

# SENATE BILL No. 194

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-11-20-3; IC 36-8-28.

**Synopsis:** Length of service award program. Allows the legislative body of a: (1) unit in which a fire protection district has not been established; and (2) fire protection district; to establish a length of service award program for the active volunteer members of the emergency service organizations operating under the unit's or fire protection district's jurisdiction. Sets forth requirements for the establishment and administration of a length of service award program. Specifies penalties for a person who knowingly violates the requirements, misrepresents the credit earned by a volunteer, or includes an individual on a certification list who is not a qualified member of an emergency service organization. Requires a political subdivision that establishes a length of service award program to make an annual report to the state board of accounts.

**Effective:** July 1, 2024.

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January 9, 2024, read first time and referred to Committee on Local Government.

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Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

## SENATE BILL No. 194

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 5-11-20-3, AS ADDED BY P.L.47-2013,  
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2024]: Sec. 3. (a) After December 31, 2013, a political  
4 subdivision having an employee retirement plan described in  
5 subsection (b) shall, not later than the date each year on which the  
6 political subdivision's financial reports are due under IC 5-11-1-4,  
7 make an annual report for each of the political subdivision's employee  
8 retirement plans described in subsection (b) to the state board of  
9 accounts of the information specified in section 4 of this chapter for the  
10 political subdivision's immediately preceding fiscal year, in the manner  
11 prescribed by the state examiner.

12 (b) The retirement plans to which this chapter applies are the  
13 following:

14 (1) Each of the retirement funds for utility employees authorized  
15 under IC 36-9.

16 (2) Each county police force pension trust and trust fund  
17 authorized under IC 36-8.



- 1 (3) Each retirement program adopted by a board of a local health  
 2 department as authorized under IC 16-1-4-25 (before its repeal)  
 3 or IC 16-20-1-3.  
 4 (4) Each retirement benefit program of a joint city-county health  
 5 department under IC 16-1-7-16 (before its repeal).  
 6 (5) Each pension and retirement plan adopted by the board of  
 7 trustees or governing body of a county hospital as authorized  
 8 under IC 16-12.1-3-8 (before its repeal) or IC 16-22-3-11.  
 9 (6) Each pension or retirement plan and program for hospital  
 10 personnel in certain city hospitals as authorized under  
 11 IC 16-12.2-5 (before its repeal) or IC 16-23-1.  
 12 (7) Each retirement program of the health and hospital  
 13 corporation of a county as authorized under IC 16-12-21-27  
 14 (before its repeal) or IC 16-22-8-34.  
 15 (8) Each pension plan provided by a city, town, or county housing  
 16 authority as authorized under IC 36-7.  
 17 (9) Each pension and retirement program adopted by a public  
 18 transportation corporation as authorized under IC 36-9.  
 19 (10) Each system of pensions and retirement benefits of a regional  
 20 transportation authority as authorized or required by IC 36-9.  
 21 (11) Each employee pension plan adopted by the board of an  
 22 airport authority under IC 8-22-3.  
 23 (12) Each system of pensions and retirement provided by a unit  
 24 under IC 36-1-3.  
 25 **(13) Each emergency services volunteer length of service**  
 26 **award program established under IC 36-8-28.**  
 27 (c) The department of local government finance may not approve  
 28 the budget of a political subdivision or a supplemental appropriation  
 29 for a political subdivision until the political subdivision files each  
 30 annual report required by subsection (a).  
 31 SECTION 2. IC 36-8-28 IS ADDED TO THE INDIANA CODE AS  
 32 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
 33 1, 2024]:  
 34 **Chapter 28. Emergency Services Volunteer Length of Service**  
 35 **Award Program**  
 36 **Sec. 1. This chapter applies to a unit or a fire protection district**  
 37 **that:**  
 38 **(1) has control of; or**  
 39 **(2) is serviced by;**  
 40 **an emergency service organization.**  
 41 **Sec. 2. As used in this chapter, "active volunteer member"**  
 42 **means a person who is:**



1 (1) designated as an active volunteer member by the  
 2 governing board of a duly created emergency service  
 3 organization; and

4 (2) faithfully and actually performing volunteer service in the  
 5 emergency service organization.

6 Sec. 3. As used in this chapter, "certification list" means a list  
 7 prepared annually by an emergency service organization certifying  
 8 to a governing body the names of members who have qualified to  
 9 receive a length of service award.

10 Sec. 4. As used in this chapter, "commissioner" refers to the  
 11 commissioner of the department of local government finance.

12 Sec. 5. As used in this chapter, "elected or appointed position"  
 13 means a:

14 (1) line officer;

15 (2) department or company officer;

16 (3) trustee of an emergency service organization; or

17 (4) duly established position in a municipality as determined  
 18 by the governing body of the municipality.

19 Sec. 6. As used in this chapter, "emergency service  
 20 organization" means a fire or first aid organization, including a:

21 (1) volunteer fire company;

22 (2) volunteer fire department;

23 (3) fire protection district;

24 (4) fire protection territory; or

25 (5) duly incorporated volunteer:

26 (A) first aid;

27 (B) emergency;

28 (C) ambulance; or

29 (D) rescue;

30 squad, association, or organization.

31 Sec. 7. As used in this chapter, "length of service award  
 32 program" means a system established to provide tax-deferred  
 33 income benefits to active volunteer members of an emergency  
 34 service organization.

35 Sec. 8. As used in this chapter, "participant" means an active  
 36 volunteer member who is eligible for a benefit under a length of  
 37 service award program.

38 Sec. 9. As used in this chapter, "sponsoring agency" means a  
 39 unit or fire protection district that duly establishes a length of  
 40 service award program under this chapter.

41 Sec. 10. As used in this chapter, "year of active emergency  
 42 service" means a twelve (12) month period during which an active



1 volunteer member:

2 (1) participates in the fire or first aid service; and

3 (2) satisfies the minimum requirements of participation  
4 established by the sponsoring agency;

5 on a consistent and uniform basis.

6 Sec. 11. (a) The legislative body of a unit in which a fire  
7 protection district has not been established may, by ordinance (in  
8 the case of a county or municipality) or resolution (in the case of a  
9 township), establish a length of service award program for the  
10 active volunteer members of the emergency service organizations  
11 operating under the unit's jurisdiction.

12 (b) The legislative body of a fire protection district may, by  
13 resolution, establish a length of service award program for the  
14 active volunteer members of the emergency service organizations  
15 operating under the fire protection district's jurisdiction.

16 (c) An ordinance or a resolution described in this section may  
17 not take effect until the ordinance or resolution is:

18 (1) presented as a public question:

19 (A) for a unit at the next general election; and

20 (B) for a fire protection district at the next annual election;  
21 and

22 (2) ratified by the voters.

23 The ordinance or resolution must be adopted by the legislative  
24 body at least sixty (60) days before the election at which the public  
25 question is presented for ratification.

26 (d) In addition to any other procedures provided by law, an  
27 ordinance or resolution described in this section must include the  
28 following:

29 (1) A general description of the program.

30 (2) A statement of the proposed estimated total amount to be  
31 budgeted for the program.

32 (3) A statement of the proposed maximum annual  
33 contribution for an active volunteer member.

34 (4) If the proposed program authorizes the crediting of prior  
35 service, a statement of the number of prior years of service  
36 available for crediting for each active volunteer member.

37 (5) Any other provision as reasonably required by the  
38 commissioner to carry out the purposes of this chapter.

39 (e) An ordinance, resolution, or public question relating to a  
40 length of service award program is not subject to prior approval  
41 of the commissioner.

42 (f) An amount appropriated annually for a length of service



1 award program must be included in the budget of the unit or fire  
 2 protection district as a separate line item. In the case of a fire  
 3 protection district, the budget to be voted on at the time of the  
 4 public question to establish a length of service award program  
 5 must include the first year's appropriation for funding the length  
 6 of service award program. If the public question is defeated, the  
 7 appropriation shall be removed from the fire protection district's  
 8 budget. In the case of a unit, an appropriation for a length of  
 9 service award program commences with the budget immediately  
 10 following enactment of the length of service award program.

11 (g) A length of service award program established by a unit or  
 12 fire protection district must comply with the requirements of this  
 13 chapter.

14 Sec. 12. (a) Except as provided by section 13 of this chapter and  
 15 subject to section 15 of this chapter, a unit or fire protection  
 16 district may not make any material changes to a length of service  
 17 award program after the length of service award program has  
 18 been established unless:

19 (1) the unit or fire protection district holds a public hearing  
 20 on the proposed changes; and

21 (2) the material changes are adopted by ordinance (in the case  
 22 of a county or municipality) or resolution (in the case of a  
 23 township or fire protection district)

24 (b) Any material changes made under this section are not  
 25 required to be presented as a public question.

26 Sec. 13. (a) As used in this section, "consumer price index  
 27 factor" means a fraction in which:

28 (1) the denominator is the Revised Consumers Price Index-All  
 29 Items, Philadelphia Area (1967-100) (the CPI) published by  
 30 the Bureau of Labor Statistics of the United States  
 31 Department of Labor for the month in which the length of  
 32 service award program passes public question; and

33 (2) the numerator is the CPI for the most recent month  
 34 available at the time the increased contribution or benefit  
 35 takes effect.

36 (b) After a length of service award program is established, the  
 37 maximum annual contribution may be increased, from time to  
 38 time, without public hearing or public question if the increased  
 39 contribution does not exceed a number calculated by multiplying  
 40 the original contribution as approved by public question by the  
 41 consumer price index factor.

42 (c) If the publication of the CPI is discontinued, the



1 commissioner shall adopt rules under IC 4-22-2 to revise the  
 2 method of computation of the consumer price index factor as the  
 3 circumstances require to carry out the purposes of this section.

4 **Sec. 14. A length of service award program shall be:**

- 5 (1) established as a defined contribution program;  
 6 (2) based on applicable features of deferred compensation  
 7 plans adopted by a political subdivision under IC 5-10-1.1-7,  
 8 in which:

9 (A) the sponsoring agency is treated as an employer;

10 (B) contributions by a sponsoring agency are treated as  
 11 deferred compensation; and

12 (C) the active volunteer members are treated as  
 13 participants; and

14 (3) if applicable, administered in compliance with the Internal  
 15 Revenue Code.

16 **Sec. 15. (a)** A length of service award program established by a  
 17 unit or fire protection district under section 11 of this chapter may  
 18 be abolished or amended by ordinance (in the case of a county or  
 19 municipality) or resolution (in the case of a township or fire  
 20 protection district). However, any abolishment or amendment shall  
 21 be by a two-thirds (2/3) vote of the full membership of the  
 22 legislative body of the unit or fire protection district.

23 (b) If a length of service award program is abolished, all  
 24 accumulated proceeds shall remain in trust for the participants.

25 **Sec. 16. (a)** An emergency service organization may not be  
 26 required to provide a length of service award program for its  
 27 active volunteer members.

28 (b) Any length of service award program provided to an active  
 29 volunteer member shall be governed by this chapter.

30 (c) A length of service award program provided under this  
 31 chapter must meet the following requirements:

32 (1) An active volunteer member is:

33 (A) eligible to participate in a length of service award  
 34 program immediately upon commencement of the active  
 35 volunteer member's performance of active emergency  
 36 services in an emergency service organization; and

37 (B) vested in a length of service award program if the  
 38 active volunteer member has completed at least five (5)  
 39 years of active emergency service in an emergency service  
 40 organization.

41 (2) A year of active emergency service commencing after the  
 42 establishment of a length of service award program shall be



1 credited for each calendar year in which an active volunteer  
2 member accumulates a number of points that are granted in  
3 accordance with a schedule adopted by the sponsoring agency.  
4 The length of service award program must provide that points  
5 are granted for activities designated by the sponsoring  
6 agency, including any of the following activities:

7 (A) Training courses.

8 (B) Drills.

9 (C) Sleep in or standby. As used in this subdivision,  
10 "standby" means line of duty activity of a volunteer fire  
11 company lasting for at least four (4) hours that is not  
12 classified as any of the other activities listed in this section.

13 (D) Completion of a one (1) year elected or appointed  
14 position in the organization.

15 (E) Election as a delegate to an emergency service  
16 convention.

17 (F) Attendance at official meetings of the sponsoring  
18 agency.

19 (G) Participation in emergency responses.

20 (H) Miscellaneous activities, including participation in  
21 inspections and other nonemergency fire, first aid, or  
22 rescue activities not otherwise listed in this section.

23 (3) If provided for in the enabling ordinance or resolution  
24 adopted under section 11 of this chapter, a length of service  
25 award program may provide for the crediting of not more  
26 than ten (10) years of active emergency service completed  
27 before the establishment of the program. Credit may be  
28 granted to the active volunteer member over as many years as  
29 deemed appropriate by the sponsoring agency, except that the  
30 total amount contributed in any one (1) year may not exceed  
31 the maximum amount allowed by law to be contributed by a  
32 sponsoring agency.

33 (4) To provide credit for service before the establishment of  
34 the length of service award program, each sponsoring agency  
35 shall review the previous membership rosters of the  
36 emergency service organizations subject to the length of  
37 service award program to determine the number of years of  
38 active emergency service credit that each participant is  
39 entitled to credit. In making the analysis, the standards for  
40 crediting a year of active service set forth in subdivision (2)  
41 and adopted by the sponsoring agency must be used. The  
42 amount of the contribution provided to participants for past





1 service may differ from the amount of the current  
 2 contribution provided for under the plan. The definition of  
 3 years of active emergency service shall be determined by the  
 4 bylaws of the participating emergency service organization at  
 5 the time service was earned. Approval for prior service shall  
 6 require certification by the duly designated person, as  
 7 determined and defined by the sponsoring agency of the  
 8 participating emergency service organization. If an active  
 9 volunteer member requests credit for service in more than  
 10 one (1) participating emergency service organization, the  
 11 emergency service organization shall provide a certification  
 12 for the appropriate number of years. The credit may be  
 13 awarded at the discretion of the sponsoring agency of the  
 14 length of service award program in which the volunteer  
 15 member seeks to apply the credit. However, a participant may  
 16 not be credited for the same year of active emergency service  
 17 in more than one (1) service award program.

18 (5) An active volunteer member whose name does not appear  
 19 on the approved certification list or who is denied credit for  
 20 service before the establishment of the service award program  
 21 may appeal not later than:

22 (A) thirty (30) days after the posting of the list; or

23 (B) not later than thirty (30) days after the denial of past  
 24 service credit.

25 The appeal must be in writing and mailed to the clerk or  
 26 secretary of the legislative body of the unit or fire protection  
 27 district. The unit or fire protection district shall investigate  
 28 the appeal. The decision of a participating emergency service  
 29 organization shall be subject to appropriate judicial review.

30 Sec. 17. (a) An active volunteer member's service award is  
 31 subject to the contribution requirements set forth in this section. In  
 32 determining whether the contribution requirements have been  
 33 satisfied, all length of service award programs established by a  
 34 sponsoring agency are considered as one (1) program.

35 (b) A sponsoring agency shall set contributions for a length of  
 36 service award program that meet the following minimum and  
 37 maximum contribution requirements:

38 (1) The minimum contribution for each active volunteer  
 39 member is one hundred dollars (\$100) per year of active  
 40 emergency service.

41 (2) The maximum contribution for each active volunteer  
 42 member is one thousand one hundred fifty dollars (\$1,150)



1 per year of active emergency service, subject to periodic  
2 increases under section 13 of this chapter.

3 **Sec. 18.** A participating emergency service organization shall  
4 maintain all required records on forms prescribed by the  
5 requirements of the length of service award program.

6 **Sec. 19. (a)** A participating emergency service organization shall  
7 furnish to the sponsoring agency a certification list of all volunteer  
8 members, which identifies the active volunteer members who have  
9 qualified for credit under the length of service award program for  
10 the previous year.

11 (b) The certification list must be:

- 12 (1) certified under oath; and  
13 (2) submitted annually.

14 (c) Notwithstanding the requirements of this section, a volunteer  
15 member may request that the member's name be deleted from the  
16 certification list as a participant in the length of service award  
17 program. A request for deletion must be in writing and remains  
18 effective until the request is withdrawn in the same manner.

19 **Sec. 20. (a)** A sponsoring agency shall:

- 20 (1) review the certification list of each participating  
21 emergency service organization; and  
22 (2) approve the certification list.

23 (b) After the sponsoring agency approves a certification list  
24 under subsection (a), the sponsoring agency shall return the  
25 approved certification list to the participating emergency service  
26 organization. The approved certification list must be posted for at  
27 least thirty (30) days for review by the volunteer members.

28 (c) An emergency service organization shall provide any  
29 information concerning a certification list that the sponsoring  
30 agency may require as part of the review.

31 **Sec. 21.** Any length of service award program that involves any  
32 form of insurance or annuity program in existence before July 1,  
33 2024, is deemed valid in all respects and may continue to operate  
34 subject to the following conditions:

- 35 (1) The commissioner is notified of the existence of the  
36 program and the benefits provided by the program before  
37 September 1, 2024.  
38 (2) Not later than one hundred eighty (180) days after  
39 receiving notice from the commissioner, the sponsoring  
40 agency shall file with the commissioner documentation that  
41 demonstrates that the program has been brought into  
42 compliance with this chapter, subject to the following:



- 1 (A) The sponsoring agency is not required to comply with  
 2 section 11(c) of this chapter.  
 3 (B) An existing defined benefit annuity program may be  
 4 continued only if:  
 5 (i) the benefit levels for participants who vested before  
 6 July 1, 2024, in excess of seven hundred fifty dollars  
 7 (\$750) per month may not receive or be entitled to  
 8 benefits in excess of the benefits level in existence as of  
 9 July 1, 2024; and  
 10 (ii) participants who vest after June 30, 2024, may not  
 11 receive a benefit in excess of seven hundred fifty dollars  
 12 (\$750) per month, subject to periodic increases under  
 13 section 13 of this chapter.  
 14 (3) A vested benefit for a participant of a length of service  
 15 award program before July 1, 2024, is:  
 16 (A) exempt from the contribution and benefit limitations  
 17 under sections 14 and 17 of this chapter; and  
 18 (B) deemed valid in all respects from program inception.  
 19 **Sec. 22. (a) In addition to any other penalties provided by law,**  
 20 **a person who knowingly violates this chapter shall:**  
 21 (1) be subject to a fine of at least one hundred dollars (\$100)  
 22 and not more than one thousand one hundred fifty dollars  
 23 (\$1,150);  
 24 (2) forfeit all benefits to which the person may be entitled  
 25 under this chapter; and  
 26 (3) be prohibited from serving in a volunteer or paid position  
 27 with any emergency service organization in Indiana.  
 28 (b) In addition to the penalties under subsection (a), a person  
 29 who knowingly:  
 30 (1) misrepresents the credit earned by a volunteer under  
 31 section 16 of this chapter; or  
 32 (2) includes an individual on a certification list under section  
 33 19 of this chapter who is not a qualified member of an  
 34 emergency service organization;  
 35 shall be subject to a fine of at least one hundred dollars (\$100) and  
 36 not more than one thousand one hundred fifty dollars (\$1,150) for  
 37 each individual whose credit or status was misrepresented.  
 38 **Sec. 23. The department of local government finance shall adopt**  
 39 **rules under IC 4-22-2 that are necessary to administer this chapter.**

