph and insert:

"(d) This subsection applies only to a merger under section 4.1 of this chapter. As used in this subsection, "emergency services equipment" refers to the following:

- (1) Fire trucks.**
- (2) Emergency service vehicles.**
- (3) Firefighting tools.**
- (4) Protective wear.**
- (5) Breathing apparatuses.**
- (6) Communication devices, including hand held devices and vehicle radios.**
- (7) Similar products used by public safety service providers.**

Notwithstanding any other law, any emergency services equipment purchased by a former township before the effective date of the merger shall be housed and maintained within the geographic area of the former township for a period of not less than five (5) years after the effective date of the merger. However, if the emergency services equipment was jointly purchased with another township, the emergency services equipment shall be housed and maintained for a period of not less than five (5) years after the effective date of the merger in the geographic area of the township or townships in which the equipment was housed or maintained before the effective date of the merger. Nothing in this subsection prohibits the

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deployment or use of the emergency services equipment at a location outside of the geographic area of the former township after the effective date of the merger, as long as the emergency services equipment, when not deployed or in use, is housed and maintained in the location required under this subsection."

(Reference is to HB 1005 as printed January 30, 2018.)

SAUNDERS

