

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7978

BILL NUMBER: SB 638

NOTE PREPARED: Feb 14, 2005

BILL AMENDED: Feb 10, 2005

SUBJECT: Merger of Townships.

FIRST AUTHOR: Sen. Ford

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill allows township governments to merge upon the adoption of identical resolutions by the township boards (presented to the township boards by the township trustees) and an ordinance by the county legislative body. The bill also allows merged township governments to dissolve the merged government and be reestablished as separate governments upon adoption of an ordinance by the county legislative body.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill allows two or more townships to merge if each participating township adopts identical resolutions approving a merger. The resolutions are to be presented to the township legislative bodies by the township trustees, and may be adopted only after a public hearing conducted in accordance with IC 5-14-1.5. The county legislative body where the townships are located must adopt an ordinance ordering the merger. The county legislative body can not adopt an ordinance ordering a merger after January 1 of a year in which a general election is held and a township trustee is elected. The merger becomes effective when the officers of the new township are elected. The bill also provides procedures for dissolving a township government merger.

The merging of townships could reduce township expenses if there was a net reduction in personnel funded by

the new township. The savings would depend on the townships merged and expenditures of the old townships.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Townships, Counties.

Information Sources:

Fiscal Analyst: Valerie Ruda, 317-232-9867.