



February 15, 2019

HOUSE BILL No. 1214

DIGEST OF HB 1214 (Updated February 14, 2019 11:36 am - DI 129)

Citations Affected: IC 5-32; IC 36-4; IC 36-8.

Synopsis: Construction managers as constructors and fire protection districts. Repeals a provision in the construction manager as constructor statute that establishes a time period for public agencies (other than state educational institutions) to use the construction manager as constructor statute. Provides that for purposes of the construction manager as constructor statute, the term "public agency" includes a public library. Provides that a fire protection district (district), which includes any property added to the district at any time, having a total assessed value of more than \$1,000,000,000 remains within the district after annexation. (Current law provides that the annexed property ceases to be a part of the district when the annexing municipality begins to provide fire protection services to the property.) Provides that property added to a district is considered part of the district as of the date that the district was originally established. Makes provisions regarding: (1) the effective date of annexations of property within districts; and (2) indebtedness of districts that are annexed; apply to districts established after July 1, 1987 (instead of June 14, 1987). Makes a conforming change.

Effective: January 1, 2019 (retroactive); July 1, 2019.

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January 10, 2019, read first time and referred to Committee on Local Government.
February 14, 2019, amended, reported — Do Pass.

HB 1214—LS 7353/DI 75



February 15, 2019

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

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

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

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

HOUSE BILL No. 1214

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

- 1 SECTION 1. IC 5-32-1-1 IS REPEALED [EFFECTIVE JANUARY
2 1, 2019 (RETROACTIVE)].: ~~Sec. 1. This article applies only to the~~
3 ~~following:~~
- 4 (1) ~~A public works project of a state educational institution that~~
5 ~~begins after June 30, 2014.~~
- 6 (2) ~~A public works project of a public agency, other than a state~~
7 ~~educational institution, that begins after June 30, 2017, and before~~
8 ~~July 1, 2020.~~
- 9 SECTION 2. IC 5-32-2-15, AS AMENDED BY P.L.178-2018,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JANUARY 1, 2019 (RETROACTIVE)]: Sec. 15. ~~(a) Before July 1,~~
12 ~~2020, "Public agency" has includes all of the following:~~
- 13 (1) The meaning set forth in IC 5-30-1-11.
- 14 (2) **A public library (as defined in IC 36-12-1-5).**
- 15 ~~This subsection expires July 1, 2021.~~
- 16 (b) ~~After June 30, 2020, "public agency" means a state educational~~
17 ~~institution (as defined in IC 21-7-13-32).~~

HB 1214—LS 7353/DI 75



1 SECTION 3. IC 36-4-3-7, AS AMENDED BY P.L.86-2018,
 2 SECTION 342, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) After an ordinance is adopted
 4 under section 3, 4, 5, or 5.1 of this chapter, it must be published in the
 5 manner prescribed by IC 5-3-1. Except as provided in subsection (b),
 6 (c), (d), or (f), in the absence of remonstrance and appeal under section
 7 11 or 15.5 of this chapter, the ordinance takes effect at least ninety (90)
 8 days after its publication and upon the filing required by section 22(a)
 9 of this chapter.

10 (b) An ordinance described in subsection (d) or adopted under
 11 section 3, 4, 5, or 5.1 of this chapter may not take effect during the year
 12 preceding a year in which a federal decennial census is conducted. An
 13 ordinance that would otherwise take effect during the year preceding
 14 a year in which a federal decennial census is conducted takes effect
 15 January 1 of the year in which a federal decennial census is conducted.

16 (c) Subsections (d) and (e) apply to fire protection districts that are
 17 established after ~~June 14, 1987~~ **July 1, 1987**. **For the purposes of this**
 18 **section, territory that has been:**

19 (1) **added to an existing fire protection district under**
 20 **IC 36-8-11-11; or**

21 (2) **approved by ordinance of the county legislative body to be**
 22 **added to an existing fire protection district under**
 23 **IC 36-8-11-11, notwithstanding that the territory's addition to**
 24 **the fire protection district has not yet taken effect;**

25 **shall be considered a part of the fire protection district as of the**
 26 **date that the fire protection district was originally established.**

27 (d) Except as provided in subsection (b), whenever a municipality
 28 annexes territory, all or part of which lies within a fire protection
 29 district (IC 36-8-11), the annexation ordinance (in the absence of
 30 remonstrance and appeal under section 11 or 15.5 of this chapter) takes
 31 effect the second January 1 that follows the date the ordinance is
 32 adopted and upon the filing required by section 22(a) of this chapter.

33 The municipality shall:

34 (1) provide fire protection to that territory beginning the date the
 35 ordinance is effective; and

36 (2) send written notice to the fire protection district of the date the
 37 municipality will begin to provide fire protection to the annexed
 38 territory within ten (10) days of the date the ordinance is adopted.

39 (e) If the fire protection district from which a municipality annexes
 40 territory under subsection (d) is indebted or has outstanding unpaid
 41 bonds or other obligations at the time the annexation is effective, the
 42 municipality is liable for and shall pay that indebtedness in the same



1 ratio as the assessed valuation of the property in the annexed territory
2 (that is part of the fire protection district) bears to the assessed
3 valuation of all property in the fire protection district, as shown by the
4 most recent assessment for taxation before the annexation, unless the
5 assessed property within the municipality is already liable for the
6 indebtedness. The annexing municipality shall pay its indebtedness
7 under this section to the board of fire trustees. If the indebtedness
8 consists of outstanding unpaid bonds or notes of the fire protection
9 district, the payments to the board of fire trustees shall be made as the
10 principal or interest on the bonds or notes becomes due.

11 (f) This subsection applies to an annexation initiated by property
12 owners under section 5.1 of this chapter in which all property owners
13 within the area to be annexed petition the municipality to be annexed.
14 Subject to subsections (b) and (d), and in the absence of an appeal
15 under section 15.5 of this chapter, an annexation ordinance takes effect
16 at least thirty (30) days after its publication and upon the filing required
17 by section 22(a) of this chapter.

18 SECTION 4. IC 36-8-11-22 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. **(a) Except as**
20 **provided in subsection (b),** any area that is part of a fire protection
21 district and is annexed by a municipality that is not a part of the district
22 ceases to be a part of the fire protection district when the municipality
23 begins to provide fire protection services to the area.

24 **(b) If a fire protection district has a total assessed value of more**
25 **than one billion dollars (\$1,000,000,000) on the date that the**
26 **annexation ordinance is adopted, the annexed area shall remain a**
27 **part of the fire protection district.**

28 SECTION 5. **An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1214, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-32-1-1 IS REPEALED [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]. ~~Sec. 1. This article applies only to the following:~~

(1) ~~A public works project of a state educational institution that begins after June 30, 2014.~~

(2) ~~A public works project of a public agency, other than a state educational institution, that begins after June 30, 2017, and before July 1, 2020."~~

Page 1, line 3, strike "(a) Before July 1,".

Page 1, line 4, strike "2020,".

Page 1, line 4, delete "'public" and insert "'Public".

Page 1, strike lines 7 through 9.

Page 1, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 3. IC 36-4-3-7, AS AMENDED BY P.L.86-2018, SECTION 342, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) After an ordinance is adopted under section 3, 4, 5, or 5.1 of this chapter, it must be published in the manner prescribed by IC 5-3-1. Except as provided in subsection (b), **(c)**, (d), or (f), in the absence of remonstrance and appeal under section 11 or 15.5 of this chapter, the ordinance takes effect at least ninety (90) days after its publication and upon the filing required by section 22(a) of this chapter.

(b) An ordinance described in subsection (d) or adopted under section 3, 4, 5, or 5.1 of this chapter may not take effect during the year preceding a year in which a federal decennial census is conducted. An ordinance 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.

(c) Subsections (d) and (e) apply to fire protection districts that are established after ~~June 14, 1987. July 1, 1987. For the purposes of this section, territory that has been:~~

(1) added to an existing fire protection district under IC 36-8-11-11; or

(2) approved by ordinance of the county legislative body to be



added to an existing fire protection district under IC 36-8-11-11, notwithstanding that the territory's addition to the fire protection district has not yet taken effect; shall be considered a part of the fire protection district as of the date that the fire protection district was originally established.

(d) Except as provided in subsection (b), whenever a municipality annexes territory, all or part of which lies within a fire protection district (IC 36-8-11), the annexation ordinance (in the absence of remonstrance and appeal under section 11 or 15.5 of this chapter) takes effect the second January 1 that follows the date the ordinance is adopted and upon the filing required by section 22(a) of this chapter. The municipality shall:

- (1) provide fire protection to that territory beginning the date the ordinance is effective; and
- (2) send written notice to the fire protection district of the date the municipality will begin to provide fire protection to the annexed territory within ten (10) days of the date the ordinance is adopted.

(e) If the fire protection district from which a municipality annexes territory under subsection (d) is indebted or has outstanding unpaid bonds or other obligations at the time the annexation is effective, the municipality is liable for and shall pay that indebtedness in the same ratio as the assessed valuation of the property in the annexed territory (that is part of the fire protection district) bears to the assessed valuation of all property in the fire protection district, as shown by the most recent assessment for taxation before the annexation, unless the assessed property within the municipality is already liable for the indebtedness. The annexing municipality shall pay its indebtedness under this section to the board of fire trustees. If the indebtedness consists of outstanding unpaid bonds or notes of the fire protection district, the payments to the board of fire trustees shall be made as the principal or interest on the bonds or notes becomes due.

(f) This subsection applies to an annexation initiated by property owners under section 5.1 of this chapter in which all property owners within the area to be annexed petition the municipality to be annexed. Subject to subsections (b) and (d), and in the absence of an appeal under section 15.5 of this chapter, an annexation ordinance takes effect at least thirty (30) days after its publication and upon the filing required by section 22(a) of this chapter.

SECTION 4. IC 36-8-11-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. **(a) Except as provided in subsection (b)**, any area that is part of a fire protection district and is annexed by a municipality that is not a part of the district



ceases to be a part of the fire protection district when the municipality begins to provide fire protection services to the area.

(b) If a fire protection district has a total assessed value of more than one billion dollars (\$1,000,000,000) on the date that the annexation ordinance is adopted, the annexed area shall remain a part of the fire protection district."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1214 as introduced.)

ZENT

Committee Vote: yeas 8, nays 3.

