

SENATE BILL No. 248

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-4-3-4; IC 36-7-30-5.

Synopsis: Economic development. Allows a city on the Ohio River that established a port authority to annex territory that is not contiguous to the city boundaries if a railroad owned by the port authority connects the city to the annexed territory. Prohibits a public official from being appointed to the executive board of a military base reuse authority after June 30, 2024, and sets certain minimum qualifications for members.

Effective: July 1, 2024.

Garten, Maxwell, Byrne

January 11, 2024, read first time and referred to Committee on Commerce and Technology.



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. 248

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 36-4-3-4, AS AMENDED BY P.L.105-2022,
2 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 4. (a) The legislative body of a municipality may,
4 by ordinance, annex any of the following:
5 (1) Territory that is contiguous to the municipality.
6 (2) Territory that is not contiguous to the municipality and is
7 occupied by a municipally owned or operated as either of the
8 following:
9 (A) An airport or landing field.
10 (B) A wastewater treatment facility or water treatment facility.
11 After a municipality annexes territory under this clause, the
12 municipality may annex additional territory to enlarge the
13 territory for the use of the wastewater treatment facility or
14 water treatment facility only if the county legislative body
15 approves that use of the additional territory by ordinance.
16 (3) Territory that is not contiguous to the municipality but is
17 found by the legislative body to be occupied by:



- 1 (A) a municipally owned or regulated sanitary landfill, golf
 2 course, or hospital;
 3 (B) a police station of the municipality; or
 4 (C) a solar electric generating facility that is or will be
 5 interconnected to an electric utility owned by the municipality.
 6 However, if territory annexed under subdivision (2) or (3) ceases to be
 7 used for the purpose for which the territory was annexed for at least
 8 one (1) year, the territory reverts to the jurisdiction of the unit having
 9 jurisdiction before the annexation if the unit that had jurisdiction over
 10 the territory still exists. If the unit no longer exists, the territory reverts
 11 to the jurisdiction of the unit that would currently have jurisdiction over
 12 the territory if the annexation had not occurred. The clerk of the
 13 municipality shall notify the offices required to receive notice of a
 14 disannexation under section 19 of this chapter when the territory
 15 reverts to the jurisdiction of the unit having jurisdiction before the
 16 annexation. Territory that is annexed under subdivision (2) (including
 17 territory that is enlarged under subdivision (2)(B) for the use of the
 18 wastewater treatment facility or water treatment facility) or subdivision
 19 (3) may not be considered a part of the municipality for purposes of
 20 annexing additional territory.
- 21 (b) This subsection applies to municipalities in any of the following
 22 counties:
- 23 (1) A county having a population of more than sixty-six thousand
 24 six hundred (66,600) and less than seventy thousand (70,000).
 - 25 (2) A county having a population of more than eighty-two
 26 thousand (82,000) and less than eighty-three thousand (83,000).
 - 27 (3) A county having a population of more than eighty thousand
 28 four hundred (80,400) and less than eighty-two thousand
 29 (82,000).
 - 30 (4) A county having a population of more than forty-six thousand
 31 (46,000) and less than forty-six thousand four hundred (46,400).
 - 32 (5) A county having a population of more than thirty-seven
 33 thousand (37,000) and less than thirty-seven thousand nine
 34 hundred (37,900).
 - 35 (6) A county having a population of more than thirty-six thousand
 36 five hundred (36,500) and less than thirty-six thousand seven
 37 hundred (36,700).
 - 38 (7) A county having a population of more than thirty-two
 39 thousand (32,000) and less than thirty-three thousand (33,000).
 - 40 (8) A county having a population of more than twenty-three
 41 thousand (23,000) and less than twenty-three thousand three
 42 hundred seventy-five (23,375).



- 1 (9) A county having a population of more than two hundred
 2 thousand (200,000) and less than two hundred fifty thousand
 3 (250,000).
 4 (10) A county having a population of more than two hundred fifty
 5 thousand (250,000) and less than three hundred thousand
 6 (300,000).
 7 (11) A county having a population of more than thirty thousand
 8 nine hundred (30,900) and less than thirty-two thousand (32,000).
 9 (12) A county having a population of more than eighty thousand
 10 (80,000) and less than eighty thousand four hundred (80,400).
 11 Except as provided in subsection (c), the legislative body of a
 12 municipality to which this subsection applies may, by ordinance, annex
 13 territory that is not contiguous to the municipality, has its entire area
 14 not more than two (2) miles from the municipality's boundary, is to be
 15 used for an industrial park containing one (1) or more businesses, and
 16 is either owned by the municipality or by a property owner who
 17 consents to the annexation. However, if territory annexed under this
 18 subsection is not used as an industrial park within five (5) years after
 19 the date of passage of the annexation ordinance, or if the territory
 20 ceases to be used as an industrial park for at least one (1) year, the
 21 territory reverts to the jurisdiction of the unit having jurisdiction before
 22 the annexation if the unit that had jurisdiction over the territory still
 23 exists. If the unit no longer exists, the territory reverts to the
 24 jurisdiction of the unit that would currently have jurisdiction over the
 25 territory if the annexation had not occurred. The clerk of the
 26 municipality shall notify the offices entitled to receive notice of a
 27 disannexation under section 19 of this chapter when the territory
 28 reverts to the jurisdiction of the unit having jurisdiction before the
 29 annexation.
 30 (c) A city in a county with a population of more than two hundred
 31 fifty thousand (250,000) and less than three hundred thousand
 32 (300,000) may not annex territory as prescribed in subsection (b) until
 33 the territory is zoned by the county for industrial purposes.
 34 (d) Notwithstanding any other law, territory that is annexed under
 35 subsection (b) or (h) is not considered a part of the municipality for the
 36 purposes of:
 37 (1) annexing additional territory:
 38 (A) in a county that is not described by clause (B); or
 39 (B) in a county having a population of more than two hundred
 40 fifty thousand (250,000) and less than three hundred thousand
 41 (300,000), unless the boundaries of the noncontiguous territory
 42 become contiguous to the city, as allowed by Indiana law;



- 1 (2) expanding the municipality's extraterritorial jurisdictional
 2 area; or
 3 (3) changing an assigned service area under IC 8-1-2.3-6(1).
 4 (e) As used in this section, "airport" and "landing field" have the
 5 meanings prescribed by IC 8-22-1.
 6 (f) As used in this section, "hospital" has the meaning prescribed by
 7 IC 16-18-2-179(b).
 8 (g) An ordinance adopted under this section must assign the
 9 territory annexed by the ordinance to at least one (1) municipal
 10 legislative body district.
 11 (h) This subsection applies to a city having a population of more
 12 than twenty-eight thousand (28,000) and less than twenty-nine
 13 thousand (29,000). The city legislative body may, by ordinance, annex
 14 territory that:
 15 (1) is not contiguous to the city;
 16 (2) has its entire area not more than eight (8) miles from the city's
 17 boundary;
 18 (3) does not extend more than:
 19 (A) one and one-half (1 1/2) miles to the west;
 20 (B) three-fourths (3/4) mile to the east;
 21 (C) one-half (1/2) mile to the north; or
 22 (D) one-half (1/2) mile to the south;
 23 of an interchange of an interstate highway (as designated by the
 24 federal highway authorities) and a state highway (as designated
 25 by the state highway authorities); and
 26 (4) is owned by the city or by a property owner that consents to
 27 the annexation.
 28 (i) This subsection applies to a city having a population of more
 29 than thirty-four thousand (34,000) and less than thirty-four thousand
 30 five hundred (34,500). The city legislative body may, by ordinance,
 31 annex territory under section 5.1 of this chapter:
 32 (1) that is not contiguous to the city;
 33 (2) that is south of the southernmost boundary of the city;
 34 (3) the entire area of which is not more than four (4) miles from
 35 the city's boundary; and
 36 (4) that does not extend more than one (1) mile to the east of a
 37 state highway (as designated by the state highway authorities).
 38 Territory annexed under this subsection is not considered a part of the
 39 city for purposes of annexation of additional territory. A city may not
 40 require connection to a sewer installed to provide service to territory
 41 annexed under this subsection.
 42 (j) A third class city may annex a residential development under



1 section 5.2 of this chapter that is not contiguous to the city.
 2 **(k) This subsection applies in a county that abuts the Ohio**
 3 **River. A city may annex territory that is not contiguous under**
 4 **section 5.1 of this chapter if all of the following apply:**
 5 **(1) The city has established a port authority under IC 8-10-5.**
 6 **(2) The port authority owns a railroad.**
 7 **(3) The railroad connects the corporate limits of the city to the**
 8 **annexation territory.**
 9 **The width limitation in section 1.5(a) of this chapter does not apply**
 10 **to the railroad right-of-way for purposes of annexation by the city**
 11 **under section 5 or 5.1 of this chapter.**
 12 SECTION 2. IC 36-7-30-5, AS AMENDED BY P.L.257-2019,
 13 SECTION 134, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2024]: Sec. 5. (a) Except as provided in
 15 subsection (b), each member of a military base reuse authority shall
 16 serve the longer of three (3) years beginning with the first day of
 17 January after the member's appointment or until the member's
 18 successor has been appointed and qualified. If a vacancy occurs, a
 19 successor shall be appointed in the same manner as the original
 20 member, and the successor shall serve for the remainder of the vacated
 21 term.
 22 (b) In the case of a municipal military base reuse authority in an
 23 excluded city located in a county with a consolidated city, the original
 24 members shall serve for the following terms:
 25 (1) A member appointed by the executive of the excluded city or
 26 the consolidated city executive shall serve for the longer of three
 27 (3) years beginning with the first day of January after the
 28 member's appointment or until the member's successor is
 29 appointed and qualified.
 30 (2) A member appointed by the legislative body of the excluded
 31 city or the consolidated city legislative body shall serve for the
 32 longer of one (1) year beginning with the first day of January after
 33 the member's appointment or until the member's successor is
 34 appointed and qualified.
 35 (3) A member appointed by the board of county commissioners
 36 shall serve for the longer of two (2) years beginning with the first
 37 day of January after the member's appointment or until the
 38 member's successor is appointed and qualified.
 39 **(c) After June 30, 2024, a member appointed to a military base**
 40 **reuse authority must have knowledge of and at least five (5) years**
 41 **professional work experience in at least one (1) of the following:**
 42 **(1) Regional economic development.**



1 **(2) Business or finance.**

2 **(3) Private or nonprofit sector.**

3 **A public official (as defined in IC 36-1-8.5-4.5) may not be**
4 **appointed as a member of a military base reuse authority for a**
5 **term that commences after June 30, 2024.**

6 ~~(c)~~ **(d)** Each member of a reuse authority, before beginning the
7 member's duties, shall take and subscribe an oath of office in the usual
8 form, to be endorsed on the certificate of the member's appointment.
9 The endorsed certificate must be promptly filed with the clerk for the
10 unit that the member serves.

11 ~~(d)~~ **(e)** Each member of a reuse authority, before beginning the
12 member's duties, shall execute a bond payable to the state, with surety
13 to be approved by the executive of the unit. The bond must be in the
14 penal sum of fifteen thousand dollars (\$15,000) and must be
15 conditioned on the faithful performance of the duties of the member's
16 office and the accounting for all money and property that may come
17 into the member's hands or under the member's control. The cost of the
18 bond shall be paid by the special taxing district.

19 ~~(e)~~ **(f)** A member of a reuse authority must be at least eighteen (18)
20 years of age and must be a resident of the unit responsible for the
21 member's appointment.

22 ~~(f)~~ **(g)** If a member ceases to be qualified under this section, the
23 member forfeits the member's office.

24 ~~(g)~~ **(h)** Members of a reuse authority are not entitled to salaries but
25 are entitled to reimbursement for expenses necessarily incurred in the
26 performance of their duties.

