January 25, 2000

HOUSE BILL No. 1202

DIGEST OF HB 1202 (Updated January 20, 2000 5:11 PM - DI 94)

Citations Affected: IC 12-20.

Synopsis: Township poor relief. Provides for uniform poor relief distribution procedures for all townships. (Current law requires different procedures for townships having a population of less than 20,000.) Requires the township trustee to pay claims against the township for poor relief in the same manner that other claims against the township are paid. Eliminates county borrowing for township poor relief. Removes county oversight of township borrowing for poor relief.

Effective: January 1, 2001; January 1, 2002.

Stilwell, Saunders

January 10, 2000, read first time and referred to Committee on Local Government.
January 24, 2000, reported — Do Pass.

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January 25, 2000

Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

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HOUSE BILL No. 1202

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 12-20-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. (a) If a township trustee, as administrator of poor relief, grants poor relief to an indigent individual or to any other person or agency on a township poor relief order as provided by law or obligates the township for an item properly payable from poor relief money, the claim against the township must be:

(1) itemized and sworn to as provided by law;

(2) accompanied by the original township poor relief order, which must be itemized and signed; and

(3) checked with the records of the township trustee, as administrator of poor relief, and audited and certified by the township trustee.

~~(b) This subsection applies to a township having a population of less than twenty thousand (20,000). This subsection also applies to a township having a population of at least twenty thousand (20,000) that is not subject to subsection (c). After a poor relief claim is certified by~~

~~a township trustee under subsection (a), the poor relief claim, with the original township poor relief order attached, must be filed with the county auditor for payment in the following manner:~~

~~(1) The county auditor shall carefully audit the claim.~~

~~(2) If the claim is correct and has been properly approved by the township trustee as administrator of poor relief, the county auditor shall pay the claim from:~~

~~(A) any balance standing to the credit of the township against which the claim is filed; or~~

~~(B) any other available fund from which advancements can be made to the township for that purpose.~~

~~(3) The county auditor shall pay poor relief claims not less than one (1) time monthly when other county claims are usually paid.~~

~~(4) The county auditor, when authorized to pay claims directly to vendors, shall pay a claim within forty-five (45) days.~~

~~(c) This subsection applies to a township having a population of at least twenty thousand (20,000) where the board of commissioners of a county not containing a consolidated city or the city-county council of a county containing a consolidated city by resolution authorizes the township trustee to pay poor relief claims in the manner provided in this subsection. If a resolution is so adopted and if the township trustee agrees with this procedure, then~~

(b) The township trustee shall pay claims against the township for poor relief in the same manner that other claims against the township are paid. The township trustee, when authorized to pay claims directly to vendors, shall pay a claim within forty-five (45) days. The township trustee shall pay the claim from:

(1) any balance standing to the credit of the township against which the claim is filed; or

(2) from any other available fund from which advancements can be made to the township for that purpose.

SECTION 2. IC 12-20-20-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. ~~(a) This subsection applies to a township that is subject to section 1(b) of this chapter. If money is not available for the payment of poor relief claims under section 1 of this chapter, the board of commissioners shall at once notify the appropriate township trustee and township board of that fact. The township board may then appeal to borrow money under IC 12-20-24.~~

~~(b) This subsection applies to a township that is subject to section 1(c) of this chapter.~~ If money is not available for the payment of poor relief claims under section 1 of this chapter, the township board shall

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appeal to borrow money under IC 12-20-24.

~~(c) If the township board does not appeal to borrow money under IC 12-20-24 or if an appeal fails, the board of commissioners shall borrow money or otherwise provide the money. The county fiscal body shall promptly pass necessary ordinances and make the necessary appropriations to enable this to be done, after determining whether to borrow money by any of the following:~~

~~(1) A temporary loan against taxes levied and in the process of collection.~~

~~(2) The sale of county poor relief bonds or other county obligations.~~

~~(3) Any other lawful method of obtaining money for the payment of poor relief claims.~~

SECTION 3. IC 12-20-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. (a) A township trustee and township board may levy a specific tax for the purpose of providing money for the payment of poor relief expenses in the following year. The tax may be sufficient to meet the entire requirement of the township in the following year or the part that is determined to be proper.

(b) If

~~(1) a tax levy is established under IC 12-2-1-32 (before its repeal) or subsection (a); and~~

~~(2) the township is not subject to IC 12-20-20-1(c);~~

~~all proceeds derived from the tax levy shall be retained by the county treasurer and shall be credited by the county auditor to the township entitled to the credit. The proceeds of the tax levy are the property of the township levying the tax. The county and all officers of the county shall keep proceeds free and available for the payment of poor relief obligations of the township levying the tax. The funds are continuing funds and do not revert to any other fund at the end of the year.~~

~~(c) If:~~

~~(1)~~ a tax levy is established under ~~IC 12-2-1-32 (before its repeal) or~~ subsection (a), ~~and~~

~~(2) the township is subject to IC 12-20-20-1(c);~~

all proceeds derived from the tax levy shall be distributed to the township at the same time and in the same manner as proceeds from other property tax levies are distributed to the township. The proceeds of the tax levy shall be held by the township in its township poor relief account free and available for the payment of poor relief obligations of the township. The funds are continuing funds and do not revert to any other fund at the end of the year.

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SECTION 4. IC 12-20-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. (a) Copies of all township budgets for current poor relief shall, as finally adopted and approved, be placed on file in the office of the county auditor. If an additional appropriation for current poor relief is made by a township:

(1) a certified copy of the action of the township board in making the additional appropriation; and

(2) a certified copy of the order of the state board of tax commissioners approving the additional appropriation;

shall be filed in the office of the county auditor.

(b) A ~~county auditor or a~~ township trustee may not pay any poor relief order or claim in excess of the amount appropriated for current poor relief purposes, except as otherwise provided by law.

SECTION 5. IC 12-20-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. (a) In addition to the other methods of poor relief financing provided by this article, if

~~(1) a county auditor for a township that is subject to IC 12-20-20-1(b); or~~

~~(2)~~ a township trustee for a township ~~that is subject to IC 12-20-20-1(c);~~

determines that a particular township's poor relief account will be exhausted before the end of a fiscal year, ~~the county auditor or~~ the township trustee shall notify the township board of that determination.

(b) After receiving notice under subsection (a) that a township's poor relief account will be exhausted before the end of a fiscal year, the township board ~~may, if the township is subject to IC 12-20-20-1(b), and~~ shall ~~if the township is subject to IC 12-20-20-1(c),~~ appeal for the right to borrow money on a short term basis to fund poor relief services in the township. In the appeal the township board must do the following:

(1) Show that the amount of money contained in the township poor relief account will not be sufficient to fund services required to be provided within the township by this article.

(2) Show the amount of money that the board estimates will be needed to fund the deficit.

(3) Indicate a period, not to exceed five (5) years, during which the township would repay the loan.

SECTION 6. IC 12-20-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. An appeal under ~~IC 12-2-4.5-1 (before its repeal) or~~ section 1 of this chapter shall immediately be transmitted to the **state** board of **tax** commissioners. ~~Upon receipt of this request, the board of commissioners shall as soon~~

C o p y

~~as possible determine whether or not to loan the requested amount to the township board.~~

SECTION 7. IC 12-20-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5. (a) If upon appeal under ~~IC 12-2-4.5-4 (before its repeal) or~~ section ~~4~~ **2** of this chapter the state board of tax commissioners determines that a township board should be allowed to borrow money under ~~IC 12-2-4.5-4 (before its repeal) or~~ this chapter, the state board of tax commissioners shall order the ~~county auditor~~ **township trustee** to borrow the money from a financial institution on behalf of the township board and to deposit the money borrowed in the township's poor relief account.

(b) If upon appeal under ~~IC 12-2-4.5-4 (before its repeal) or~~ section ~~4~~ **2** of this chapter the state board of tax commissioners determines that the township board should not be allowed to borrow money, the board may not do so for that year.

SECTION 8. IC 12-20-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 6. If a loan is approved under ~~IC 12-2-4.5 (before its repeal) or~~ this chapter, the ~~board of commissioners, county council, or~~ state board of tax commissioners shall determine the period during which the township shall repay the loan. However, the period may not exceed five (5) years.

SECTION 9. IC 12-20-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 7. ~~A board of commissioners, a county council, or~~ The state board of tax commissioners may not do any of the following:

(1) Approve a request to borrow money made under ~~IC 12-2-4.5 (before its repeal) or~~ this chapter unless the body determines that the township's poor relief account will be exhausted before the account can fund all township obligations incurred under this article.

(2) Recommend or approve a loan that will exceed the estimated amount of the deficit.

SECTION 10. IC 12-20-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 8. (a) If a township board:

(1) appeals before August 1 for permission to borrow money;

(2) receives permission from the ~~board of commissioners, county council, or~~ state board of tax commissioners to borrow money before November 1 of that year; and

(3) borrows money under ~~IC 12-2-4.5 (before its repeal) or~~ this

C o p y

chapter;

the ~~county auditor~~ **township board** shall levy a property tax beginning in the next succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(b) If a township board:

(1) appeals after August 1 for permission to borrow money;

(2) receives permission from the ~~board of commissioners, county council, or~~ state board of tax commissioners to borrow money; and

(3) borrows money in the year of the appeal under ~~IC 12-2-4.5 (before its repeal) or~~ this chapter;

the ~~county auditor~~ **township board** shall levy a property tax beginning in the second succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The property taxes levied under ~~IC 12-2-4.5-8 (before its repeal) or~~ this section shall be retained by the ~~county treasurer~~ **township trustee** and applied by the ~~county auditor~~ **township trustee** to retire the debt.

SECTION 11. IC 12-20-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 9. A township board must make an additional appropriation before money borrowed under ~~IC 12-2-4.5 (before its repeal) or~~ this chapter may be spent.

SECTION 12. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2001]: IC 12-20-20-3; IC 12-20-21-2; IC 12-20-21-4; IC 12-20-21-5; IC 12-20-22-4; IC 12-20-23-1; IC 12-20-23-2; IC 12-20-23-3; IC 12-20-23-4; IC 12-20-23-5; IC 12-20-23-6; IC 12-20-23-7; IC 12-20-23-8; IC 12-20-23-9; IC 12-20-23-10; IC 12-20-23-11; IC 12-20-23-12; IC 12-20-23-13; IC 12-20-23-14; IC 12-20-23-15; IC 12-20-23-16; IC 12-20-23-18; IC 12-20-23-19; IC 12-20-24-3; IC 12-20-24-4; IC 12-20-25.

SECTION 13. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2002]: IC 12-20-21-1; IC 12-20-23-17; IC 12-20-23-20; IC 12-20-23-21.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1202, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

STEVENSON, Chair

Committee Vote: yeas 8, nays 0.

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