



January 25, 2022

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## SENATE BILL No. 299

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DIGEST OF SB 299 (Updated January 20, 2022 1:02 pm - DI 87)

**Citations Affected:** IC 36-4.

**Synopsis:** Annexation of fire protection district territory. Provides the following with regard to certain annexations that include property within a fire protection district (district) for which the annexation ordinance was adopted after December 31, 2020: (1) The annexation is effective at least 30 days after the annexation ordinance is adopted, published, and filed with state and county officials. (Under current law, with certain exceptions, an annexation of property within a district takes effect the second January 1 after the ordinance is adopted and filed with state and county officials.) (2) Exempts the municipality from provisions requiring the municipality to: (A) commence fire protection service to the annexed territory on the ordinance's effective date; and (B) notify the district within 10 days of commencing fire protection service to the annexed territory. Makes stylistic changes.

**Effective:** January 1, 2021 (retroactive); July 1, 2022.

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January 10, 2022, read first time and referred to Committee on Local Government.  
January 24, 2022, amended, reported favorably — Do Pass.

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SB 299—LS 6465/DI 87





January 25, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

## SENATE BILL No. 299

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 36-4-3-7, AS AMENDED BY P.L.236-2019,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2022]: Sec. 7. (a) After an ordinance is adopted under section  
4 3, 4, 5, or 5.1 of this chapter, it must be published in the manner  
5 prescribed by IC 5-3-1. Except as provided in subsection (b), (c), (d),  
6 or (f), in the absence of remonstrance and appeal under section 11 or  
7 15.5 of this chapter, the ordinance takes effect at least ninety (90) days  
8 after its publication and upon the filing required by section 22(a) of this  
9 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 July 1, 1987, and to which subsection (g) does not~~

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- 1 ~~apply~~. For the purposes of this section, territory that has been:  
 2 (1) added to an existing fire protection district under  
 3 IC 36-8-11-11; or  
 4 (2) approved by ordinance of the county legislative body to be  
 5 added to an existing fire protection district under IC 36-8-11-11,  
 6 notwithstanding that the territory's addition to the fire protection  
 7 district has not yet taken effect;  
 8 shall be considered a part of the fire protection district as of the date  
 9 that the fire protection district was originally established.
- 10 (d) **This subsection applies only to a fire protection district**  
 11 **established after July 1, 1987. This subsection does not apply to an**  
 12 **annexation under subsection (g).** Except as provided in subsection  
 13 (b), whenever a municipality annexes territory, all or part of which lies  
 14 within a fire protection district (IC 36-8-11), the annexation ordinance  
 15 (in the absence of remonstrance and appeal under section 11 or 15.5 of  
 16 this chapter) takes effect the second January 1 that follows the date the  
 17 ordinance is adopted and upon the filing required by section 22(a) of  
 18 this chapter. ~~Except in the case of an annexation to which subsection~~  
 19 ~~(g) applies;~~ The municipality shall:  
 20 (1) provide fire protection to that territory beginning the date the  
 21 ordinance is effective; and  
 22 (2) send written notice to the fire protection district of the date the  
 23 municipality will begin to provide fire protection to the annexed  
 24 territory within ten (10) days of the date the ordinance is adopted.
- 25 (e) **This subsection applies only to a fire protection district**  
 26 **established after July 1, 1987. This subsection does not apply to an**  
 27 **annexation under subsection (g).** If the fire protection district from  
 28 which a municipality annexes territory ~~under subsection (d)~~ is indebted  
 29 or has outstanding unpaid bonds or other obligations at the time the  
 30 annexation is effective, the municipality is liable for and shall pay that  
 31 indebtedness in the same ratio as the assessed valuation of the property  
 32 in the annexed territory (that is part of the fire protection district) bears  
 33 to the assessed valuation of all property in the fire protection district,  
 34 as shown by the most recent assessment for taxation before the  
 35 annexation, unless the assessed property within the municipality is  
 36 already liable for the indebtedness. The annexing municipality shall  
 37 pay its indebtedness under this section to the board of fire trustees. If  
 38 the indebtedness consists of outstanding unpaid bonds or notes of the  
 39 fire protection district, the payments to the board of fire trustees shall  
 40 be made as the principal or interest on the bonds or notes becomes due.
- 41 (f) This subsection applies to an annexation initiated by property  
 42 owners under section 5.1 of this chapter in which all property owners



1 within the area to be annexed petition the municipality to be annexed.  
 2 Subject to subsections (b) and (d), and in the absence of an appeal  
 3 under section 15.5 of this chapter, an annexation ordinance takes effect  
 4 at least thirty (30) days after its publication and upon the filing required  
 5 by section 22(a) of this chapter.

6 (g) Whenever a municipality annexes territory that lies within a fire  
 7 protection district that has a total net assessed value (as determined by  
 8 the county auditor) of more than one billion dollars (\$1,000,000,000)  
 9 on the date the annexation ordinance is adopted:

- 10 (1) the annexed area shall remain a part of the fire protection  
 11 district after the annexation takes effect; and  
 12 (2) the fire protection district shall continue to provide fire  
 13 protection services to the annexed area.

14 The municipality shall not tax the annexed territory for fire protection  
 15 services. The annexing municipality shall establish a special fire fund  
 16 for all fire protection services that are provided by the municipality  
 17 within the area of the municipality that is not within the fire protection  
 18 district, and which shall not be assessed to the annexed special taxing  
 19 district. The annexed territory that lies within the fire protection district  
 20 shall continue to be part of the fire protection district special taxing  
 21 district.

22 SECTION 2. IC 36-4-3-7.2 IS ADDED TO THE INDIANA CODE  
 23 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 24 **JANUARY 1, 2021 (RETROACTIVE)]: Sec. 7.2. (a) This section**  
 25 **applies to an annexation that satisfies all of the following:**

- 26 (1) **The annexation ordinance is adopted after December 31,**  
 27 **2020.**  
 28 (2) **The annexation is initiated by property owners under**  
 29 **section 5.1 of this chapter in which all property owners within**  
 30 **the annexation territory petition the municipality to be**  
 31 **annexed.**  
 32 (3) **All or part of the annexation territory is within a fire**  
 33 **protection district that was established after July 1, 1987.**  
 34 (4) **At least a majority of the members of the board of trustees**  
 35 **of the fire protection district adopt a resolution consenting to**  
 36 **the annexation.**  
 37 (5) **The portion of the annexation territory located within the**  
 38 **fire protection district constitutes less than three percent**  
 39 **(3%) of the total net assessed value (as determined by the**  
 40 **county auditor) of the fire protection district on the date the**  
 41 **annexation ordinance is adopted.**

42 (b) Section 7(b), 7(c), and 7(e) of this chapter apply to an



1 **annexation under this section.**  
2 **(c) Section 7(a), 7(d), 7(f), and 7(g) of this chapter do not apply**  
3 **to an annexation under this section.**  
4 **(d) After an annexation ordinance is adopted, the ordinance**  
5 **must be published in the manner prescribed by IC 5-3-1. In the**  
6 **absence of an appeal under section 15.5 of this chapter, the**  
7 **annexation ordinance takes effect at least thirty (30) days after its**  
8 **publication and upon the filing required by section 22(a) of this**  
9 **chapter.**  
10 **SECTION 3. An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 299, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, between lines 33 and 34, begin a new line block indented and insert:

**"(4) At least a majority of the members of the board of trustees of the fire protection district adopt a resolution consenting to the annexation."**

Page 3, line 34, delete "(4)" and insert "(5)".

and when so amended that said bill do pass.

(Reference is to SB 299 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 9, Nays 0.

