



April 1, 2011

**ENGROSSED  
HOUSE BILL No. 1357**

DIGEST OF HB 1357 (Updated March 31, 2011 8:59 am - DI 87)

**Citations Affected:** IC 5-11; IC 6-1.1; IC 6-9; IC 12-20; IC 36-1; IC 36-1.5; IC 36-4; IC 36-6; IC 36-7.

**Synopsis:** Local government matters. Changes the membership of the convention and visitor bureau in Lake County. Provides that the resolution or petition initiating a local government reorganization must specify the date of the election on the public question concerning the proposed reorganization. Requires the reorganization plan prepared by a reorganization committee under the government reorganization statutes to include a fiscal impact analysis and specifies the required contents of the fiscal impact analysis. Requires a reorganization committee to submit the fiscal impact analysis to the department of local government finance (DLGF) at least six months before the election in which the public question will be on the ballot. Requires the DLGF to do the following within a reasonable period of time, but not later than 30 days before the public question: (1) Review the fiscal impact analysis. (2) Make any comments concerning the fiscal impact analysis that the department considers appropriate. (3) Provide comments to the legislative body of the reorganizing political  
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**Effective:** Upon passage; July 1, 2011.

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(SENATE SPONSORS — LAWSON C, KENLEY)

January 18, 2011, read first time and referred to Committee on Government and Regulatory Reform.

February 15, 2011, reported — Do Pass.

February 17, 2011, read second time, ordered engrossed. Engrossed.

February 21, 2011, read third time, passed. Yeas 99, nays 0.

**SENATE ACTION**

February 22, 2011, read first time and referred to Committee on Local Government.

March 31, 2011, amended, reported favorably — Do Pass.

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subdivisions and post the comments on the DLGF's Internet web site. Requires the reorganizing political subdivisions to pay the expenses incurred by the DLGF in carrying out the review and preparing the comments. Provides that certification of a public question on a proposed local government reorganization must occur as required for other public questions under the election law. Allows a special election to be held on a public question concerning a proposed government reorganization if: (1) a general or municipal election will not be held in all of the precincts of the reorganizing political subdivisions during the first year in which the public question is eligible to be placed on the ballot; and (2) the reorganizing political subdivisions request the special election and agree to pay the costs of holding the special election. Provides that the special election will be held on the first Tuesday after the first Monday in November of the year. Provides in the case of a proposed reorganization between a municipality and a township that is not entirely located within the township: (1) the voters who reside within the municipality and do not also reside within the township shall be included only in the tally of votes for the municipality and shall not be included in the tally of votes for the township; and (2) the voters who reside within the township and also reside within the municipality shall be included only in the tally of votes for the township and shall not be included in the tally of votes for the municipality. Provides that a political subdivision may not take certain actions within a reorganizing political subdivision after the date a plan of reorganization is finally adopted by all reorganizing political subdivisions except in the following circumstances: (1) All reorganizing political subdivisions agree to allow the action by adopting identical resolutions. (2) The plan is rejected by voters in a referendum. (3) The plan is approved by voters and the earlier of the following occurs: (A) The plan is implemented. (B) One year has elapsed from the date the plan has been approved. Provides that a unit consisting of two or more townships and at least one municipality that have reorganized under the government reorganization statutes may exercise park and recreation powers if the unit's plan of reorganization authorizes the unit to exercise those powers. Specifies that such a unit may determine: (1) the number of members to be appointed to the unit's park and recreation board; (2) the person or entity that shall appoint or remove those members; (3) any required qualifications for those members; and (4) the terms of those members. Provides that such a unit may exercise planning and zoning power if the unit's plan of reorganization authorizes the unit to do so. Allows the legislative body of such a unit to establish an advisory plan commission and a board of zoning appeals to exercise planning and zoning functions within the unit. Provides that notwithstanding the statute setting out the classification of municipalities, for purposes of local government administration a municipality reorganized under the local government reorganization statutes may, subject to the approval of the department of local government finance: (1) be classified and described as set forth in the reorganization plan; and (2) maintain characteristics of any of the reorganizing political subdivisions. Reconciles two conflicting versions of the municipal classification statute. Requires a town legislative body to adopt a resolution not later than 30 days after a petition is filed for a referendum on changing the town into a city. Provides that the date of the referendum must not be later than the date of the next general or municipal election, whichever is earlier, at which a question may be placed on the ballot. Provides that with regard to a petition filed before July 1, 2011, for which a referendum has not been conducted, the referendum must be held at the municipal election in November 2011. Requires the first election of city officers to be held on the earlier of the date of the next general election or a municipal election following the date of the referendum. Provides that for township budgets adopted for 2012 and thereafter in a county other than Marion County: (1) a

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township must have the township's budget, property tax levies and rate reviewed and approved by the county fiscal body; and (2) the county fiscal body may reduce and modify but not increase the budget submitted by the township board in formulating the final proposed township budget, levies, and rate. Requires in formulating an annual township budget for a township in a county other than Marion County, that consideration be given to the ending balance that will remain in each township fund relative to: (1) the budgeted expenditures from the fund; (2) the fund balance that must be maintained by the township due to delayed property tax collections; and (3) the amount of tax anticipation notes or warrants or other obligations incurred by the township due to delayed property tax collections. Provides if the township board or the county fiscal body in a county other than Marion County determines that the ending balance in a township fund is excessive (after considering certain specified factors), the township board shall transfer the excessive amount to the township's levy excess fund. Specifies that for township budgets for 2012 and thereafter in a county other than Marion County, the total amount appropriated for a particular year may not exceed the result of: (1) the total amount appropriated for the previous year; multiplied by (2) the assessed value growth quotient applicable to the township for the particular year. Provides that in a county other than Marion County if: (1) a township board determines after a public hearing that the township cannot carry out its governmental functions for a year under these appropriation limitations; and (2) the county fiscal body approves the appeal; the township board may appeal to the department of local government finance for relief from the appropriation limitations for the year. After December 31, 2012, requires the following with regard to a county other than Marion County: (1) The township board and county fiscal body must consider the township's capital improvement plan with regard to a cumulative building fund or capital improvement fund. (2) The department of local government finance must consider the capital improvement plan when reviewing a township's budget, tax rate, and tax levy. (3) A township may only collect property taxes for a capital improvement fund in a particular year, if the township trustee prepares and the county fiscal body approves a proposed or amended capital improvement plan in the immediately preceding year. Provides that if a township reorganizes with at least one other township, and the resulting new political subdivision is not a city or town, after June 30, 2011, the county fiscal body must approve the budget, property tax levies, and property tax rates of the new political subdivision. Establishes a township assistance planning board (board) in each county other than Marion County to do the following: (1) Prepare a county plan (plan) for creating countywide township assistance standards. (2) Annually review and update the county's township assistance standards. In a county other than Marion County: (1) requires the plan and township assistance standards to be adopted by the county legislative body; and (2) requires the county legislative body to adopt the township's standards for the issuance of township assistance not later than March 31 of each calendar year. Provides that the initial standards must be adopted not later than July 1, 2012, and are effective January 1, 2013. Provides that if the township assistance planning board fails to adopt township standards for the two calendar years preceding the ensuing calendar year, the department of local government finance may not approve the township budget and levy. Requires the office of management and budget to annually prepare a report that includes certain information regarding all townships. Requires the report to be submitted to the executive director of the legislative services agency and to county councils. Specifies that each township office must include the address, phone number, and regular office hours (if any) of the township office in at least one local telephone directory. Requires a public meeting or a public hearing of

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a township official or governing body to be held in a public place. Requires a township trustee's annual report to list separately each expenditure that is made to reimburse the township trustee for the township trustee's use of tangible property (real and personal property) for public business, including any reimbursements made for the use of a private residence, personal telephone, or personal vehicle for public business. Specifies that the annual report of a township in a county other than Marion County must be filed with the state board of accounts not later than March 1 of each fiscal year. Provides that if a trustee does not: (1) accept a completed application for township assistance; or (2) grant or deny a completed application for township assistance within the period required by statute; the application is considered denied, and the denial may be appealed to the board of county commissioners. Provides that the department of local government finance may not approve the budget or any additional appropriations of a township in a county other than Marion County that fails to file: (1) an annual fiscal report; or (2) a personnel report; for the preceding year. Provides that after December 31, 2011, the total compensation and benefits paid to a township board member of a township in a county other than Marion County may not exceed \$2,000 per year and per diem may not exceed \$100 for each day the board member is engaged in board activities. Requires all township trustees (instead of just certain trustees) to maintain a telephone answering service and respond to a telephone inquiry for township assistance services not more than 24 hours, excluding Saturdays, Sundays, and legal holidays, after receiving the inquiry. Provides the following with regard to townships in counties other than Marion County: (1) Provides that a township legislative body may allow a claim only at a meeting of the township legislative body. (2) Allows a township legislative body to adopt a resolution allowing for payment of certain claims by the township trustee in advance of township legislative body allowance. (3) Allows a trustee to pay township assistance claims in advance of township legislative body allowance. (4) Requires the township legislative body to review and allow the claims at its next regular or special meeting following the preapproved payment of the claim. Provides that if a reorganization involving a township is not completed by July 1, 2011, various statutory provisions concerning the administration or operation of the township apply to the township involved in the reorganization.

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April 1, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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## ENGROSSED HOUSE BILL No. 1357

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 5-11-1-4, AS AMENDED BY P.L.176-2009,  
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2011]: Sec. 4. (a) The state examiner shall require from every  
4 municipality and every state or local governmental unit, entity, or  
5 instrumentality financial reports covering the full period of each fiscal  
6 year. These reports shall be prepared, verified, and filed with the state  
7 examiner not later than sixty (60) days after the close of each fiscal  
8 year. The reports must be filed electronically, in a manner prescribed  
9 by the state examiner that is compatible with the technology employed  
10 by the political subdivision.

11 (b) **This subsection applies only to a township in a county not**  
12 **having a consolidated city. A report for a township shall be**  
13 **prepared, verified, and filed with the state examiner not later than**  
14 **March 1 of each year. The filing date of a report is the date the**  
15 **report is received by the state examiner and not the date that the**

EH 1357—LS 6649/DI 73+



1 report is processed by the state examiner. The department of local  
2 government finance may not approve the budget or any additional  
3 appropriations of a township in a county not having a consolidated  
4 city that fails to file a report for the preceding fiscal year.

5 SECTION 2. IC 5-11-1-27 IS ADDED TO THE INDIANA CODE  
6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
7 1, 2011]: Sec. 27. (a) The office of management and budget shall  
8 annually prepare a report that includes the following information  
9 for each township for the preceding calendar year:

- 10 (1) The population of the township.
- 11 (2) The budget, property tax levies, and property tax rates
- 12 adopted by the township and approved by the department of
- 13 local government finance.
- 14 (3) The assessed valuation in the township used to determine
- 15 property taxes first due and payable in the preceding calendar
- 16 year.
- 17 (4) The balance in each township fund as of the end of the
- 18 preceding calendar year.
- 19 (5) A summary of the township assistance information
- 20 submitted by the township trustee under IC 12-20-28-3.
- 21 (6) A summary of any statutory compliance issues or
- 22 exceptions noted by the state board of accounts in its
- 23 examination report for the township for the preceding
- 24 calendar year.
- 25 (7) A description of any interlocal agreements in effect
- 26 concerning the township's functions and duties.
- 27 (8) A description of any resolutions or petitions concerning
- 28 the township that were adopted or submitted under IC 36-1.5
- 29 (government modernization) during the preceding calendar
- 30 year.
- 31 (9) A description of the property owned or leased by the
- 32 township.

33 (b) To the extent that the information required by subsection (a)  
34 has not been previously submitted to or certified by the office of  
35 management and budget or the department of local government  
36 finance, a township shall submit the information to the office of  
37 management and budget in an electronic format on a schedule  
38 established by the office of management and budget.

39 (c) The office of management and budget shall do the following  
40 before July 1 of each year:

- 41 (1) Submit a copy of the report prepared under subsection (a)
- 42 to the executive director of the legislative services agency in

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**an electronic format under IC 5-14-6.**  
**(2) Submit to the county council of each county a copy of the information compiled in the report for each township within the county.**

SECTION 3. IC 5-11-13-1, AS AMENDED BY P.L.169-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. **(a)** Every state, county, city, town, township, or school official, elective or appointive, who is the head of or in charge of any office, department, board, or commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution, shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year. **The filing date of a report is the date the report is received by the state examiner and not the date that the report is processed by the state examiner.**

**(b) This subsection applies only to a township in a county not having a consolidated city. If a township fails to file a report under this section for the preceding year, the department of local government finance may not approve the budget or any additional appropriations of the township.**

SECTION 4. IC 6-1.1-17-2, AS AMENDED BY P.L.1-2006, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds

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1 to be received from the state or the federal government for:

2 (1) township assistance;

3 (2) unemployment relief;

4 (3) old age pensions; or

5 (4) other funds which may at any time be made available under

6 "The Economic Security Act" or under any other federal act

7 which provides for civil and public works projects.

8 (b) When formulating an annual budget estimate, the proper officers

9 of a political subdivision shall prepare an estimate of the amount of

10 revenue that the political subdivision will receive under a development

11 agreement (as defined in IC 36-1-8-9.5) for and during the budget year

12 for which the budget is being formulated. Revenue received under a

13 development agreement may not be used to reduce the political

14 subdivision's maximum levy under IC 6-1.1-18.5 but may be used at

15 the discretion of the political subdivision to reduce the property tax

16 levy of the political subdivision for a particular year.

17 **(c) This subsection applies only to a county not having a**

18 **consolidated city. When formulating a proposed annual budget**

19 **estimate, the township trustee and the township board shall**

20 **consider the following:**

21 **(1) The ending balance that will remain in each township fund**

22 **relative to:**

23 **(A) the budgeted expenditures from the fund;**

24 **(B) the fund balance that must be maintained by the**

25 **township on account of actual or anticipated delayed**

26 **property tax billing, collection, or distribution; and**

27 **(C) the amount of tax anticipation notes or warrants or**

28 **other obligations incurred by the township on account of**

29 **delayed property tax billing, collection, or distribution.**

30 **(2) Whether the ending balance remaining in each township**

31 **fund is excessive and should be used to reduce property tax**

32 **levies. The factors described in subdivision (1) shall be**

33 **considered in determining whether an ending balance in a**

34 **township fund is excessive. If:**

35 **(A) the township board; or**

36 **(B) the county fiscal body in reviewing the township budget**

37 **and levies under section 20.2 of this chapter;**

38 **determines under this subdivision that the ending balance in**

39 **a township fund is excessive, the township board shall transfer**

40 **the excessive amount to the township's levy excess fund.**

41 **(3) After December 31, 2012, with regard to a township**

42 **capital improvement fund or cumulative building fund, the**

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1            **township capital improvement plan prepared under**  
2            **IC 36-6-10.**

3            SECTION 5. IC 6-1.1-17-3, AS AMENDED BY P.L.182-2009(ss),  
4            SECTION 114, IS AMENDED TO READ AS FOLLOWS  
5            [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) The proper officers of a  
6            political subdivision shall formulate its estimated budget and its  
7            proposed tax rate and tax levy on the form prescribed by the  
8            department of local government finance and approved by the state  
9            board of accounts. The political subdivision shall give notice by  
10           publication to taxpayers of:

- 11            (1) the estimated budget;
- 12            (2) the estimated maximum permissible levy;
- 13            (3) the current and proposed tax levies of each fund; and
- 14            (4) the amounts of excessive levy appeals to be requested.

15           In the notice, the political subdivision shall also state the time and  
16           place at which a public hearing will be held on these items. The notice  
17           shall be published twice in accordance with IC 5-3-1 with the first  
18           publication at least ten (10) days before the date fixed for the public  
19           hearing. Beginning in 2009, the duties required by this subsection must  
20           be completed before September 10 of the calendar year.

21           (b) The board of directors of a solid waste management district  
22           established under IC 13-21 or IC 13-9.5-2 (before its repeal) may  
23           conduct the public hearing required under subsection (a):

- 24            (1) in any county of the solid waste management district; and
- 25            (2) in accordance with the annual notice of meetings published  
26            under IC 13-21-5-2.

27           (c) The trustee of each township in the county shall estimate the  
28           amount necessary to meet the cost of township assistance in the  
29           township for the ensuing calendar year. The township board **and, in the**  
30           **case of a county not having a consolidated city, the county fiscal**  
31           **body** shall adopt with the township budget a tax rate sufficient to meet  
32           the estimated cost of township assistance. The taxes collected as a  
33           result of the tax rate adopted under this subsection are credited to the  
34           township assistance fund.

35           (d) This subsection expires January 1, 2009. A county shall adopt  
36           with the county budget and the department of local government finance  
37           shall certify under section 16 of this chapter a tax rate sufficient to raise  
38           the levy necessary to pay the following:

- 39            (1) The cost of child services (as defined in IC 12-19-7-1, **before**  
40            **its repeal**) of the county payable from the family and children's  
41            fund.
- 42            (2) The cost of children's psychiatric residential treatment

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1 services (as defined in IC 12-19-7.5-1, **before its repeal**) of the  
2 county payable from the children's psychiatric residential  
3 treatment services fund.

4 A budget, tax rate, or tax levy adopted by a county fiscal body or  
5 approved or modified by a county board of tax adjustment that is less  
6 than the levy necessary to pay the costs described in subdivision (1) or  
7 (2) shall not be treated as a final budget, tax rate, or tax levy under  
8 section 11 of this chapter.

9 (e) **This subsection applies only to a county not having a**  
10 **consolidated city. Beginning with budgets adopted for 2012 and**  
11 **thereafter, a township must have the township's budget and**  
12 **property tax levy reviewed and approved by the county fiscal body**  
13 **under section 20.2 of this chapter.**

14 (f) **This subsection applies only to a county not having a**  
15 **consolidated city. The following apply to township budgets adopted**  
16 **for 2012 and thereafter:**

17 (1) **Except as provided in subdivision (2), the total amount**  
18 **appropriated by the township board for a particular year**  
19 **(including any additional appropriations made for that year)**  
20 **may not exceed the result of:**

21 (A) **the total amount appropriated for the previous year**  
22 **(including any additional appropriations made for that**  
23 **year); multiplied by**

24 (B) **the assessed value growth quotient determined under**  
25 **IC 6-1.1-18.5-2 and applicable to the township for the**  
26 **particular year.**

27 (2) **The township board may appeal before October 20 of the**  
28 **current year to the department of local government finance**  
29 **for relief from the appropriation limitations for the ensuing**  
30 **year, if:**

31 (A) **the township board determines after a public hearing**  
32 **that the township cannot carry out its governmental**  
33 **functions for a year under the appropriation limitations**  
34 **imposed by subdivision (1); and**

35 (B) **the appeal is reviewed and approved by the county**  
36 **fiscal body under the procedures of section 20.2 of this**  
37 **chapter.**

38 **In the appeal, the township board must state that the**  
39 **township will be unable to carry out the governmental**  
40 **functions committed to it by law unless the township is given**  
41 **relief from the appropriation limits. The township board must**  
42 **support the appeal by reasonably detailed statements of fact.**

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1           **The department of local government finance shall review the**  
 2           **merits of the appeal. If the department of local government**  
 3           **finance determines after reviewing the appeal that the**  
 4           **township cannot carry out its governmental functions for a**  
 5           **year under the appropriation limitations imposed by**  
 6           **subdivision (1), the department of local government finance**  
 7           **may grant relief from those appropriation limitations in the**  
 8           **manner determined to be appropriate by the department of**  
 9           **local government finance.**

10           SECTION 6. IC 6-1.1-17-3.5, AS AMENDED BY  
 11           P.L.182-2009(ss), SECTION 115, IS AMENDED TO READ AS  
 12           FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3.5. (a) This section  
 13           does not apply to civil taxing units located in a county in which a  
 14           county board of tax adjustment reviews budgets, tax rates, and tax  
 15           levies. This section does not apply to a civil taxing unit that has its  
 16           proposed budget and proposed property tax levy approved under  
 17           section 20 of this chapter or IC 36-3-6-9. **Beginning with budgets**  
 18           **adopted for 2012 and thereafter, this section does not apply to a**  
 19           **township that has the township's budget and property tax levy**  
 20           **reviewed and approved by the county fiscal body under section**  
 21           **20.2 of this chapter.**

22           (b) This section applies to a civil taxing unit other than a county. If  
 23           a civil taxing unit will impose property taxes due and payable in the  
 24           ensuing calendar year, the civil taxing unit shall file with the fiscal  
 25           body of the county in which the civil taxing unit is located:

- 26           (1) a statement of the proposed or estimated tax rate and tax levy  
 27           for the civil taxing unit for the ensuing budget year; and  
 28           (2) a copy of the civil taxing unit's proposed budget for the  
 29           ensuing budget year.

30           (c) In the case of a civil taxing unit located in more than one (1)  
 31           county, the civil taxing unit shall file the information under subsection  
 32           (b) with the fiscal body of the county in which the greatest part of the  
 33           civil taxing unit's net assessed valuation is located.

34           (d) A civil taxing unit must file the information under subsection (b)  
 35           at least forty-five (45) days before the civil taxing unit fixes its tax rate  
 36           and tax levy and adopts its budget under this chapter.

37           (e) A county fiscal body shall complete the following at least fifteen  
 38           (15) days before the civil taxing unit fixes its tax rate and tax levy and  
 39           adopts its budget under this chapter:

- 40           (1) Review any proposed or estimated tax rate or tax levy or  
 41           proposed budget filed by a civil taxing unit with the county fiscal  
 42           body under this section.

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1 (2) Issue a nonbinding recommendation to a civil taxing unit  
 2 regarding the civil taxing unit's proposed or estimated tax rate or  
 3 tax levy or proposed budget.  
 4 (f) The recommendation under subsection (e) must include a  
 5 comparison of any increase in the civil taxing unit's budget or tax levy  
 6 to:  
 7 (1) the average increase in Indiana nonfarm personal income for  
 8 the preceding six (6) calendar years and the average increase in  
 9 nonfarm personal income for the county for the preceding six (6)  
 10 calendar years; and  
 11 (2) increases in the budgets and tax levies of other civil taxing  
 12 units in the county.  
 13 (g) The department of local government finance must provide each  
 14 county fiscal body with the most recent available information  
 15 concerning increases in Indiana nonfarm personal income and  
 16 increases in county nonfarm personal income.  
 17 (h) If a civil taxing unit fails to file the information required by  
 18 subsection (b) with the fiscal body of the county in which the civil  
 19 taxing unit is located by the time prescribed in subsection (d), the most  
 20 recent annual appropriations and annual tax levy of that civil taxing  
 21 unit are continued for the ensuing budget year.  
 22 (i) If a county fiscal body fails to complete the requirements of  
 23 subsection (e) before the deadline in subsection (e) for any civil taxing  
 24 unit subject to this section, the most recent annual appropriations and  
 25 annual tax levy of the county are continued for the ensuing budget year.  
 26 SECTION 7. IC 6-1.1-17-5, AS AMENDED BY P.L.111-2010,  
 27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2011]: Sec. 5. (a) The officers of political subdivisions shall  
 29 meet each year to fix the budget, tax rate, and tax levy of their  
 30 respective subdivisions for the ensuing budget year as follows:  
 31 (1) The board of school trustees of a school corporation that is  
 32 located in a city having a population of more than one hundred  
 33 five thousand (105,000) but less than one hundred twenty  
 34 thousand (120,000), not later than:  
 35 (A) the time required in section 5.6(b) of this chapter; or  
 36 (B) November 1 if a resolution adopted under section 5.6(d) of  
 37 this chapter is in effect.  
 38 (2) The proper officers of all other political subdivisions that are  
 39 not school corporations, not later than November 1.  
 40 (3) The governing body of a school corporation (other than a  
 41 school corporation described in subdivision (1)) that elects to  
 42 adopt a budget under section 5.6 of this chapter for budget years

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1 beginning after June 30, 2011, not later than the time required  
 2 under section 5.6(b) of this chapter for budget years beginning  
 3 after June 30, 2011.

4 (4) The governing body of a school corporation that is not  
 5 described in subdivision (1) or (3), not later than November 1.  
 6 Except in a consolidated city and county and in a second class city, the  
 7 public hearing required by section 3 of this chapter must be completed  
 8 at least ten (10) days before the proper officers of the political  
 9 subdivision meet to fix the budget, tax rate, and tax levy. In a  
 10 consolidated city and county and in a second class city, that public  
 11 hearing, by any committee or by the entire fiscal body, may be held at  
 12 any time after introduction of the budget. **Beginning with budgets**  
 13 **adopted for 2012 and thereafter, in a county not having a**  
 14 **consolidated city, the county fiscal body shall review and approve**  
 15 **the budget, tax rate, and tax levy for each township in the county**  
 16 **under section 20.2 of this chapter.**

17 (b) Ten (10) or more taxpayers may object to a budget, tax rate, or  
 18 tax levy of a political subdivision fixed under subsection (a) by filing  
 19 an objection petition with the proper officers of the political  
 20 subdivision not more than seven (7) days after the hearing. The  
 21 objection petition must specifically identify the provisions of the  
 22 budget, tax rate, and tax levy to which the taxpayers object.

23 (c) If a petition is filed under subsection (b), the fiscal body of the  
 24 political subdivision shall adopt with its budget a finding concerning  
 25 the objections in the petition and any testimony presented at the  
 26 adoption hearing.

27 (d) This subsection does not apply to a school corporation. Each  
 28 year at least two (2) days before the first meeting of the county board  
 29 of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall  
 30 file with the county auditor:

31 (1) a statement of the tax rate and levy fixed by the political  
 32 subdivision for the ensuing budget year;  
 33 (2) two (2) copies of the budget adopted by the political  
 34 subdivision for the ensuing budget year; and  
 35 (3) two (2) copies of any findings adopted under subsection (c).

36 Each year the county auditor shall present these items to the county  
 37 board of tax adjustment at the board's first meeting under  
 38 IC 6-1.1-29-4.

39 (e) In a consolidated city and county and in a second class city, the  
 40 clerk of the fiscal body shall, notwithstanding subsection (d), file the  
 41 adopted budget and tax ordinances with the county board of tax  
 42 adjustment within two (2) days after the ordinances are signed by the

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1 executive, or within two (2) days after action is taken by the fiscal body  
2 to override a veto of the ordinances, whichever is later.

3 (f) If a fiscal body does not fix the budget, tax rate, and tax levy of  
4 the political subdivisions for the ensuing budget year as required under  
5 this section, the most recent annual appropriations and annual tax levy  
6 are continued for the ensuing budget year.

7 SECTION 8. IC 6-1.1-17-16, AS AMENDED BY P.L.182-2009(ss),  
8 SECTION 123, IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) Subject to the limitations  
10 and requirements prescribed in this section, the department of local  
11 government finance may revise, reduce, or increase a political  
12 subdivision's budget by fund, tax rate, or tax levy which the department  
13 reviews under section 8 or 10 of this chapter. **When reviewing a**  
14 **budget, tax rate, and tax levy of a township in a county not having**  
15 **a consolidated city, the department of local government finance**  
16 **shall consider the issues described in section 2(c) of this chapter.**

17 (b) Subject to the limitations and requirements prescribed in this  
18 section, the department of local government finance may review,  
19 revise, reduce, or increase the budget by fund, tax rate, or tax levy of  
20 any of the political subdivisions whose tax rates compose the aggregate  
21 tax rate within a political subdivision whose budget, tax rate, or tax  
22 levy is the subject of an appeal initiated under this chapter.

23 (c) Except as provided in subsections (j) and (k), before the  
24 department of local government finance reviews, revises, reduces, or  
25 increases a political subdivision's budget by fund, tax rate, or tax levy  
26 under this section, the department must hold a public hearing on the  
27 budget, tax rate, and tax levy. The department of local government  
28 finance shall hold the hearing in the county in which the political  
29 subdivision is located. The department of local government finance  
30 may consider the budgets by fund, tax rates, and tax levies of several  
31 political subdivisions at the same public hearing. At least five (5) days  
32 before the date fixed for a public hearing, the department of local  
33 government finance shall give notice of the time and place of the  
34 hearing and of the budgets by fund, levies, and tax rates to be  
35 considered at the hearing. The department of local government finance  
36 shall publish the notice in two (2) newspapers of general circulation  
37 published in the county. However, if only one (1) newspaper of general  
38 circulation is published in the county, the department of local  
39 government finance shall publish the notice in that newspaper.

40 (d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5,  
41 the department of local government finance may not increase a political  
42 subdivision's budget by fund, tax rate, or tax levy to an amount which

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1 exceeds the amount originally fixed by the political subdivision.  
 2 However, if the department of local government finance determines  
 3 that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the  
 4 political subdivision, the maximum amount by which the department  
 5 may increase the tax rate, tax levy, or budget is the amount originally  
 6 fixed by the political subdivision, and not the amount that was  
 7 incorrectly published or omitted in the notice described in  
 8 IC 5-3-1-2.3(b). The department of local government finance shall give  
 9 the political subdivision written notification specifying any revision,  
 10 reduction, or increase the department proposes in a political  
 11 subdivision's tax levy or tax rate. The political subdivision has ten (10)  
 12 calendar days from the date the political subdivision receives the notice  
 13 to provide a written response to the department of local government  
 14 finance's Indianapolis office. The response may include budget  
 15 reductions, reallocation of levies, a revision in the amount of  
 16 miscellaneous revenues, and further review of any other item about  
 17 which, in the view of the political subdivision, the department is in  
 18 error. The department of local government finance shall consider the  
 19 adjustments as specified in the political subdivision's response if the  
 20 response is provided as required by this subsection and shall deliver a  
 21 final decision to the political subdivision.

22 (e) The department of local government finance may not approve a  
 23 levy for lease payments by a city, town, county, library, or school  
 24 corporation if the lease payments are payable to a building corporation  
 25 for use by the building corporation for debt service on bonds and if:

- 26 (1) no bonds of the building corporation are outstanding; or
- 27 (2) the building corporation has enough legally available funds on  
 28 hand to redeem all outstanding bonds payable from the particular  
 29 lease rental levy requested.

30 (f) The department of local government finance shall certify its  
 31 action to:

- 32 (1) the county auditor;
- 33 (2) the political subdivision if the department acts pursuant to an  
 34 appeal initiated by the political subdivision;
- 35 (3) the taxpayer that initiated an appeal under section 13 of this  
 36 chapter, or, if the appeal was initiated by multiple taxpayers, the  
 37 first ten (10) taxpayers whose names appear on the statement filed  
 38 to initiate the appeal; and
- 39 (4) a taxpayer that owns property that represents at least ten  
 40 percent (10%) of the taxable assessed valuation in the political  
 41 subdivision.

42 (g) The following may petition for judicial review of the final

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1 determination of the department of local government finance under  
2 subsection (f):

3 (1) If the department acts under an appeal initiated by a political  
4 subdivision, the political subdivision.

5 (2) If the department:

6 (A) acts under an appeal initiated by one (1) or more taxpayers  
7 under section 13 of this chapter; or

8 (B) fails to act on the appeal before the department certifies its  
9 action under subsection (f);

10 a taxpayer who signed the statement filed to initiate the appeal.

11 (3) If the department acts under an appeal initiated by the county  
12 auditor under section 14 of this chapter, the county auditor.

13 (4) A taxpayer that owns property that represents at least ten  
14 percent (10%) of the taxable assessed valuation in the political  
15 subdivision.

16 The petition must be filed in the tax court not more than forty-five (45)  
17 days after the department certifies its action under subsection (f).

18 (h) The department of local government finance is expressly  
19 directed to complete the duties assigned to it under this section not later  
20 than February 15th of each year for taxes to be collected during that  
21 year.

22 (i) Subject to the provisions of all applicable statutes, the  
23 department of local government finance may increase a political  
24 subdivision's tax levy to an amount that exceeds the amount originally  
25 fixed by the political subdivision if the increase is:

26 (1) requested in writing by the officers of the political  
27 subdivision;

28 (2) either:

29 (A) based on information first obtained by the political  
30 subdivision after the public hearing under section 3 of this  
31 chapter; or

32 (B) results from an inadvertent mathematical error made in  
33 determining the levy; and

34 (3) published by the political subdivision according to a notice  
35 provided by the department.

36 (j) The department of local government finance shall annually  
37 review the budget by fund of each school corporation not later than  
38 April 1. The department of local government finance shall give the  
39 school corporation written notification specifying any revision,  
40 reduction, or increase the department proposes in the school  
41 corporation's budget by fund. A public hearing is not required in  
42 connection with this review of the budget.

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1 (k) The department of local government finance may hold a hearing  
2 under subsection (c) only if the notice required in section 12 of this  
3 chapter is published at least ten (10) days before the date of the  
4 hearing.

5 SECTION 9. IC 6-1.1-17-16.2 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2011]: **Sec. 16.2. This section applies only to**  
8 **a township in a county not having a consolidated city. The**  
9 **department of local government finance may not approve the**  
10 **budget or any additional appropriations of a township that fails to**  
11 **file a report required under IC 5-11-1-4 or IC 5-11-13-1 in the**  
12 **preceding calendar year, unless the township did not exist as of**  
13 **March 1 of the calendar year preceding the ensuing calendar year**  
14 **by two (2). However, this section applies to a township that is the**  
15 **successor to another township or the result of a consolidation or**  
16 **merger of one (1) or more townships, if an annual report under**  
17 **IC 5-11-1-4 has not been filed for each predecessor township.**

18 SECTION 10. IC 6-1.1-17-20.2 IS ADDED TO THE INDIANA  
19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2011]: **Sec. 20.2. (a) This section applies only**  
21 **in a county not having a consolidated city.**

22 (b) This section applies only to township budgets and property  
23 tax levies for 2012 and thereafter.

24 (c) After a township legislative body has adopted the township's  
25 budget under IC 36-6-6-11, the township legislative body must  
26 submit the township's budget and property tax levies to the county  
27 fiscal body of the county in which the township is located. The  
28 county fiscal body shall review the township's budget and property  
29 tax levies and adopt a final budget and final property tax levies for  
30 the township. The county fiscal body shall consider the matters in  
31 section 2(c) of this chapter in reviewing the township's budget and  
32 levies. The county fiscal body may reduce or modify but not  
33 increase the township's budget and property tax levies. The county  
34 shall submit the budget, tax rate, and tax levy in the manner  
35 prescribed by the department of local government finance.

36 (d) The county shall hold the public hearing on its review of the  
37 budgets and tax levies of each township. The county shall give  
38 notice of the hearing as follows:

- 39 (1) The county shall publish notice under IC 5-3-1.  
40 (2) The county shall provide notice by mail to each township  
41 trustee and member of the township legislative body. The  
42 hearing date must be at least ten (10) days after the date the

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**notice is mailed.**

SECTION 11. IC 6-1.1-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

- (1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or
- (2) revenue from property taxes levied under IC 6-1.1;

the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

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1 (g) In making the determination under subsection (f), the  
2 department of local government finance shall limit the amount of the  
3 additional appropriation to revenues available, or to be made available,  
4 which have not been previously appropriated.

5 (h) If the department of local government finance disapproves an  
6 additional appropriation under subsection (f), the department shall  
7 specify the reason for its disapproval on the determination sent to the  
8 political subdivision.

9 (i) A political subdivision may request a reconsideration of a  
10 determination of the department of local government finance under this  
11 section by filing a written request for reconsideration. A request for  
12 reconsideration must:

13 (1) be filed with the department of local government finance  
14 within fifteen (15) days of the receipt of the determination by the  
15 political subdivision; and

16 (2) state with reasonable specificity the reason for the request.

17 The department of local government finance must act on a request for  
18 reconsideration within fifteen (15) days of receiving the request.

19 **(j) This subsection applies only in a county not having a**  
20 **consolidated city. In addition to any other requirements under this**  
21 **section, an additional appropriation after December 31, 2011, by**  
22 **a township must be reviewed and approved by the county fiscal**  
23 **body under the procedures of IC 6-1.1-17-20.2.**

24 SECTION 12. IC 6-9-2-3, AS AMENDED BY P.L.223-2007,  
25 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2011]: Sec. 3. (a) For purposes of this section, the size of a  
27 political subdivision is based on the population determined in the last  
28 federal decennial census.

29 (b) A convention and visitor bureau having ~~fifteen (15)~~ **nineteen**  
30 **(19)** members is created to promote the development and growth of the  
31 convention, tourism, and visitor industry in the county.

32 (c) The executives (as defined by IC 36-1-2-5) of the ~~eight (8)~~  
33 ~~largest municipalities (as defined by IC 36-1-2-11)~~ **five (5) largest**  
34 **cities and the seven (7) largest towns** in the county shall each appoint  
35 one (1) member to the bureau. The legislative body (as defined in  
36 IC 36-1-2-9) of the two (2) largest municipalities in the county shall  
37 each appoint one (1) member to the bureau.

38 (d) The county council shall appoint two (2) members to the bureau.  
39 One (1) of the appointees must be a resident of the **fifth** largest  
40 **township city** in the county, and one (1) of the appointees must be a  
41 resident of the ~~second~~ **eighth** largest ~~township town~~ in the county. **The**  
42 **appointees may not be of the same political party.**

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1 (e) The county commissioners shall appoint two (2) members to the  
2 bureau. ~~Each appointee~~ **One (1) of the appointees** must be a resident  
3 of the ~~fifth, sixth seventh, eighth, ninth, tenth, or eleventh~~ largest  
4 township ~~town~~ in the county. ~~These appointees must be residents of~~  
5 ~~different townships.~~ **One (1) of the appointees must be a resident of**  
6 **the seventh largest town in the county. The appointees may not be**  
7 **of the same political party.**

8 (f) The lieutenant governor shall appoint one (1) member to the  
9 bureau.

10 (g) ~~One (1) of the appointees under subsection (d) and one (1) of the~~  
11 ~~appointees under subsection (e) must be members of the political party~~  
12 ~~that received the highest number of votes in the county in the last~~  
13 ~~preceding election for the office of secretary of state. One (1) of the~~  
14 ~~appointees under subsection (d) and one (1) of the appointees under~~  
15 ~~subsection (e) must be members of the political party that received the~~  
16 ~~second highest number of votes in the county in the election for that~~  
17 ~~office.~~ No appointee under this section may hold an elected or  
18 appointed political office while serving on the bureau.

19 (h) In making appointments under this section, the appointing  
20 authority shall give sole consideration to individuals who are  
21 knowledgeable about or employed as executives or managers in at least  
22 one (1) of the following businesses in the county:

- 23 (1) Hotel.
- 24 (2) Motel.
- 25 (3) Restaurant.
- 26 (4) Travel.
- 27 (5) Transportation.
- 28 (6) Convention.
- 29 (7) Trade show.
- 30 (8) A riverboat licensed under IC 4-33.
- 31 (9) Banking.
- 32 (10) Real estate.
- 33 (11) Construction.

34 However, an individual employed by a riverboat may not be appointed  
35 under this section unless the individual holds a Level 1 occupational  
36 license issued under IC 4-33-8. This subsection does not apply to board  
37 members appointed before July 1, 2007, who are eligible for  
38 reappointment after June 30, 2007.

39 (i) All terms of office of bureau members begin on July 1. Members  
40 of the bureau serve terms of three (3) years. A member whose term  
41 expires may be reappointed to serve another term. If a vacancy occurs,  
42 the appointing authority shall appoint a qualified person to serve for the

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1 remainder of the term. If an appointment is not made before July 16 or  
 2 a vacancy is not filled within thirty (30) days, the member appointed by  
 3 the lieutenant governor under subsection (f) shall appoint a qualified  
 4 person.

5 (j) A member of the bureau may be removed for cause by the  
 6 member's appointing authority.

7 (k) Members of the bureau may not receive a salary. However,  
 8 bureau members are entitled to reimbursement for necessary expenses  
 9 incurred in the performance of their respective duties.

10 (l) Each bureau member, before entering the member's duties, shall  
 11 take an oath of office in the usual form, to be endorsed upon the  
 12 member's certificate of appointment and promptly filed with the clerk  
 13 of the circuit court of the county.

14 (m) The bureau shall meet after July 1 each year for the purpose of  
 15 organization. The bureau shall elect a chairman from its members. The  
 16 bureau shall also elect from its members a vice chairman, a secretary,  
 17 and a treasurer. The members serving in those offices shall perform the  
 18 duties pertaining to the offices. The first officers chosen shall serve  
 19 until their successors are elected and qualified. A majority of the  
 20 bureau constitutes a quorum, and the concurrence of a majority of those  
 21 present is necessary to authorize any action.

22 (n) If the county and one (1) or more adjoining counties desire to  
 23 establish a joint bureau, the counties shall enter into an agreement  
 24 under IC 36-1-7.

25 (o) Notwithstanding any other law, any bureau member appointed  
 26 as of January 1, 2007, is eligible for reappointment.

27 SECTION 13. IC 12-20-1.5 IS ADDED TO THE INDIANA CODE  
 28 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2011]:

30 **Chapter 1.5. Township Assistance Planning Board**

31 **Sec. 1. This chapter applies only to a county not having a**  
 32 **consolidated city.**

33 **Sec. 2. As used in this chapter, "board" refers to the township**  
 34 **assistance planning board established for a county under section 3**  
 35 **of this chapter.**

36 **Sec. 3. (a) A township assistance planning board is established**  
 37 **in each county. The members of the board are the trustees of all**  
 38 **townships in the county.**

39 **(b) One (1) member of the county executive of the county,**  
 40 **selected by the county executive, shall serve as chairman of the**  
 41 **township planning board and serve as a nonvoting advisory**  
 42 **member of the board.**



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1 (c) An affirmative vote of a majority of the voting members  
 2 present is required for the board to take action.  
 3 (d) The board shall meet at least once annually and at the call  
 4 of the chairman.  
 5 Sec. 4. (a) The first meeting of the board shall be convened by  
 6 the chairman not later than January 1, 2012.  
 7 (b) Each county fiscal body shall determine, in the manner  
 8 provided by law, the compensation of the members of the board.  
 9 (c) The board is a public agency for purposes of IC 5-14-1.5 and  
 10 IC 5-14-3.  
 11 Sec. 5. The board has the duty and responsibility to propose and  
 12 annually review the county's township assistance standards. The  
 13 standards apply to all townships in the county. The standards must  
 14 be adopted by the county legislative body not later than March 31  
 15 of each year.  
 16 Sec. 6. (a) The chairman of the board shall file with the county  
 17 auditor not later than December 1 of each year, a statement stating  
 18 whether the board adopted the county's township standards for the  
 19 year preceding the ensuing calendar year. The county auditor shall  
 20 forward the statement to the department of local government  
 21 finance not later than December 31 each year.  
 22 (b) If the planning board fails to adopt township standards for  
 23 the two (2) years preceding the ensuing year, the department of  
 24 local government finance may not approve the budget and levy of  
 25 the township.  
 26 Sec. 7. Before July 1, 2012, the board shall adopt a resolution  
 27 approving standards that meet or exceed the requirements of this  
 28 article and forward the resolution to the county legislative body for  
 29 adoption. The standards take effect January 1, 2013.  
 30 SECTION 14. IC 12-20-5.5-1, AS AMENDED BY P.L.73-2005,  
 31 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2011]: Sec. 1. (a) The township trustee shall process all  
 33 applications for township assistance according to uniform written  
 34 standards and without consideration of the race, creed, nationality, or  
 35 gender of the applicant or any member of the applicant's household.  
 36 (b) The township's standards for the issuance of township assistance  
 37 and the processing of applications must be:  
 38 (1) governed by the requirements of this article;  
 39 (2) **for standards applicable before January 1, 2013, in a**  
 40 **county not having a consolidated city**, proposed by the township  
 41 trustee, adopted by the township board, and filed with the board  
 42 of county commissioners;

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- 1           **(3) for standards applicable after December 31, 2012, in a**
- 2           **county not having a consolidated city, proposed by the**
- 3           **township assistance planning board and adopted by ordinance**
- 4           **of the county legislative body;**
- 5           **(4) for standards applicable in a county having a consolidated**
- 6           **city, proposed by the township trustee, adopted by the**
- 7           **township board, and filed with the board of county**
- 8           **commissioners;**
- 9           ~~(5)~~ **(5) reviewed and updated annually to reflect changes in the**
- 10           **cost of basic necessities in the township and changes in the law;**
- 11           ~~(6)~~ **(6) published in a single written document, including addenda**
- 12           **attached to the document; and**
- 13           ~~(7)~~ **(7) posted in a place prominently visible to the public in all**
- 14           **offices of the township trustee where township assistance**
- 15           **applications are taken or processed; and**
- 16           **(8) for standards applicable after December 31, 2012, in a**
- 17           **county not having a consolidated city, posted on the county's**
- 18           **web site, if the county maintains an Internet web site.**

19           SECTION 15. IC 12-20-5.5-2, AS AMENDED BY P.L.73-2005,  
 20           SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21           JULY 1, 2011]: Sec. 2. (a) Standards for the administration of township  
 22           assistance must ~~contain~~ **establish at a minimum** the following:

- 23           (1) Criteria for determining township assistance eligibility.
- 24           (2) Minimum requirements of township trustee accessibility.
- 25           (3) Other information as needed, including the following:
  - 26           (A) Township office locations, hours, and days of availability.
  - 27           (B) Initial eligibility criteria.
  - 28           (C) Continuing eligibility criteria.
  - 29           (D) Workfare requirements.
  - 30           (E) Essential and nonessential assets.
  - 31           (F) Available resources.
  - 32           (G) Income exemptions.
  - 33           (H) Application process.
  - 34           (I) Countable income.
  - 35           (J) Countable assets.
  - 36           (K) Wasted resources.

37           (b) Standards for the administration of township assistance must  
 38           exclude a Holocaust victim's settlement payment received by an  
 39           eligible individual from countable assets and countable income.

40           SECTION 16. IC 12-20-5.5-4, AS AMENDED BY P.L.73-2005,  
 41           SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42           JULY 1, 2011]: Sec. 4. (a) This section does not apply to a township

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1 trustee who has assisted less than fifty-one (51) households during each  
2 of the two (2) years immediately preceding the date of the township  
3 trustee's annual report under IC 12-20-28-3.

4 (b) To ensure minimum accessibility, a township trustee operating  
5 a township assistance office in a township with a population of at least  
6 ten thousand (10,000) shall provide scheduled office hours for  
7 township assistance and staff each office with an individual qualified  
8 to:

- 9 (1) determine eligibility; and
- 10 (2) issue relief sufficient to meet the township assistance needs of  
11 the township.

12 (c) To meet the requirements of subsection (b), the township trustee  
13 shall do the following:

- 14 (1) Provide township assistance office hours for at least fourteen  
15 (14) hours per week.
- 16 (2) Provide that there is not more than one (1) weekday between  
17 the days the township assistance office is open.
- 18 ~~(3) Provide for after hours access to the township assistance office~~  
19 ~~by use of an answering machine or a service:~~
  - 20 ~~(A) capable of taking messages; and~~
  - 21 ~~(B) programmed to provide information about township~~  
22 ~~assistance office hours;~~
- 23 ~~(4) Respond to a telephone inquiry for township assistance~~  
24 ~~services not more than twenty-four (24) hours, excluding~~  
25 ~~Saturdays, Sundays, and legal holidays, after receiving the~~  
26 ~~inquiry;~~
- 27 ~~(5) (3) Post township assistance office hours and telephone~~  
28 ~~numbers at the entrance to each township assistance office.~~

29 SECTION 17. IC 12-20-5.5-4.1 IS ADDED TO THE INDIANA  
30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
31 [EFFECTIVE JULY 1, 2011]: **Sec. 4.1. (a) A township trustee shall:**

- 32 **(1) provide for after hours access to the township assistance**  
33 **office by use of an answering machine or a service:**
  - 34 **(A) capable of taking messages; and**
  - 35 **(B) programmed to provide information about township**  
36 **assistance office hours; and**
- 37 **(2) respond to a telephone inquiry for township assistance**  
38 **services not more than twenty-four (24) hours, excluding**  
39 **Saturdays, Sundays, and legal holidays, after receiving the**  
40 **inquiry.**

41 **(b) The county auditor shall post in a prominent place in the**  
42 **county auditor's office a notice, with the name and contact**

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1 **information for the persons responsible for performing the duties**  
2 **of the township trustee regarding township assistance, if the**  
3 **township trustee is unavailable.**

4 SECTION 18. IC 12-20-5.5-5, AS AMENDED BY P.L.73-2005,  
5 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 JULY 1, 2011]: Sec. 5. The township's **or (after December 31, 2012)**  
7 **in a county not having a consolidated city, the county's** standards for  
8 the administration of township assistance must include all applicable  
9 standards governing the provision of basic necessities, including  
10 maximum amounts, special conditions, or other limitations on  
11 eligibility, if any have been established for one (1) or more basic  
12 necessities.

13 SECTION 19. IC 12-20-5.5-6 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) A township  
15 trustee **or, for standards applicable after December 31, 2012, in a**  
16 **county not having a consolidated city, the county legislative body,**  
17 shall set income standards for the township that provide for financial  
18 eligibility in an amount consistent with reasonable costs of basic  
19 necessities in the trustee's particular township.

20 (b) A township trustee **or, for standards applicable after**  
21 **December 31, 2012, in a county not having a consolidated city, the**  
22 **county legislative body** may not consider a Holocaust victim's  
23 settlement payment received by an eligible individual when setting  
24 income standards under this section.

25 SECTION 20. IC 12-20-6-7, AS AMENDED BY P.L.73-2005,  
26 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2011]: Sec. 7. (a) In a case of emergency, a trustee shall  
28 accept and promptly act upon a completed application from an  
29 individual requesting assistance. In a nonemergency request for  
30 township assistance, the trustee shall act on the completed application  
31 not later than seventy-two (72) hours after receiving the application,  
32 excluding weekends and legal holidays listed in IC 1-1-9. The trustee's  
33 office shall retain a copy of each application and affidavit whether or  
34 not relief is granted.

35 (b) The actions that a trustee may take on a completed application  
36 for township assistance, except in a case of emergency, are the  
37 following:

- 38 (1) Grant assistance.
- 39 (2) Deny assistance, including a partial denial of assistance  
40 requested.
- 41 (3) Leave the decision pending.

42 (c) A decision pending determination under subsection (b)(3):

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1 (1) may not remain pending for more than seventy-two (72) hours  
2 after the expiration of the period described in subsection (a); and  
3 (2) must include a statement listing the specific reasons that  
4 assistance is not granted or denied within the period required  
5 under subsection (a).

6 **(d) If a trustee does not:**

- 7 **(1) accept a completed application for township assistance; or**  
8 **(2) grant or deny a completed application for township**  
9 **assistance within the period required under this section;**

10 **the application is considered denied, and the denial may be**  
11 **appealed under IC 12-20-15.**

12 SECTION 21. IC 12-20-15-1, AS AMENDED BY P.L.73-2005,  
13 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 JULY 1, 2011]: Sec. 1. If an applicant for or recipient of township  
15 assistance:

- 16 (1) is not satisfied with the decision of the township trustee, as  
17 administrator of township assistance; **or**  
18 **(2) has had an application denied under IC 12-20-6-7(d);**

19 the applicant or recipient may appeal to the board of commissioners.

20 SECTION 22. IC 12-20-15-2, AS AMENDED BY P.L.73-2005,  
21 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22 JULY 1, 2011]: Sec. 2. An applicant for township assistance must file  
23 the applicant's appeal not more than fifteen (15) days from the date:

- 24 **(1) of issuance by the township trustee of adequate written notice**  
25 **of the denial of township assistance as provided by IC 12-20-6-8;**  
26 **or**  
27 **(2) the application is denied under IC 12-20-6-7(d).**

28 An appeal must be made in writing or orally as required by the board  
29 of commissioners.

30 SECTION 23. IC 12-20-15-4, AS AMENDED BY P.L.73-2005,  
31 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2011]: Sec. 4. (a) In hearing an appeal, the board of  
33 commissioners and a hearing officer shall:

- 34 (1) review and consider any report or investigative documents the  
35 trustee prepared before making the appealed decision; and  
36 (2) be governed by the township's **or (after December 31, 2012)**  
37 **in a county not having a consolidated city, the county's**  
38 township assistance standards for determining eligibility to the  
39 extent that the standards comply with existing law for the granting  
40 of township assistance. If no legally sufficient standards have  
41 been established, the board of commissioners and the hearing  
42 officer shall be guided by the circumstances in each case.

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1 (b) The board of commissioners shall remand a case to a trustee for  
2 further proceedings if:

3 (1) new evidence was presented by the applicant to the board of  
4 commissioners; and

5 (2) the board of commissioners determines that the new evidence  
6 presented would have made the individual eligible for assistance.

7 (c) If a case is remanded to a trustee, the trustee shall issue a new  
8 determination of eligibility not later than seventy-two (72) hours after  
9 receiving the written decision remanding the case, excluding weekends  
10 and legal holidays listed in IC 1-1-9.

11 SECTION 24. IC 12-20-15-8, AS AMENDED BY P.L.73-2005,  
12 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2011]: Sec. 8. (a) The township trustee or an applicant may  
14 appeal a decision of the board of commissioners to a circuit or superior  
15 court with jurisdiction in the county.

16 (b) In hearing an appeal, the court shall be governed by the  
17 township's **or (after December 31, 2012) in a county not having a**  
18 **consolidated city, the county's** township assistance standards for  
19 determining eligibility for granting township assistance in the  
20 township. If legally sufficient standards have not been established, the  
21 court shall be guided by the circumstances of the case.

22 SECTION 25. IC 12-20-16-5, AS AMENDED BY P.L.73-2005,  
23 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2011]: Sec. 5. (a) An applicant or a household that receives  
25 food relief in any township having a population of more than ten  
26 thousand (10,000) may request the township trustee, as administrator  
27 of township assistance, to issue a food order upon any eligible market,  
28 and the township trustee, as administrator of township assistance, shall  
29 abide by that request.

30 (b) The amount of a food order for various sized households that are  
31 determined by the trustee to be eligible for township assistance shall be  
32 based upon uniform monthly amounts specified in the township's **or**  
33 **(after December 31, 2012) in a county not having a consolidated**  
34 **city, the county's** township assistance standards. However, an  
35 additional amount of food may be ordered for special health reasons as  
36 prescribed by a physician. A supplemental food order may be issued  
37 because of the loss of the recipient's food by:

38 (1) fire, flood, or other natural disaster;

39 (2) burglary or other criminal act; or

40 (3) the unpreventable spoilage of food.

41 (c) The trustee may issue a food order to an eligible applicant on  
42 either a daily, weekly, or monthly basis.

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1 SECTION 26. IC 12-20-16-12, AS AMENDED BY P.L.73-2005,  
 2 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2011]: Sec. 12. (a) This section does not apply if the county  
 4 coroner assumes jurisdiction of an unclaimed body under  
 5 IC 36-2-14-16.

6 (b) If:

7 (1) an individual dies in a township without leaving:

8 (A) money;

9 (B) real or personal property;

10 (C) other assets that may be liquidated; or

11 (D) other means necessary to defray funeral expenses; and

12 (2) the individual is not a resident of another township in Indiana;  
 13 the township trustee, as administrator of township assistance, shall  
 14 provide a person to superintend and authorize either the funeral and  
 15 burial or cremation of the deceased individual. If the township trustee  
 16 determines that the deceased individual is a resident of another  
 17 township in Indiana, the township trustee shall notify the trustee of that  
 18 township, who shall then provide a person to superintend and authorize  
 19 either the funeral and burial or cremation of the deceased individual.

20 (c) The necessary and reasonable expenses of the funeral and burial  
 21 or cremation, including a burial plot, shall be paid in the same manner  
 22 as other claims for township assistance. A trustee shall determine the  
 23 cost for the items and services required by law for the funeral and  
 24 burial of an individual, including a burial plot, and for the cremation of  
 25 an individual, and include in the township's **or (after December 31,**  
 26 **2012) in a county not having a consolidated city, the county's**  
 27 township assistance standards the maximum funeral and burial or  
 28 cremation amount to be paid from township assistance funds. The  
 29 trustee may deduct from the maximum amount the following:

30 (1) Any monetary benefits that the deceased individual is entitled  
 31 to receive from a state or federal program.

32 (2) Any money that another person provides on behalf of the  
 33 deceased individual.

34 (d) If an individual described in subsection (b) is a resident of a  
 35 state institution at the time of the individual's death, the division that  
 36 has administrative control of the state institution shall reimburse the  
 37 township trustee for the necessary and reasonable expenses of the  
 38 funeral and burial or cremation of the deceased individual. The  
 39 township trustee shall submit to the division that has administrative  
 40 control of the state institution an itemized claim for reimbursement of  
 41 the necessary and reasonable funeral and burial or cremation expenses  
 42 incurred by the township trustee.

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1 (e) If an individual described in subsection (b) is a resident of a  
2 special institution governed by IC 16-33 at the time of the individual's  
3 death, the state department of health shall reimburse the township  
4 trustee for the necessary and reasonable expenses of the funeral and  
5 burial or cremation of the deceased individual. The township trustee  
6 shall submit to the state department of health an itemized claim for  
7 reimbursement of the necessary and reasonable funeral and burial or  
8 cremation expenses incurred by the township trustee.

9 (f) A township trustee who provides funeral and burial or cremation  
10 benefits to a deceased individual is entitled to a first priority claim, to  
11 the extent of the cost of the funeral and burial or cremation benefits  
12 paid by the township trustee, against any money or other personal  
13 property held by the coroner under IC 36-2-14-11.

14 (g) The township trustee may not cremate a deceased individual if:  
15 (1) the deceased individual; or  
16 (2) a surviving family member of the deceased individual;  
17 has objected in writing to cremation.

18 (h) If a township trustee provides a funeral under this section, the  
19 cost of the funeral may not be more than the cost of the least expensive  
20 funeral, including any necessary merchandise and embalming,  
21 available from the funeral director under the funeral director's price list  
22 disclosed to the Federal Trade Commission.

23 SECTION 27. IC 36-1-8-17 IS ADDED TO THE INDIANA CODE  
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
25 1, 2011]: **Sec. 17. (a) This section applies only to a township in a  
26 county not having a consolidated city.**

27 **(b) Each township office must include the address, phone  
28 number, and regular office hours (if any) of the township office in  
29 at least one (1) local telephone directory.**

30 **(c) A public meeting or a public hearing of a township official or  
31 governing body must be held in a public place.**

32 SECTION 28. IC 36-1-20 IS ADDED TO THE INDIANA CODE  
33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
34 JULY 1, 2011]:

35 **Chapter 20. Applicability of Provisions to Townships  
36 Participating in a Reorganization**

37 **Sec. 1. This chapter applies to a township participating in a  
38 reorganization under IC 36-1.5.**

39 **Sec. 2. If a reorganization is not completed by June 30, 2011, the  
40 following provisions apply to a township described in section 1 of  
41 this chapter:**

42 **(1) IC 5-11-1-4(b).**

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- 1 (2) IC 5-11-1-27.
- 2 (3) IC 5-11-13-1(b).
- 3 (4) IC 6-1.1-17-2(c).
- 4 (5) IC 6-1.1-17-3(e) and IC 6-1.1-17-3(f).
- 5 (6) IC 6-1.1-17-3.5(a).
- 6 (7) IC 6-1.1-17-16(a).
- 7 (8) IC 6-1.1-17-16.2.
- 8 (9) IC 6-1.1-17-20.2.
- 9 (10) IC 6-1.1-18-5(j).
- 10 (11) IC 12-20-1.5.
- 11 (12) IC 12-20-5.5-1.
- 12 (13) IC 12-20-5.5-2.
- 13 (14) IC 12-20-5.5-4.
- 14 (15) IC 12-20-5.5-4.1.
- 15 (16) IC 12-20-5.5-5.
- 16 (17) IC 12-20-5.5-6.
- 17 (18) IC 12-20-6-7(d).
- 18 (19) IC 12-20-15-1.
- 19 (20) IC 12-20-15-2.
- 20 (21) IC 12-20-15-4.
- 21 (22) IC 12-20-15-8.
- 22 (23) IC 12-20-16-5.
- 23 (24) IC 12-20-16-12.
- 24 (25) IC 36-1-8-17.
- 25 (26) IC 36-6-4-12(c).
- 26 (27) IC 36-6-6-9(f).
- 27 (28) IC 36-6-6-10(i).
- 28 (29) IC 36-6-6-11(h).
- 29 (30) IC 36-6-6-16.
- 30 (31) IC 36-6-6-17.
- 31 (32) IC 36-6-10.

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**Sec. 3. This chapter does not affect or prohibit:**

- 33 (1) the reorganization described in section 1 of this chapter
- 34 from continuing; or
- 35 (2) the township or townships described in section 1 of this
- 36 chapter from reorganizing under IC 36-1.5.

SECTION 29. IC 36-1.5-1-10 IS ADDED TO THE INDIANA  
CODE AS A NEW SECTION TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 2011]: **Sec. 10. (a) This section applies if:**

- 40 (1) a township reorganizes under this article with one (1) or
- 41 more townships; and
- 42 (2) the new political subdivision that results from the



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**reorganization is not a city or town.**  
**(b) After June 30, 2011, the county fiscal body shall review and approve the budget, tax rate, and tax levy of the new political subdivision under IC 6-1.1-17-20.2.**

SECTION 30. IC 36-1.5-4-10, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) The legislative body of a political subdivision may initiate a proposed reorganization under this chapter by adopting a resolution that:

- (1) proposes a reorganization;
- (2) names the political subdivisions that would be reorganized in the proposed reorganization; and
- (3) only in the case of a proposed reorganization described in section 1(a)(9) of this chapter, states whether the vote on the public question regarding the reorganization shall be:
  - (A) conducted on a countywide basis under section 30(b) of this chapter, without a rejection threshold; or
  - (B) conducted on a countywide basis under section 30(b) of this chapter, with a rejection threshold.

**(b) A resolution adopted under this section must fix the date of the election on the public question concerning the proposed reorganization.**

~~(b)~~ **(c)** The clerk of the political subdivision adopting the resolution shall certify the resolution to the clerk of each political subdivision named in the resolution.

SECTION 31. IC 36-1.5-4-11, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) The voters of a political subdivision may initiate a proposed reorganization by filing a written petition, substantially in the form prescribed by the department, with the clerk of the political subdivision that:

- (1) proposes a reorganization; ~~and~~
- (2) names the political subdivisions that would be reorganized in the proposed reorganization; ~~and~~
- (3) sets forth the date of the election on the public question concerning the proposed reorganization.**

(b) If the written petition is signed by at least five percent (5%) of the voters of the political subdivision, as determined by the vote cast in the political subdivision for secretary of state at the most recent general election, the clerk of the political subdivision shall certify the petition to the legislative body of the political subdivision.

SECTION 32. IC 36-1.5-4-18, AS AMENDED BY P.L.113-2010,

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1 SECTION 110, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) A reorganization  
 3 committee shall prepare a comprehensive plan of reorganization for the  
 4 reorganizing political subdivisions. The plan of reorganization governs  
 5 the actions, duties, and powers of the reorganized political subdivision  
 6 that are not specified by law.

7 (b) The plan of reorganization must include at least the following:

8 (1) The name and a description of the reorganized political  
 9 subdivision that will succeed the reorganizing political  
 10 subdivisions.

11 (2) A description of the boundaries of the reorganized political  
 12 subdivision.

13 (3) Subject to section 40 of this chapter, a description of the  
 14 taxing areas in which taxes to retire obligations of the  
 15 reorganizing political subdivisions will be imposed.

16 (4) A description of the membership of the legislative body, fiscal  
 17 body, and executive of the reorganized political subdivision, a  
 18 description of the election districts or appointment districts from  
 19 which officers will be elected or appointed, and the manner in  
 20 which the membership of each elected or appointed office will be  
 21 elected or appointed.

22 (5) A description of the services to be offered by the reorganized  
 23 political subdivision and the service areas in which the services  
 24 will be offered.

25 (6) The disposition of the personnel, the agreements, the assets,  
 26 and, subject to section 40 of this chapter, the liabilities of the  
 27 reorganizing political subdivisions, including the terms and  
 28 conditions upon which the transfer of property and personnel will  
 29 be achieved.

30 (7) Any other matter that the:

31 (A) reorganization committee determines to be necessary or  
 32 appropriate; or

33 (B) legislative bodies of the reorganizing political subdivisions  
 34 require the reorganization committee;

35 to include in the plan of reorganization.

36 (8) In the case of a reorganization described in section 1(a)(9) of  
 37 this chapter, if the legislative bodies of the reorganizing political  
 38 subdivisions have specified that the vote on the public question  
 39 regarding the reorganization shall be conducted on a countywide  
 40 basis under section 30(b) of this chapter with a rejection  
 41 threshold, the reorganization committee shall include in the  
 42 reorganization plan a rejection threshold, specified as a

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1 percentage, that applies for purposes of section 32(b) of this  
 2 chapter. The rejection threshold must be the same for each  
 3 municipality that is a party to the proposed reorganization and to  
 4 the county that is a party to the proposed reorganization.

5 (9) In the case of a reorganization described in section 1(a)(9) of  
 6 this chapter, the reorganization committee shall determine and  
 7 include in the reorganization plan the percentage of voters voting  
 8 on the public question regarding the proposed reorganization who  
 9 must vote, on a countywide basis, in favor of the proposed  
 10 reorganization for the public question to be approved. This  
 11 percentage is referred to in this chapter as the "countywide vote  
 12 approval percentage". The countywide vote approval percentage  
 13 must be greater than fifty percent (50%).

14 (10) The ~~statement~~ **fiscal impact analysis** required by subsection  
 15 (e).

16 (c) In the case of a reorganization described in section 1(a)(9) of this  
 17 chapter, the reorganization committee may not change the decision of  
 18 the legislative bodies of the reorganizing political subdivisions  
 19 regarding whether the vote on the public question regarding the  
 20 reorganization shall be conducted on a countywide basis without a  
 21 rejection threshold or with a rejection threshold.

22 (d) Upon completion of the plan of reorganization, the  
 23 reorganization committee shall present the plan of reorganization to the  
 24 legislative body of each of the reorganizing political subdivisions for  
 25 adoption. The initial plan of reorganization must be submitted to the  
 26 legislative body of each of the reorganizing political subdivisions not  
 27 later than one (1) year after the clerk of the last political subdivision  
 28 that adopts a reorganization resolution under this chapter has certified  
 29 the resolution to all of the political subdivisions named in the  
 30 resolution. In the case of a plan of reorganization submitted to a  
 31 political subdivision by a reorganization committee after June 30, 2010,  
 32 the political subdivision shall post a copy of the plan of reorganization  
 33 on an Internet web site maintained or authorized by the political  
 34 subdivision not more than thirty (30) days after receiving the plan of  
 35 reorganization from the reorganization committee. **If the plan of**  
 36 **reorganization is amended, the political subdivision shall post the**  
 37 **amended plan on the Internet web site maintained or authorized by**  
 38 **the political subdivision within seven (7) days after the amended**  
 39 **plan is adopted.**

40 (e) A reorganization committee must include in the plan of  
 41 reorganization submitted to a political subdivision after June 30, ~~2010,~~  
 42 **2011, a ~~statement of~~ fiscal impact analysis of the proposed**

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1 reorganization. The fiscal impact analysis must include at least the  
2 following:

3 (1) whether a fiscal impact analysis concerning the proposed  
4 reorganization has been prepared or has not been prepared by or  
5 on behalf of the reorganization committee; and

6 (2) whether a fiscal impact analysis concerning the proposed  
7 reorganization has been made available or has not been made  
8 available to the public by or on behalf of the reorganization  
9 committee.

10 (1) The estimated effect of the proposed reorganization on  
11 taxpayers in each of the political subdivisions to which the  
12 proposed reorganization applies, including the expected tax  
13 rates, tax levies, expenditure levels, service levels, and annual  
14 debt service payments in those political subdivisions.

15 (2) A description of the planned services to be provided in the  
16 reorganized political subdivision, and the method or methods  
17 of financing the planned services. The fiscal impact analysis  
18 must:

19 (A) present itemized estimated costs for each department  
20 or agency of the reorganized political subdivision; and

21 (B) explain how specific and detailed expenses will be  
22 funded from taxes, fees, grants, and other funding.

23 (3) A description of the capital improvements to be provided  
24 in the reorganized political subdivision, and the method or  
25 methods of financing those capital improvements.

26 (f) A reorganization committee must submit the fiscal impact  
27 analysis described in subsection (e) to the department of local  
28 government finance at least six (6) months before the election in  
29 which the public question will be on the ballot. A legislative body  
30 of a reorganizing political subdivision may not adopt a plan of  
31 reorganization unless the reorganization committee has submitted  
32 the fiscal impact analysis to the department of local government  
33 finance as required by this subsection. The department of local  
34 government finance must do the following within a reasonable  
35 period of time, but not later than thirty (30) days before the date  
36 of the election in which the public question will be on the ballot:

37 (1) Review the fiscal impact analysis.

38 (2) Make any comments concerning the fiscal impact analysis  
39 that the department considers appropriate.

40 (3) Provide the department's comments under subdivision (2)  
41 to the legislative body of the reorganizing political  
42 subdivisions.

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**(4) Post the department's comments under subdivision (2) on the department's Internet web site.**

**The department of local government finance shall certify to the reorganization committee the total amount of expense incurred by the department in carrying out the department's review and preparing the department's comments. Upon receipt of the department's certification of the expenses, the reorganizing political subdivisions shall immediately pay to the treasurer of state the amount charged. The share of the cost to be paid by each reorganizing political subdivision shall be determined by the reorganization committee. Money paid by a reorganizing political subdivision under this subsection shall be deposited in the state general fund.**

SECTION 33. IC 36-1.5-4-27, AS AMENDED BY P.L.113-2010, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. **(a) After the county recorder of each county in which reorganizing political subdivisions are located has notified the county election board that a public question on a plan of reorganization is eligible to be placed on the ballot, the county election board shall, except as provided in subsection (b), place the public question on the ballot in accordance with IC 3-10-9 on the first regularly scheduled general election or municipal election (excluding any primary elections) that will occur in all of the precincts of the reorganizing political subdivisions at least sixty (60) days after the required notices are received: after the public question has been certified as provided in IC 3-10-9-3.**

**(b) If a regularly scheduled general election or municipal election (excluding any primary elections) will not be held in all of the precincts of the reorganizing political subdivisions during the first year in which the public question is eligible to be placed on the ballot under this section and if the reorganizing political subdivisions request the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in November of the year. The certification must occur not later than noon on August 1. However, a special election may be held under this subsection only if the reorganizing political subdivisions agree to pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all**

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**steps necessary to carry out the special election.**

SECTION 34. IC 36-1.5-4-32, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) This subsection does not apply to a reorganization described in section 1(a)(9) of this chapter. A reorganization as specified in the plan of reorganization is approved if a majority of the voters in each reorganizing political subdivision voting on the public question approve the public question on the reorganization. **If a reorganizing political subdivision includes the territory of another reorganizing political subdivision, the following apply:**

**(1) Except as provided in subdivision (2),** the vote of voters of a reorganizing political subdivision (~~for example, a city~~) who also are voters in a second reorganizing political subdivision (~~for example, a township~~) that is geographically larger than the first political subdivision and that includes the territory of the first political subdivision shall be included only in the tally of votes for the first reorganizing political subdivision in which the voters reside.

**(2) In the case of a proposed reorganization between a township and municipality that is not entirely located with the township:**

**(A) the voters who reside within the municipality and do not also reside within the township:**

**(i) shall be included only in the tally of votes for the municipality; and**

**(ii) shall not be included in the tally of votes for the township; and**

**(B) the voters who reside within the township and also reside within the municipality:**

**(i) shall be included only in the tally of votes for the township; and**

**(ii) shall not be included in the tally of votes for the municipality.**

(b) This subsection applies only to a reorganization described in section 1(a)(9) of this chapter. The reorganization is approved only if:

(1) the percentage of voters voting on the public question who vote, on a countywide basis, in favor of the proposed reorganization is at least equal to the countywide vote approval percentage specified in the final reorganization plan;

(2) if the legislative bodies of the reorganizing political subdivisions have agreed that the vote on the public question shall

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1 be conducted with a rejection threshold, the percentage of voters  
 2 of the county (excluding the voters of the reorganizing  
 3 municipalities) voting on the public question who vote against the  
 4 reorganization is less than the rejection threshold included in the  
 5 final reorganization plan; and  
 6 (3) if the legislative bodies of the reorganizing political  
 7 subdivisions have agreed that the vote on the public question shall  
 8 be conducted with a rejection threshold, the percentage of voters  
 9 of each reorganizing municipality voting on the public question  
 10 who vote against the reorganization is less than the rejection  
 11 threshold included in the final reorganization plan.

12 If the reorganization is not approved, the reorganization is terminated.  
 13 If the legislative bodies of the reorganizing political subdivisions have  
 14 agreed that the vote in the public question shall be conducted with a  
 15 rejection threshold, then in tabulating the votes under subdivisions (2)  
 16 and (3), the vote of voters of a reorganizing municipality who also are  
 17 voters in the county shall be included only in the tally of votes for the  
 18 municipality in which the voters reside.

19 SECTION 35. IC 36-1.5-4-44 IS ADDED TO THE INDIANA  
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 21 [EFFECTIVE UPON PASSAGE]: **Sec. 44. (a) A reorganized political  
 22 subdivision consisting of:**

- 23 (1) two (2) or more townships; and
  - 24 (2) at least one (1) municipality;
- 25 that have reorganized under IC 36-1.5 may exercise park and  
 26 recreation powers under IC 36-10 if the reorganized political  
 27 subdivision's plan of reorganization authorizes the reorganized  
 28 political subdivision to exercise those powers.

29 (b) If a reorganized political subdivision's plan of reorganization  
 30 authorizes the reorganized political subdivision to exercise park  
 31 and recreation powers under IC 36-10, the reorganized political  
 32 subdivision may establish a park and recreation board.

33 (c) A park and recreation board established by a reorganized  
 34 political subdivision under this section:

- 35 (1) shall exercise park and recreation functions within the  
 36 reorganized political subdivision; and
- 37 (2) has the powers and duties of both a municipal park and  
 38 recreation board and a township park and recreation board  
 39 under IC 36-10.

40 (d) A reorganized political subdivision may by resolution or in  
 41 the reorganized political subdivision's plan of reorganization  
 42 determine:

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- 1           **(1) the number of members to be appointed to the reorganized**
- 2           **political subdivision's park and recreation board;**
- 3           **(2) the person or entity that shall appoint or remove those**
- 4           **members;**
- 5           **(3) any required qualifications for those members; and**
- 6           **(4) the terms of those members.**

7           SECTION 36. IC 36-1.5-4-45 IS ADDED TO THE INDIANA  
 8 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 9 [EFFECTIVE JULY 1, 2011]: **Sec. 45. (a) Except as provided in**  
 10 **subsections (c) through (e), a political subdivision may not take an**  
 11 **action described in subsection (b) within a reorganizing political**  
 12 **subdivision after the date a plan of reorganization is finally**  
 13 **adopted by all reorganizing political subdivisions.**

14           **(b) A political subdivision may not take any of the following**  
 15 **actions partially or wholly within a reorganizing political**  
 16 **subdivision after the date a plan of reorganization is finally**  
 17 **adopted by all reorganizing political subdivisions unless all**  
 18 **reorganizing political subdivisions agree by adopting identical**  
 19 **resolutions:**

- 20           **(1) Initiate an annexation of territory within the township.**
- 21           **(2) Establish a fire protection territory or fire protection**
- 22           **district.**
- 23           **(3) Extend water, sewer, or any other infrastructure to the**
- 24           **political subdivision.**
- 25           **(4) Expand zoning jurisdiction under IC 36-7-4-205.**

26           **(c) This chapter does not prohibit:**  
 27           **(1) a political subdivision subject to the reorganization from**  
 28           **taking an action under subsection (b) within the political**  
 29           **subdivision's own boundaries; and**  
 30           **(2) any of the reorganizing political subdivisions taking an**  
 31           **action under subsection (b) for the purpose of implementing**  
 32           **the plan of reorganization.**

33           **(d) A political subdivision may take an action described in**  
 34 **subsection (b) after the date the reorganization is rejected by the**  
 35 **voters under section 33 of this chapter.**

36           **(e) If a reorganization is approved by the voters under section**  
 37 **34 of this chapter, a political subdivision may not take an action**  
 38 **under subsection (b) until the earlier of the following:**  
 39           **(1) The plan of reorganization has been implemented.**  
 40           **(2) One (1) year after the date the reorganization is approved**  
 41           **under section 34 of this chapter.**

42           SECTION 37. IC 36-4-1-1, AS AMENDED BY P.L.64-2004,

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1 SECTION 34, AND AS AMENDED BY P.L.81-2004, SECTION 46,  
2 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) **Except as provided in**  
4 **section 1.5 of this chapter**, municipalities are classified according to  
5 their status and population as follows:

STATUS AND POPULATION	CLASS
Cities of <del>500,000</del> 600,000 or more	First class cities
Cities of 35,000 to <del>499,999</del> 599,999	Second class cities
Cities of less than 35,000	Third class cities
Other municipalities of any population	Towns

12 (b) Except as provided in subsection (c), a city that attains a  
13 population of thirty-five thousand (35,000) remains a second class city  
14 even though its population decreases to less than thirty-five thousand  
15 (35,000) at the next federal decennial census.

16 (c) The legislative body of a city to which subsection (b) applies  
17 may, by ordinance, adopt third class city status.

18 SECTION 38. IC 36-4-1-1.5 IS ADDED TO THE INDIANA CODE  
19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
20 1, 2011]: **Sec. 1.5. Notwithstanding section 1 of this chapter, for**  
21 **purposes of local government administration under this title, a**  
22 **municipality reorganized under IC 36-1.5 may, subject to the**  
23 **approval of the department of local government finance:**

- (1) **be classified and described as set forth in the reorganization plan adopted under IC 36-1.5-4; and**
- (2) **maintain characteristics of any of the reorganizing political subdivisions.**

28 SECTION 39. IC 36-4-1.5-2, AS ADDED BY P.L.111-2005,  
29 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30 JULY 1, 2011]: Sec. 2. (a) A town may be changed into a city through  
31 the following:

- (1) The town legislative body must adopt a resolution submitting to the town's voters the question of whether the town should be changed into a city. The town legislative body shall adopt a resolution described in this subdivision if at least the number of registered voters of the town equal to ten percent (10%) of the total votes cast in the town at the last election for secretary of state sign a petition requesting the town legislative body to adopt such a resolution. In determining the number of signatures required under this subdivision, any fraction that exceeds a whole number shall be disregarded.

- (2) **The town legislative body must adopt the resolution under**

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**subdivision (1) not later than thirty (30) days after the date a petition having a sufficient number of signatures is filed. A resolution adopted under subdivision (1) must fix the date for an election on the question of whether the town should be changed into a city as follows:**

**(A) If the election is to be on the same date as a general election or municipal election:**

**(i) the resolution must state that fact and be certified in accordance with IC 3-10-9-3; and**

**(ii) the election must be held on the date of the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.**

**(B) If the election is to be a special election, the date must be:**

~~(A)~~ **(i) not less than thirty (30) and ~~(B)~~ not more than sixty (60) days after the notice of the election; and**

**(ii) not later than the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.**

If the election is to be on the same date as a general election the resolution must state that fact and be certified in accordance with ~~IC 3-10-9-3.~~

(3) The town legislative body shall file a copy of the resolution adopted under subdivision (1) with the circuit court clerk of each county in which the town is located. The circuit court clerk shall immediately certify the resolution to the county election board.

(4) The county election board shall give notice of the election in the manner prescribed by IC 3-8-2-19. IC 3-10-6 applies to the election.

(5) The question described in subdivision (1) shall be placed on the ballot in the form prescribed by IC 3-10-9-4. The text of the question shall be: "Shall the town of \_\_\_\_\_ change into a city?".

(6) If a majority of the voters voting on the question described in subdivision (1) vote "yes", the town is changed into a city as provided in this chapter. If a majority of the voters voting on the question vote "no", the town remains a town.

**(b) This subsection applies only to a town in which:**

**(1) a petition meeting the requirements of subsection (a)(1) is filed with the town legislative body before July 1, 2011; and**

**(2) an election has not been held under subsection (a) as a result of the petition.**

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1 **Not later than July 15, 2011, the town legislative body shall adopt**  
 2 **and file a resolution with the circuit court clerk as set forth in**  
 3 **subsection (a). The resolution must fix the date for an election on**  
 4 **the question of whether the town should be changed into a city as**  
 5 **the date of the municipal general election in November 2011. A**  
 6 **resolution adopted by the town legislative body in accordance with**  
 7 **this subsection voids any previous resolutions adopted by the town**  
 8 **legislative body as a result of the petition described in subdivision**  
 9 **(1).**

10 SECTION 40. IC 36-4-1.5-3, AS ADDED BY P.L.111-2005,  
 11 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2011]: Sec. 3. (a) A town legislative body may satisfy the  
 13 requirements of this section in an ordinance adopted either before or  
 14 after the town's voters vote on the question described in section 2 of  
 15 this chapter.

16 (b) If a resolution is adopted under section 2 of this chapter, the  
 17 town legislative body shall adopt an ordinance providing for the  
 18 transition from governance as a town to governance as a city. The  
 19 ordinance adopted under this section must include the following  
 20 details:

21 (1) A division of the town into city legislative body districts as  
 22 provided in the applicable provisions of IC 36-4-6.

23 (2) Provisions for the election of the following officers:

24 (A) The city executive.

25 (B) The members of the city legislative body.

26 (C) The city clerk or city clerk-treasurer as appropriate under  
 27 IC 36-4-10.

28 (3) The date of the first election of the city officers. The first  
 29 election may be held only on the date of ~~a~~ **the next** general  
 30 election or a municipal election, **whichever is earlier, following**  
 31 **the date fixed for an election under section 2 of this chapter on**  
 32 **the question of whether the town should be changed into a**  
 33 **city**. Candidates for election to the city offices shall be  
 34 nominated:

35 (A) at the corresponding primary election during a general  
 36 election year or a municipal election year; or

37 (B) as otherwise provided in IC 3.

38 (4) Subject to section 4 of this chapter, the term of office of each  
 39 city officer elected at the first election of city officers.

40 (5) Any other details the town legislative body considers useful in  
 41 providing for the transition of the town into a city.

42 (c) An ordinance adopted under this section is effective only if the

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1 voters of the town approve the conversion of the town into a city under  
2 section 2(6) of this chapter.

3 (d) The provisions of an ordinance adopted under this section are  
4 subject to all other laws governing the structure of city government.

5 (e) Subject to this chapter, the town legislative body or the city  
6 legislative body (after the town is changed into a city) may amend an  
7 ordinance adopted under this section.

8 SECTION 41. IC 36-4-3-1.4 IS ADDED TO THE INDIANA CODE  
9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
10 1, 2011]: **Sec. 1.4. If a township is a participant in a proposed  
11 reorganization under IC 36-1.5, a municipality may not adopt an  
12 annexation ordinance annexing territory within the township  
13 within the period set forth in IC 36-1.5-4-45.**

14 SECTION 42. IC 36-6-4-12 IS AMENDED TO READ AS  
15 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) At the annual  
16 meeting of the township legislative body under IC 36-6-6-9 the  
17 executive shall present a complete report of all receipts and  
18 expenditures of the preceding calendar year, including the balance to  
19 the credit of each fund controlled by the executive. If the executive  
20 controls any money that is not included in a particular fund, then the  
21 executive shall state all the facts concerning that money in the report.

22 (b) Each item of expenditure must be accompanied by the verified  
23 voucher of the person to whom the sum was paid, stating:

- 24 (1) why the payment was made;  
25 (2) that the receipt is for the exact sum received;  
26 (3) that no part of the sum has been retained by the executive; and  
27 (4) that no part of the sum has been or is to be returned to the  
28 executive or any other person.

29 The executive may administer oaths to persons giving these receipts.

30 (c) **This subsection applies only to a township in a county not  
31 having a consolidated city. The report must separately list each  
32 expenditure that is made to reimburse the executive for the  
33 executive's use of tangible property (as defined in IC 6-1.1-1-19)  
34 for public business, including any reimbursements made for the  
35 executive's use of a private residence, a personal telephone, or a  
36 personal vehicle for public business. As used in this section,  
37 "private residence" means a place that is not a public place.**

38 ~~(c)~~ (d) The executive shall swear or affirm that:

- 39 (1) the report shows all sums received by ~~him~~; **the executive**;  
40 (2) the expenditures credited have been fully paid in the sums  
41 stated, without express or implied agreement that any part of the  
42 sums is to be retained by or returned to the executive or any other

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1 person; and  
2 (3) the executive has received no money or other property in  
3 consideration of any contract entered into on behalf of the  
4 township.

5 ~~(d)~~ (e) Within ten (10) days after the legislative body's action under  
6 IC 36-6-6-9, the executive shall file a copy of the report and its  
7 accompanying vouchers, as adopted by the legislative body, in the  
8 county auditor's office. The legislative body may, for the benefit of the  
9 township, bring a civil action against the executive if the executive fails  
10 to file the report within ten (10) days after the legislative body's action.  
11 The legislative body may recover five dollars (\$5) for each day beyond  
12 the time limit for filing the report, until the report is filed.

13 SECTION 43. IC 36-6-6-9 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) The legislative  
15 body shall meet on or before the third Tuesday after the first Monday  
16 in January of each year. At this meeting it shall consider and approve,  
17 in whole or in part, the annual report of the executive presented under  
18 IC 36-6-4-12.

19 (b) The legislative body may send for persons, books, and papers  
20 necessary in the examination of the report. A member may administer  
21 oaths necessary in the examination of the report.

22 (c) Any sum in the control of the executive that remains unexpended  
23 and is subject to no liability shall be credited in favor of the fund for  
24 which it was appropriated.

25 (d) Any fund expended, in whole or in part, for a purpose for which  
26 it was not appropriated shall be considered unexpended and in the  
27 control of the executive, who is liable on his ~~his~~ **the executive's** bond for  
28 such an expenditure.

29 (e) When its examination of the report is completed, the legislative  
30 body shall take action on the report, specifying the parts of the report  
31 that are altered or disallowed. The report remains under the control of  
32 the legislative body and in custody of its chairman, who shall keep it  
33 open to inspection by taxpayers of the township.

34 **(f) This subsection applies only to a township in a county not**  
35 **having a consolidated city. The annual report must be filed with**  
36 **the state board of accounts under IC 5-11-1-4 not later than March**  
37 **1 of each year.**

38 SECTION 44. IC 36-6-6-10, AS AMENDED BY P.L.146-2008,  
39 SECTION 713, IS AMENDED TO READ AS FOLLOWS  
40 [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) This section does not apply  
41 to the appropriation of money to pay a deputy or an employee of a  
42 township assessor with assessment duties or to an elected township

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assessor.

(b) The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay; and
- (4) remuneration other than statutory allowances;

of all officers and employees of the township.

(c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, except as provided in ~~subsection~~ **subsections (h) and (i)**, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) Except as provided in subsection (h), the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive and assessor under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(f) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

(g) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

(h) In a year in which there is not an election of members to the township legislative body, the township legislative body may by unanimous vote reduce the salaries of the members of the township legislative body by any amount.

**(i) This subsection applies only to a township in a county not having a consolidated city. After December 31, 2011, the total compensation and benefits provided or paid to a township board member may not exceed two thousand dollars (\$2,000) per year,**

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1 **including:**

- 2 (1) salary;  
 3 (2) per diem;  
 4 (3) use of a township vehicle;  
 5 (4) mileage or vehicle allowance;  
 6 (5) health, vision, and dental insurance; and  
 7 (6) any other:

- 8 (A) amount paid to a township board member; or  
 9 (B) benefit provided to a township board member;

10 to compensate the township board member for services  
 11 provided as a public officer.

12 **A township board member may not receive per diem that exceeds**  
 13 **one hundred dollars (\$100) for each day the board member is**  
 14 **engaged in board activities. Notwithstanding subsection (h), if**  
 15 **necessary in order to comply with this subsection, a township**  
 16 **legislative body shall vote in 2011 to reduce the salaries of the**  
 17 **members of the township legislative body effective January 1, 2012.**  
 18 **The salary reduction shall be made by a majority vote of the**  
 19 **township legislative body.**

20 SECTION 45. IC 36-6-6-11 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) The legislative  
 22 body shall meet annually in accord with IC 6-1.1-17, to adopt the  
 23 township's annual budget.

24 (b) The legislative body shall consider the estimates of expenditures  
 25 made by the executive under IC 36-6-4-11, and may approve or reject  
 26 all or part of any estimate or any item within an estimate. The  
 27 legislative body may require the executive to further itemize an  
 28 estimate not sufficiently itemized.

29 (c) The legislative body may not appropriate for any purpose an  
 30 amount more than the executive's estimate of the amount required for  
 31 that purpose.

32 (d) The legislative body shall include in the budget:

- 33 (1) provisions for the payment of existing debt of the township as  
 34 it becomes due; and  
 35 (2) the salaries fixed under section 10 of this chapter.

36 (e) In making levies for the township general fund, the legislative  
 37 body may include an amount not more than the amount necessary to  
 38 compensate its members for their services during the year for which the  
 39 levies are made.

40 (f) After the legislative body has taken action on the executive's  
 41 estimates, it shall levy taxes for the township funds on property in the  
 42 township and fix rates of taxation sufficient to provide that revenue

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1 during the next year.

2 (g) On the assessment date, as defined by IC 6-1.1-1-2, the rates of  
3 taxation adopted under this section become a levy and a lien on all  
4 taxable property in the township, including property in municipalities  
5 in the township. The levy constitutes an appropriation for the specific  
6 items in the executive's estimates.

7 (h) **This subsection does not apply in a county having a**  
8 **consolidated city. In addition to any other requirements, the**  
9 **budget and property tax levies for 2012 and thereafter of a**  
10 **township must be reviewed and approved by the county fiscal body**  
11 **as provided in IC 6-1.1-17-20.2.**

12 SECTION 46. IC 36-6-6-16 IS ADDED TO THE INDIANA CODE  
13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2011]: **Sec. 16. (a) This section applies only to a township in a**  
15 **county not having a consolidated city.**

16 (b) **Except as provided in subsection (c) and section 17 of this**  
17 **chapter, a township legislative body may allow a claim:**

- 18 (1) **only at a meeting of the township legislative body; and**
- 19 (2) **only if the claim was filed in the manner prescribed by**  
20 **IC 5-11-10-2 at least five (5) days before the meeting.**

21 (c) **The township trustee may pay township assistance claims**  
22 **under IC 12-20 in advance of township legislative body allowance**  
23 **without written approval of the township legislative body under**  
24 **section 17 of this chapter. The township legislative body shall**  
25 **review and allow the claim at its next regular or special meeting**  
26 **following the preapproved payment of the claim.**

27 SECTION 47. IC 36-6-6-17 IS ADDED TO THE INDIANA CODE  
28 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
29 1, 2011]: **Sec. 17. (a) This section applies only to a township in a**  
30 **county not having a consolidated city.**

31 (b) **A township legislative body may adopt a resolution allowing**  
32 **money to be disbursed for lawful township purposes under this**  
33 **section.**

34 (c) **Notwithstanding IC 5-11-10, with the prior written approval**  
35 **of the township legislative body, the township trustee may make**  
36 **claim payments in advance of township legislative body allowance**  
37 **for the following kinds of expenses if the township legislative body**  
38 **has adopted a resolution under subsection (b):**

- 39 (1) **Property or services purchased or leased from the United**  
40 **States government, its agencies, or its political subdivisions.**
- 41 (2) **License or permit fees.**
- 42 (3) **Insurance premiums.**

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- 1           **(4) Utility payments or utility connection charges.**
- 2           **(5) General grant programs where advance funding is not**
- 3           **prohibited and the contracting party posts sufficient security**
- 4           **to cover the amount advanced.**
- 5           **(6) Grants of state funds authorized by statute.**
- 6           **(7) Maintenance or service agreements.**
- 7           **(8) Leases or rental agreements.**
- 8           **(9) Bond or coupon payments.**
- 9           **(10) Payroll.**
- 10          **(11) State, federal, or county taxes.**
- 11          **(12) Expenses that must be paid because of emergency**
- 12          **circumstances.**
- 13          **(13) Expenses described in a resolution.**

14           **(d) Each payment of expenses under this section must be**  
 15           **supported by a fully itemized invoice or bill and certification by the**  
 16           **township trustee.**

17           **(e) The township legislative body shall review and allow the**  
 18           **claim at its next regular or special meeting following the**  
 19           **preapproved payment of the expense.**

20           SECTION 48. IC 36-6-10 IS ADDED TO THE INDIANA CODE  
 21           AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 22           JULY 1, 2011]:

23           **Chapter 10. Township Capital Improvement Plan**

24           **Sec. 1. This chapter applies after December 31, 2012, in a county**  
 25           **not having a consolidated city.**

26           **Sec. 2. As used in this chapter, "capital improvement" means:**

- 27           **(1) acquisition of land;**
- 28           **(2) site improvements;**
- 29           **(3) infrastructure improvements;**
- 30           **(4) construction of buildings or structures;**
- 31           **(5) rehabilitation, renovation, or enlargement of buildings or**
- 32           **structures; or**
- 33           **(6) acquisition or improvement of machinery, equipment,**
- 34           **furnishings, or facilities.**

35           **Sec. 3. As used in this chapter, "capital improvement fund"**  
 36           **means a township fund in which the money in the fund may be used**  
 37           **for the payment of capital improvements. The term includes:**

- 38           **(1) a cumulative firefighting building and equipment fund**
- 39           **under IC 36-8-14;**
- 40           **(2) an equipment replacement fund under IC 36-8-19-8.5;**
- 41           **(3) a cumulative township vehicle and building fund under**
- 42           **IC 36-9-17.5;**

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1 (4) a cumulative building fund under IC 36-10-7.5-19; and  
 2 (5) any other fund established by a township for the payment  
 3 of capital improvements.  
 4 Sec. 4. As used in this chapter, "plan" refers to a township  
 5 capital improvement plan adopted or amended under this chapter.  
 6 Sec. 5. Before a township may collect property taxes for a  
 7 capital improvement fund in a particular year, the township  
 8 trustee must prepare a proposed or amended plan in the  
 9 immediately preceding year. The county fiscal body, not later than  
 10 August 1, shall hold a public hearing on a proposed or amended  
 11 plan and adopt the proposed or amended plan.  
 12 Sec. 6. (a) The department of local government finance shall  
 13 prescribe the format of the plan.  
 14 (b) A plan must:  
 15 (1) apply to at least the three (3) years immediately following  
 16 the year the plan is adopted;  
 17 (2) estimate for each year to which the plan applies the nature  
 18 and amount of proposed expenditures from the capital  
 19 improvement fund; and  
 20 (3) estimate:  
 21 (A) the source of all revenue to be dedicated to the  
 22 proposed expenditures in the upcoming calendar year; and  
 23 (B) the amount of property taxes to be collected in the  
 24 upcoming calendar year and retained in the fund for  
 25 expenditures proposed for a later year.  
 26 Sec. 7. A township trustee, with the approval of the county fiscal  
 27 body, may amend a plan to:  
 28 (1) provide money for the purposes of the fund; or  
 29 (2) supplement money accumulated in the fund for the  
 30 purposes of the fund.  
 31 Sec. 8. The plan shall be considered by:  
 32 (1) the township trustee and township board in making the  
 33 annual budget estimate under IC 6-1.1-17-2;  
 34 (2) the county fiscal body in approving the township budget  
 35 under IC 6-1.1-17-2; and  
 36 (3) the department of local government finance when  
 37 reviewing a budget, tax rate, and tax levy of a township under  
 38 IC 6-1.1-17-16.  
 39 SECTION 49. IC 36-7-2-1 IS AMENDED TO READ AS  
 40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as  
 41 provided in subsection (b), this chapter applies to all units except  
 42 townships.

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**(b) A unit consisting of:**  
**(1) two (2) or more townships; and**  
**(2) at least one (1) municipality;**  
**that have reorganized under IC 36-1.5 may exercise planning and zoning power under IC 36-7-4 if the unit's plan of reorganization under IC 36-1.5 authorizes the unit to exercise planning and zoning powers.**

SECTION 50. IC 36-7-4-107 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 107. If a provision of this chapter requires a power to be exercised by adoption of an ordinance, a unit described in IC 36-7-2-1(b) shall exercise the power by adoption of a resolution.**

SECTION 51. IC 36-7-4-202.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 202.5. (a) ADVISORY. Notwithstanding any other law, the legislative body of a unit described in IC 36-7-2-1(b) may establish by resolution an advisory plan commission.**

**(b) ADVISORY. If an advisory plan commission is established under this section by a unit described in IC 36-7-2-1(b) and the unit adopts a comprehensive plan under this chapter:**

- (1) the advisory plan commission of the unit shall exercise the planning and zoning functions within the unit;**
- (2) the advisory plan commission unit may not exercise planning and zoning functions within a municipality that has established a plan commission under this chapter (other than a municipality that participated in the reorganization of the unit under IC 36-1.5);**
- (3) a county plan commission may not exercise planning and zoning functions within the unit; and**
- (4) except as provided in subdivision (2), a municipal plan commission of a municipality (other than a municipality that participated in the reorganization of the unit under IC 36-1.5) may not exercise planning and zoning functions within the unit.**

**Notwithstanding any other law, if a municipality (other than a municipality that participated in the reorganization of the unit under IC 36-1.5) annexes territory within a unit described in IC 36-7-2-1(b) after the unit has established an advisory plan commission under this section, the municipal plan commission of that municipality may not exercise planning and zoning functions**

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1 within that annexed territory.

2 (c) **ADVISORY.** Except as specifically provided in this chapter,  
3 an advisory plan commission established under this section by a  
4 unit described in IC 36-7-2-1(b) shall exercise the planning and  
5 zoning functions within the unit in the same manner that a  
6 municipal plan commission established under this chapter  
7 exercises planning and zoning functions for a municipality.

8 (d) **ADVISORY.** Notwithstanding any other provision, if an  
9 advisory plan commission is established under this section by a unit  
10 described in IC 36-7-2-1(b), the legislative body of the unit shall by  
11 resolution or in the unit's plan of reorganization under IC 36-1.5  
12 determine:

- 13 (1) the number of members to be appointed to the unit's  
14 advisory plan commission;
- 15 (2) the person or entity that shall appoint or remove those  
16 members;
- 17 (3) any required qualifications for those members;
- 18 (4) the terms of those members; and
- 19 (5) whether any members or advisory members shall be  
20 appointed by the county in which the unit is located or by a  
21 municipality located within the unit.

22 SECTION 52. IC 36-7-4-901.5 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE UPON PASSAGE]: **Sec. 901.5. (a)** If an advisory plan  
25 commission is established under section 202.5 of this chapter by a  
26 unit described in IC 36-7-2-1(b) and the unit adopts a  
27 comprehensive plan under this chapter, the legislative body of the  
28 unit shall establish a board of zoning appeals.

29 (b) A board of zoning appeals established under this section:

- 30 (1) shall exercise its powers and duties under this chapter  
31 within the unit in the same manner that a municipal board of  
32 zoning appeals established under this chapter exercises  
33 powers and duties under this chapter for a municipality; and
- 34 (2) may not exercise its powers and duties under this chapter  
35 within a municipality that has established a plan commission  
36 under this chapter (other than a municipality that  
37 participated in the reorganization of the unit under  
38 IC 36-1.5).

39 (c) Notwithstanding any other law, if the legislative body of a  
40 unit described in IC 36-7-2-1(b) establishes a board of zoning  
41 appeals under this section, the legislative body of the unit shall by  
42 resolution determine:

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- 1           **(1) the number of members to be appointed to the unit's board**
- 2           **of zoning appeals;**
- 3           **(2) the person or entity that shall appoint or remove those**
- 4           **members;**
- 5           **(3) any required qualifications for those members; and**
- 6           **(4) the terms of those members.**
- 7           **SECTION 53. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1357, 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.

HINKLE, Chair

Committee Vote: yeas 8, nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred House Bill No. 1357, 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:

Replace the effective dates in SECTIONS 9 through 12 with "[EFFECTIVE UPON PASSAGE]".

Page 1, delete lines 1 through 11, begin a new paragraph and insert:

"SECTION 1. IC 5-11-1-4, AS AMENDED BY P.L.176-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision.

**(b) This subsection applies only to a township in a county not having a consolidated city. A report for a township shall be prepared, verified, and filed with the state examiner not later than March 1 of each year. The filing date of a report is the date the report is received by the state examiner and not the date that the report is processed by the state examiner. The department of local government finance may not approve the budget or any additional appropriations of a township in a county not having a consolidated city that fails to file a report for the preceding fiscal year.**

SECTION 2. IC 5-11-1-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 27. (a) The office of management and budget shall

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**annually prepare a report that includes the following information for each township for the preceding calendar year:**

- (1) The population of the township.**
- (2) The budget, property tax levies, and property tax rates adopted by the township and approved by the department of local government finance.**
- (3) The assessed valuation in the township used to determine property taxes first due and payable in the preceding calendar year.**
- (4) The balance in each township fund as of the end of the preceding calendar year.**
- (5) A summary of the township assistance information submitted by the township trustee under IC 12-20-28-3.**
- (6) A summary of any statutory compliance issues or exceptions noted by the state board of accounts in its examination report for the township for the preceding calendar year.**
- (7) A description of any interlocal agreements in effect concerning the township's functions and duties.**
- (8) A description of any resolutions or petitions concerning the township that were adopted or submitted under IC 36-1.5 (government modernization) during the preceding calendar year.**
- (9) A description of the property owned or leased by the township.**

**(b) To the extent that the information required by subsection (a) has not been previously submitted to or certified by the office of management and budget or the department of local government finance, a township shall submit the information to the office of management and budget in an electronic format on a schedule established by the office of management and budget.**

**(c) The office of management and budget shall do the following before July 1 of each year:**

- (1) Submit a copy of the report prepared under subsection (a) to the executive director of the legislative services agency in an electronic format under IC 5-14-6.**
- (2) Submit to the county council of each county a copy of the information compiled in the report for each township within the county.**

SECTION 3. IC 5-11-13-1, AS AMENDED BY P.L.169-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. **(a)** Every state, county, city, town, township, or

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school official, elective or appointive, who is the head of or in charge of any office, department, board, or commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution, shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year. **The filing date of a report is the date the report is received by the state examiner and not the date that the report is processed by the state examiner.**

**(b) This subsection applies only to a township in a county not having a consolidated city. If a township fails to file a report under this section for the preceding year, the department of local government finance may not approve the budget or any additional appropriations of the township.**

SECTION 4. IC 6-1.1-17-2, AS AMENDED BY P.L.1-2006, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

- (1) township assistance;
- (2) unemployment relief;
- (3) old age pensions; or
- (4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

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(b) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement (as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year.

(c) **This subsection applies only to a county not having a consolidated city. When formulating a proposed annual budget estimate, the township trustee and the township board shall consider the following:**

**(1) The ending balance that will remain in each township fund relative to:**

- (A) the budgeted expenditures from the fund;**
- (B) the fund balance that must be maintained by the township on account of actual or anticipated delayed property tax billing, collection, or distribution; and**
- (C) the amount of tax anticipation notes or warrants or other obligations incurred by the township on account of delayed property tax billing, collection, or distribution.**

**(2) Whether the ending balance remaining in each township fund is excessive and should be used to reduce property tax levies. The factors described in subdivision (1) shall be considered in determining whether an ending balance in a township fund is excessive. If:**

- (A) the township board; or**
- (B) the county fiscal body in reviewing the township budget and levies under section 20.2 of this chapter;**

**determines under this subdivision that the ending balance in a township fund is excessive, the township board shall transfer the excessive amount to the township's levy excess fund.**

**(3) After December 31, 2012, with regard to a township capital improvement fund or cumulative building fund, the township capital improvement plan prepared under IC 36-6-10.**

SECTION 5. IC 6-1.1-17-3, AS AMENDED BY P.L.182-2009(ss), SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the

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department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before September 10 of the calendar year.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board **and, in the case of a county not having a consolidated city, the county fiscal body** shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) This subsection expires January 1, 2009. A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

- (1) The cost of child services (as defined in IC 12-19-7-1, **before its repeal**) of the county payable from the family and children's fund.
- (2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1, **before its repeal**) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under

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section 11 of this chapter.

(e) This subsection applies only to a county not having a consolidated city. Beginning with budgets adopted for 2012 and thereafter, a township must have the township's budget and property tax levy reviewed and approved by the county fiscal body under section 20.2 of this chapter.

(f) This subsection applies only to a county not having a consolidated city. The following apply to township budgets adopted for 2012 and thereafter:

(1) Except as provided in subdivision (2), the total amount appropriated by the township board for a particular year (including any additional appropriations made for that year) may not exceed the result of:

(A) the total amount appropriated for the previous year (including any additional appropriations made for that year); multiplied by

(B) the assessed value growth quotient determined under IC 6-1.1-18.5-2 and applicable to the township for the particular year.

(2) The township board may appeal before October 20 of the current year to the department of local government finance for relief from the appropriation limitations for the ensuing year, if:

(A) the township board determines after a public hearing that the township cannot carry out its governmental functions for a year under the appropriation limitations imposed by subdivision (1); and

(B) the appeal is reviewed and approved by the county fiscal body under the procedures of section 20.2 of this chapter.

In the appeal, the township board must state that the township will be unable to carry out the governmental functions committed to it by law unless the township is given relief from the appropriation limits. The township board must support the appeal by reasonably detailed statements of fact. The department of local government finance shall review the merits of the appeal. If the department of local government finance determines after reviewing the appeal that the township cannot carry out its governmental functions for a year under the appropriation limitations imposed by subdivision (1), the department of local government finance may grant relief from those appropriation limitations in the

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**manner determined to be appropriate by the department of local government finance.**

SECTION 6. IC 6-1.1-17-3.5, AS AMENDED BY P.L.182-2009(ss), SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3.5. (a) This section does not apply to civil taxing units located in a county in which a county board of tax adjustment reviews budgets, tax rates, and tax levies. This section does not apply to a civil taxing unit that has its proposed budget and proposed property tax levy approved under section 20 of this chapter or IC 36-3-6-9. **Beginning with budgets adopted for 2012 and thereafter, this section does not apply to a township that has the township's budget and property tax levy reviewed and approved by the county fiscal body under section 20.2 of this chapter.**

(b) This section applies to a civil taxing unit other than a county. If a civil taxing unit will impose property taxes due and payable in the ensuing calendar year, the civil taxing unit shall file with the fiscal body of the county in which the civil taxing unit is located:

- (1) a statement of the proposed or estimated tax rate and tax levy for the civil taxing unit for the ensuing budget year; and
- (2) a copy of the civil taxing unit's proposed budget for the ensuing budget year.

(c) In the case of a civil taxing unit located in more than one (1) county, the civil taxing unit shall file the information under subsection (b) with the fiscal body of the county in which the greatest part of the civil taxing unit's net assessed valuation is located.

(d) A civil taxing unit must file the information under subsection (b) at least forty-five (45) days before the civil taxing unit fixes its tax rate and tax levy and adopts its budget under this chapter.

(e) A county fiscal body shall complete the following at least fifteen (15) days before the civil taxing unit fixes its tax rate and tax levy and adopts its budget under this chapter:

- (1) Review any proposed or estimated tax rate or tax levy or proposed budget filed by a civil taxing unit with the county fiscal body under this section.
- (2) Issue a nonbinding recommendation to a civil taxing unit regarding the civil taxing unit's proposed or estimated tax rate or tax levy or proposed budget.

(f) The recommendation under subsection (e) must include a comparison of any increase in the civil taxing unit's budget or tax levy to:

- (1) the average increase in Indiana nonfarm personal income for

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the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and

(2) increases in the budgets and tax levies of other civil taxing units in the county.

(g) The department of local government finance must provide each county fiscal body with the most recent available information concerning increases in Indiana nonfarm personal income and increases in county nonfarm personal income.

(h) If a civil taxing unit fails to file the information required by subsection (b) with the fiscal body of the county in which the civil taxing unit is located by the time prescribed in subsection (d), the most recent annual appropriations and annual tax levy of that civil taxing unit are continued for the ensuing budget year.

(i) If a county fiscal body fails to complete the requirements of subsection (e) before the deadline in subsection (e) for any civil taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the county are continued for the ensuing budget year.

SECTION 7. IC 6-1.1-17-5, AS AMENDED BY P.L.111-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

- (A) the time required in section 5.6(b) of this chapter; or
- (B) November 1 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(2) The proper officers of all other political subdivisions that are not school corporations, not later than November 1.

(3) The governing body of a school corporation (other than a school corporation described in subdivision (1)) that elects to adopt a budget under section 5.6 of this chapter for budget years beginning after June 30, 2011, not later than the time required under section 5.6(b) of this chapter for budget years beginning after June 30, 2011.

(4) The governing body of a school corporation that is not described in subdivision (1) or (3), not later than November 1.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed

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at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget. **Beginning with budgets adopted for 2012 and thereafter, in a county not having a consolidated city, the county fiscal body shall review and approve the budget, tax rate, and tax levy for each township in the county under section 20.2 of this chapter.**

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

- (1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;
- (2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and
- (3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 8. IC 6-1.1-17-16, AS AMENDED BY P.L.182-2009(ss),

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SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter. **When reviewing a budget, tax rate, and tax levy of a township in a county not having a consolidated city, the department of local government finance shall consider the issues described in section 2(c) of this chapter.**

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in

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IC 5-3-1-2.3(b). The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis office. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
- (3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and
- (4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) If the department:
  - (A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or

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(B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in section 12 of this chapter is published at least ten (10) days before the date of the hearing.

SECTION 9. IC 6-1.1-17-16.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 16.2. This section applies only to**

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a township in a county not having a consolidated city. The department of local government finance may not approve the budget or any additional appropriations of a township that fails to file a report required under IC 5-11-1-4 or IC 5-11-13-1 in the preceding calendar year, unless the township did not exist as of March 1 of the calendar year preceding the ensuing calendar year by two (2). However, this section applies to a township that is the successor to another township or the result of a consolidation or merger of one (1) or more townships, if an annual report under IC 5-11-1-4 has not been filed for each predecessor township.

SECTION 10. IC 6-1.1-17-20.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 20.2. (a) This section applies only in a county not having a consolidated city.**

**(b) This section applies only to township budgets and property tax levies for 2012 and thereafter.**

**(c) After a township legislative body has adopted the township's budget under IC 36-6-6-11, the township legislative body must submit the township's budget and property tax levies to the county fiscal body of the county in which the township is located. The county fiscal body shall review the township's budget and property tax levies and adopt a final budget and final property tax levies for the township. The county fiscal body shall consider the matters in section 2(c) of this chapter in reviewing the township's budget and levies. The county fiscal body may reduce or modify but not increase the township's budget and property tax levies. The county shall submit the budget, tax rate, and tax levy in the manner prescribed by the department of local government finance.**

**(d) The county shall hold the public hearing on its review of the budgets and tax levies of each township. The county shall give notice of the hearing as follows:**

**(1) The county shall publish notice under IC 5-3-1.**

**(2) The county shall provide notice by mail to each township trustee and member of the township legislative body. The hearing date must be at least ten (10) days after the date the notice is mailed.**

SECTION 11. IC 6-1.1-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and**

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place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

- (1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or
- (2) revenue from property taxes levied under IC 6-1.1;

the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the

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political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

- (1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the political subdivision; and
- (2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

**(j) This subsection applies only in a county not having a consolidated city. In addition to any other requirements under this section, an additional appropriation after December 31, 2011, by a township must be reviewed and approved by the county fiscal body under the procedures of IC 6-1.1-17-20.2.**

SECTION 12. IC 6-9-2-3, AS AMENDED BY P.L.223-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) For purposes of this section, the size of a political subdivision is based on the population determined in the last federal decennial census.

(b) A convention and visitor bureau having ~~fifteen (15)~~ **nineteen (19)** members is created to promote the development and growth of the convention, tourism, and visitor industry in the county.

(c) The executives (as defined by IC 36-1-2-5) of the ~~eight (8)~~ **largest municipalities (as defined by IC 36-1-2-11) five (5) largest cities and the seven (7) largest towns** in the county shall each appoint one (1) member to the bureau. The legislative body (as defined in IC 36-1-2-9) of the two (2) largest municipalities in the county shall each appoint one (1) member to the bureau.

(d) The county council shall appoint two (2) members to the bureau. One (1) of the appointees must be a resident of the ~~fifth largest township city~~ **fifth largest township city** in the county, and one (1) of the appointees must be a resident of the ~~second eighth largest township town~~ **second eighth largest township town** in the county. **The appointees may not be of the same political party.**

(e) The county commissioners shall appoint two (2) members to the bureau. ~~Each appointee~~ **One (1) of the appointees** must be a resident of the ~~fifth, sixth seventh, eighth, ninth, tenth, or eleventh largest township town~~ **seventh largest town** in the county. ~~These appointees must be residents of different townships:~~ **One (1) of the appointees must be a resident of the seventh largest town in the county. The appointees may not be of the same political party.**

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(f) The lieutenant governor shall appoint one (1) member to the bureau.

(g) ~~One (1) of the appointees under subsection (d) and one (1) of the appointees under subsection (e) must be members of the political party that received the highest number of votes in the county in the last preceding election for the office of secretary of state. One (1) of the appointees under subsection (d) and one (1) of the appointees under subsection (e) must be members of the political party that received the second highest number of votes in the county in the election for that office.~~ No appointee under this section may hold an elected or appointed political office while serving on the bureau.

(h) In making appointments under this section, the appointing authority shall give sole consideration to individuals who are knowledgeable about or employed as executives or managers in at least one (1) of the following businesses in the county:

- (1) Hotel.
- (2) Motel.
- (3) Restaurant.
- (4) Travel.
- (5) Transportation.
- (6) Convention.
- (7) Trade show.
- (8) A riverboat licensed under IC 4-33.
- (9) Banking.
- (10) Real estate.
- (11) Construction.

However, an individual employed by a riverboat may not be appointed under this section unless the individual holds a Level 1 occupational license issued under IC 4-33-8. This subsection does not apply to board members appointed before July 1, 2007, who are eligible for reappointment after June 30, 2007.

(i) All terms of office of bureau members begin on July 1. Members of the bureau serve terms of three (3) years. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an appointment is not made before July 16 or a vacancy is not filled within thirty (30) days, the member appointed by the lieutenant governor under subsection (f) shall appoint a qualified person.

(j) A member of the bureau may be removed for cause by the member's appointing authority.

(k) Members of the bureau may not receive a salary. However,

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bureau members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(l) Each bureau member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(m) The bureau shall meet after July 1 each year for the purpose of organization. The bureau shall elect a chairman from its members. The bureau shall also elect from its members a vice chairman, a secretary, and a treasurer. The members serving in those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve until their successors are elected and qualified. A majority of the bureau constitutes a quorum, and the concurrence of a majority of those present is necessary to authorize any action.

(n) If the county and one (1) or more adjoining counties desire to establish a joint bureau, the counties shall enter into an agreement under IC 36-1-7.

(o) Notwithstanding any other law, any bureau member appointed as of January 1, 2007, is eligible for reappointment.

SECTION 13. IC 12-20-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

**Chapter 1.5. Township Assistance Planning Board**

**Sec. 1. This chapter applies only to a county not having a consolidated city.**

**Sec. 2. As used in this chapter, "board" refers to the township assistance planning board established for a county under section 3 of this chapter.**

**Sec. 3. (a) A township assistance planning board is established in each county. The members of the board are the trustees of all townships in the county.**

**(b) One (1) member of the county executive of the county, selected by the county executive, shall serve as chairman of the township planning board and serve as a nonvoting advisory member of the board.**

**(c) An affirmative vote of a majority of the voting members present is required for the board to take action.**

**(d) The board shall meet at least once annually and at the call of the chairman.**

**Sec. 4. (a) The first meeting of the board shall be convened by the chairman not later than January 1, 2012.**

**(b) Each county fiscal body shall determine, in the manner**

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provided by law, the compensation of the members of the board.

(c) The board is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3.

**Sec. 5.** The board has the duty and responsibility to propose and annually review the county's township assistance standards. The standards apply to all townships in the county. The standards must be adopted by the county legislative body not later than March 31 of each year.

**Sec. 6. (a)** The chairman of the board shall file with the county auditor not later than December 1 of each year, a statement stating whether the board adopted the county's township standards for the year preceding the ensuing calendar year. The county auditor shall forward the statement to the department of local government finance not later than December 31 each year.

**(b)** If the planning board fails to adopt township standards for the two (2) years preceding the ensuing year, the department of local government finance may not approve the budget and levy of the township.

**Sec. 7.** Before July 1, 2012, the board shall adopt a resolution approving standards that meet or exceed the requirements of this article and forward the resolution to the county legislative body for adoption. The standards take effect January 1, 2013.

SECTION 14. IC 12-20-5.5-1, AS AMENDED BY P.L.73-2005, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) The township trustee shall process all applications for township assistance according to uniform written standards and without consideration of the race, creed, nationality, or gender of the applicant or any member of the applicant's household.

**(b)** The township's standards for the issuance of township assistance and the processing of applications must be:

- (1) governed by the requirements of this article;
- (2) for standards applicable before January 1, 2013, in a county not having a consolidated city,** proposed by the township trustee, adopted by the township board, and filed with the board of county commissioners;
- (3) for standards applicable after December 31, 2012, in a county not having a consolidated city, proposed by the township assistance planning board and adopted by ordinance of the county legislative body;**
- (4) for standards applicable in a county having a consolidated city, proposed by the township trustee, adopted by the township board, and filed with the board of county**

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**commissioners;**

~~(3)~~ **(5)** reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law; ~~(4)~~ **(6)** published in a single written document, including addenda attached to the document; ~~and~~

~~(5)~~ **(7)** posted in a place prominently visible to the public in all offices of the township trustee where township assistance applications are taken or processed; **and**

**(8) for standards applicable after December 31, 2012, in a county not having a consolidated city, posted on the county's web site, if the county maintains an Internet web site.**

SECTION 15. IC 12-20-5.5-2, AS AMENDED BY P.L.73-2005, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) Standards for the administration of township assistance must ~~contain~~ **establish at a minimum** the following:

- (1) Criteria for determining township assistance eligibility.
- (2) Minimum requirements of township trustee accessibility.
- (3) Other information as needed, including the following:
  - (A) Township office locations, hours, and days of availability.
  - (B) Initial eligibility criteria.
  - (C) Continuing eligibility criteria.
  - (D) Workfare requirements.
  - (E) Essential and nonessential assets.
  - (F) Available resources.
  - (G) Income exemptions.
  - (H) Application process.
  - (I) Countable income.
  - (J) Countable assets.
  - (K) Wasted resources.

(b) Standards for the administration of township assistance must exclude a Holocaust victim's settlement payment received by an eligible individual from countable assets and countable income.

SECTION 16. IC 12-20-5.5-4, AS AMENDED BY P.L.73-2005, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) This section does not apply to a township trustee who has assisted less than fifty-one (51) households during each of the two (2) years immediately preceding the date of the township trustee's annual report under IC 12-20-28-3.

(b) To ensure minimum accessibility, a township trustee operating a township assistance office in a township with a population of at least ten thousand (10,000) shall provide scheduled office hours for township assistance and staff each office with an individual qualified

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to:

- (1) determine eligibility; and
- (2) issue relief sufficient to meet the township assistance needs of the township.

(c) To meet the requirements of subsection (b), the township trustee shall do the following:

- (1) Provide township assistance office hours for at least fourteen (14) hours per week.
- (2) Provide that there is not more than one (1) weekday between the days the township assistance office is open.
- (3) Provide for after hours access to the township assistance office by use of an answering machine or a service:
  - (A) capable of taking messages; and
  - (B) programmed to provide information about township assistance office hours.
- (4) Respond to a telephone inquiry for township assistance services not more than twenty-four (24) hours, excluding Saturdays, Sundays, and legal holidays, after receiving the inquiry.
- (5) (3) Post township assistance office hours and telephone numbers at the entrance to each township assistance office.

SECTION 17. IC 12-20-5.5-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 4.1. (a) A township trustee shall:**

- (1) provide for after hours access to the township assistance office by use of an answering machine or a service:**
  - (A) capable of taking messages; and**
  - (B) programmed to provide information about township assistance office hours; and**
- (2) respond to a telephone inquiry for township assistance services not more than twenty-four (24) hours, excluding Saturdays, Sundays, and legal holidays, after receiving the inquiry.**

**(b) The county auditor shall post in a prominent place in the county auditor's office a notice, with the name and contact information for the persons responsible for performing the duties of the township trustee regarding township assistance, if the township trustee is unavailable.**

SECTION 18. IC 12-20-5.5-5, AS AMENDED BY P.L.73-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 5. The township's or (after December 31, 2012) in a county not having a consolidated city, the county's standards for**

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the administration of township assistance must include all applicable standards governing the provision of basic necessities, including maximum amounts, special conditions, or other limitations on eligibility, if any have been established for one (1) or more basic necessities.

SECTION 19. IC 12-20-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) A township trustee **or, for standards applicable after December 31, 2012, in a county not having a consolidated city, the county legislative body,** shall set income standards for the township that provide for financial eligibility in an amount consistent with reasonable costs of basic necessities in the trustee's particular township.

(b) A township trustee **or, for standards applicable after December 31, 2012, in a county not having a consolidated city, the county legislative body** may not consider a Holocaust victim's settlement payment received by an eligible individual when setting income standards under this section.

SECTION 20. IC 12-20-6-7, AS AMENDED BY P.L.73-2005, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) In a case of emergency, a trustee shall accept and promptly act upon a completed application from an individual requesting assistance. In a nonemergency request for township assistance, the trustee shall act on the completed application not later than seventy-two (72) hours after receiving the application, excluding weekends and legal holidays listed in IC 1-1-9. The trustee's office shall retain a copy of each application and affidavit whether or not relief is granted.

(b) The actions that a trustee may take on a completed application for township assistance, except in a case of emergency, are the following:

- (1) Grant assistance.
- (2) Deny assistance, including a partial denial of assistance requested.
- (3) Leave the decision pending.

(c) A decision pending determination under subsection (b)(3):

- (1) may not remain pending for more than seventy-two (72) hours after the expiration of the period described in subsection (a); and
- (2) must include a statement listing the specific reasons that assistance is not granted or denied within the period required under subsection (a).

**(d) If a trustee does not:**

- (1) accept a completed application for township assistance; or**

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**(2) grant or deny a completed application for township assistance within the period required under this section; the application is considered denied, and the denial may be appealed under IC 12-20-15.**

SECTION 21. IC 12-20-15-1, AS AMENDED BY P.L.73-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. If an applicant for or recipient of township assistance:

- (1) is not satisfied with the decision of the township trustee, as administrator of township assistance; or**
  - (2) has had an application denied under IC 12-20-6-7(d);**
- the applicant or recipient may appeal to the board of commissioners.

SECTION 22. IC 12-20-15-2, AS AMENDED BY P.L.73-2005, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. An applicant for township assistance must file the applicant's appeal not more than fifteen (15) days from the date:

- (1) of issuance by the township trustee of adequate written notice of the denial of township assistance as provided by IC 12-20-6-8;**
- or**
- (2) the application is denied under IC 12-20-6-7(d).**

An appeal must be made in writing or orally as required by the board of commissioners.

SECTION 23. IC 12-20-15-4, AS AMENDED BY P.L.73-2005, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) In hearing an appeal, the board of commissioners and a hearing officer shall:

- (1) review and consider any report or investigative documents the trustee prepared before making the appealed decision; and
  - (2) be governed by the township's or (after December 31, 2012) in a county not having a consolidated city, the county's township assistance standards for determining eligibility to the extent that the standards comply with existing law for the granting of township assistance. If no legally sufficient standards have been established, the board of commissioners and the hearing officer shall be guided by the circumstances in each case.**
- (b) The board of commissioners shall remand a case to a trustee for further proceedings if:
- (1) new evidence was presented by the applicant to the board of commissioners; and
  - (2) the board of commissioners determines that the new evidence presented would have made the individual eligible for assistance.
- (c) If a case is remanded to a trustee, the trustee shall issue a new

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determination of eligibility not later than seventy-two (72) hours after receiving the written decision remanding the case, excluding weekends and legal holidays listed in IC 1-1-9.

SECTION 24. IC 12-20-15-8, AS AMENDED BY P.L.73-2005, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. (a) The township trustee or an applicant may appeal a decision of the board of commissioners to a circuit or superior court with jurisdiction in the county.

(b) In hearing an appeal, the court shall be governed by the township's **or (after December 31, 2012) in a county not having a consolidated city, the county's** township assistance standards for determining eligibility for granting township assistance in the township. If legally sufficient standards have not been established, the court shall be guided by the circumstances of the case.

SECTION 25. IC 12-20-16-5, AS AMENDED BY P.L.73-2005, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) An applicant or a household that receives food relief in any township having a population of more than ten thousand (10,000) may request the township trustee, as administrator of township assistance, to issue a food order upon any eligible market, and the township trustee, as administrator of township assistance, shall abide by that request.

(b) The amount of a food order for various sized households that are determined by the trustee to be eligible for township assistance shall be based upon uniform monthly amounts specified in the township's **or (after December 31, 2012) in a county not having a consolidated city, the county's** township assistance standards. However, an additional amount of food may be ordered for special health reasons as prescribed by a physician. A supplemental food order may be issued because of the loss of the recipient's food by:

- (1) fire, flood, or other natural disaster;
- (2) burglary or other criminal act; or
- (3) the unpreventable spoilage of food.

(c) The trustee may issue a food order to an eligible applicant on either a daily, weekly, or monthly basis.

SECTION 26. IC 12-20-16-12, AS AMENDED BY P.L.73-2005, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) This section does not apply if the county coroner assumes jurisdiction of an unclaimed body under IC 36-2-14-16.

(b) If:

- (1) an individual dies in a township without leaving:

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- (A) money;
- (B) real or personal property;
- (C) other assets that may be liquidated; or
- (D) other means necessary to defray funeral expenses; and

(2) the individual is not a resident of another township in Indiana; the township trustee, as administrator of township assistance, shall provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual. If the township trustee determines that the deceased individual is a resident of another township in Indiana, the township trustee shall notify the trustee of that township, who shall then provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual.

(c) The necessary and reasonable expenses of the funeral and burial or cremation, including a burial plot, shall be paid in the same manner as other claims for township assistance. A trustee shall determine the cost for the items and services required by law for the funeral and burial of an individual, including a burial plot, and for the cremation of an individual, and include in the township's **or (after December 31, 2012) in a county not having a consolidated city, the county's** township assistance standards the maximum funeral and burial or cremation amount to be paid from township assistance funds. The trustee may deduct from the maximum amount the following:

- (1) Any monetary benefits that the deceased individual is entitled to receive from a state or federal program.
- (2) Any money that another person provides on behalf of the deceased individual.

(d) If an individual described in subsection (b) is a resident of a state institution at the time of the individual's death, the division that has administrative control of the state institution shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the division that has administrative control of the state institution an itemized claim for reimbursement of the necessary and reasonable funeral and burial or cremation expenses incurred by the township trustee.

(e) If an individual described in subsection (b) is a resident of a special institution governed by IC 16-33 at the time of the individual's death, the state department of health shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the state department of health an itemized claim for reimbursement of the necessary and reasonable funeral and burial or

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cremation expenses incurred by the township trustee.

(f) A township trustee who provides funeral and burial or cremation benefits to a deceased individual is entitled to a first priority claim, to the extent of the cost of the funeral and burial or cremation benefits paid by the township trustee, against any money or other personal property held by the coroner under IC 36-2-14-11.

(g) The township trustee may not cremate a deceased individual if:

- (1) the deceased individual; or
- (2) a surviving family member of the deceased individual;

has objected in writing to cremation.

(h) If a township trustee provides a funeral under this section, the cost of the funeral may not be more than the cost of the least expensive funeral, including any necessary merchandise and embalming, available from the funeral director under the funeral director's price list disclosed to the Federal Trade Commission.

SECTION 27. IC 36-1-8-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 17. (a) This section applies only to a township in a county not having a consolidated city.**

**(b) Each township office must include the address, phone number, and regular office hours (if any) of the township office in at least one (1) local telephone directory.**

**(c) A public meeting or a public hearing of a township official or governing body must be held in a public place.**

SECTION 28. IC 36-1-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

**Chapter 20. Applicability of Provisions to Townships Participating in a Reorganization**

**Sec. 1. This chapter applies to a township participating in a reorganization under IC 36-1.5.**

**Sec. 2. If a reorganization is not completed by June 30, 2011, the following provisions apply to a township described in section 1 of this chapter:**

- (1) IC 5-11-1-4(b).
- (2) IC 5-11-1-27.
- (3) IC 5-11-13-1(b).
- (4) IC 6-1.1-17-2(c).
- (5) IC 6-1.1-17-3(e) and IC 6-1.1-17-3(f).
- (6) IC 6-1.1-17-3.5(a).
- (7) IC 6-1.1-17-16(a).
- (8) IC 6-1.1-17-16.2.

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- (9) IC 6-1.1-17-20.2.
- (10) IC 6-1.1-18-5(j).
- (11) IC 12-20-1.5.
- (12) IC 12-20-5.5-1.
- (13) IC 12-20-5.5-2.
- (14) IC 12-20-5.5-4.
- (15) IC 12-20-5.5-4.1.
- (16) IC 12-20-5.5-5.
- (17) IC 12-20-5.5-6.
- (18) IC 12-20-6-7(d).
- (19) IC 12-20-15-1.
- (20) IC 12-20-15-2.
- (21) IC 12-20-15-4.
- (22) IC 12-20-15-8.
- (23) IC 12-20-16-5.
- (24) IC 12-20-16-12.
- (25) IC 36-1-8-17.
- (26) IC 36-6-4-12(c).
- (27) IC 36-6-6-9(f).
- (28) IC 36-6-6-10(i).
- (29) IC 36-6-6-11(h).
- (30) IC 36-6-6-16.
- (31) IC 36-6-6-17.
- (32) IC 36-6-10.

**Sec. 3. This chapter does not affect or prohibit:**

- (1) the reorganization described in section 1 of this chapter from continuing; or
- (2) the township or townships described in section 1 of this chapter from reorganizing under IC 36-1.5.

SECTION 29. IC 36-1.5-1-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 10. (a) This section applies if:**

- (1) a township reorganizes under this article with one (1) or more townships; and
- (2) the new political subdivision that results from the reorganization is not a city or town.

**(b) After June 30, 2011, the county fiscal body shall review and approve the budget, tax rate, and tax levy of the new political subdivision under IC 6-1.1-17-20.2."**

Page 2, delete lines 15 through 31.

Page 2, line 32, delete "(e)" and insert "(c)".

Page 3, delete lines 4 through 20.

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Page 3, line 21, reset in roman "(b)".

Page 3, line 21, delete "(d)".

Page 3, delete lines 26 through 42, begin a new paragraph and insert:

"SECTION 32. IC 36-1.5-4-18, AS AMENDED BY P.L.113-2010, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) A reorganization committee shall prepare a comprehensive plan of reorganization for the reorganizing political subdivisions. The plan of reorganization governs the actions, duties, and powers of the reorganized political subdivision that are not specified by law.

(b) The plan of reorganization must include at least the following:

(1) The name and a description of the reorganized political subdivision that will succeed the reorganizing political subdivisions.

(2) A description of the boundaries of the reorganized political subdivision.

(3) Subject to section 40 of this chapter, a description of the taxing areas in which taxes to retire obligations of the reorganizing political subdivisions will be imposed.

(4) A description of the membership of the legislative body, fiscal body, and executive of the reorganized political subdivision, a description of the election districts or appointment districts from which officers will be elected or appointed, and the manner in which the membership of each elected or appointed office will be elected or appointed.

(5) A description of the services to be offered by the reorganized political subdivision and the service areas in which the services will be offered.

(6) The disposition of the personnel, the agreements, the assets, and, subject to section 40 of this chapter, the liabilities of the reorganizing political subdivisions, including the terms and conditions upon which the transfer of property and personnel will be achieved.

(7) Any other matter that the:

(A) reorganization committee determines to be necessary or appropriate; or

(B) legislative bodies of the reorganizing political subdivisions require the reorganization committee;

to include in the plan of reorganization.

(8) In the case of a reorganization described in section 1(a)(9) of this chapter, if the legislative bodies of the reorganizing political

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subdivisions have specified that the vote on the public question regarding the reorganization shall be conducted on a countywide basis under section 30(b) of this chapter with a rejection threshold, the reorganization committee shall include in the reorganization plan a rejection threshold, specified as a percentage, that applies for purposes of section 32(b) of this chapter. The rejection threshold must be the same for each municipality that is a party to the proposed reorganization and to the county that is a party to the proposed reorganization.

(9) In the case of a reorganization described in section 1(a)(9) of this chapter, the reorganization committee shall determine and include in the reorganization plan the percentage of voters voting on the public question regarding the proposed reorganization who must vote, on a countywide basis, in favor of the proposed reorganization for the public question to be approved. This percentage is referred to in this chapter as the "countywide vote approval percentage". The countywide vote approval percentage must be greater than fifty percent (50%).

(10) The ~~statement~~ **fiscal impact analysis** required by subsection (e).

(c) In the case of a reorganization described in section 1(a)(9) of this chapter, the reorganization committee may not change the decision of the legislative bodies of the reorganizing political subdivisions regarding whether the vote on the public question regarding the reorganization shall be conducted on a countywide basis without a rejection threshold or with a rejection threshold.

(d) Upon completion of the plan of reorganization, the reorganization committee shall present the plan of reorganization to the legislative body of each of the reorganizing political subdivisions for adoption. The initial plan of reorganization must be submitted to the legislative body of each of the reorganizing political subdivisions not later than one (1) year after the clerk of the last political subdivision that adopts a reorganization resolution under this chapter has certified the resolution to all of the political subdivisions named in the resolution. In the case of a plan of reorganization submitted to a political subdivision by a reorganization committee after June 30, 2010, the political subdivision shall post a copy of the plan of reorganization on an Internet web site maintained or authorized by the political subdivision not more than thirty (30) days after receiving the plan of reorganization from the reorganization committee. **If the plan of reorganization is amended, the political subdivision shall post the amended plan on the Internet web site maintained or authorized by**

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**the political subdivision within seven (7) days after the amended plan is adopted.**

(e) A reorganization committee must include in the plan of reorganization submitted to a political subdivision after June 30, ~~2010~~, **2011, a statement of: fiscal impact analysis of the proposed reorganization. The fiscal impact analysis must include at least the following:**

(1) whether a fiscal impact analysis concerning the proposed reorganization has been prepared or has not been prepared by or on behalf of the reorganization committee; and

(2) whether a fiscal impact analysis concerning the proposed reorganization has been made available or has not been made available to the public by or on behalf of the reorganization committee.

(1) **The estimated effect of the proposed reorganization on taxpayers in each of the political subdivisions to which the proposed reorganization applies, including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt service payments in those political subdivisions.**

(2) **A description of the planned services to be provided in the reorganized political subdivision, and the method or methods of financing the planned services. The fiscal impact analysis must:**

(A) **present itemized estimated costs for each department or agency of the reorganized political subdivision; and**

(B) **explain how specific and detailed expenses will be funded from taxes, fees, grants, and other funding.**

(3) **A description of the capital improvements to be provided in the reorganized political subdivision, and the method or methods of financing those capital improvements.**

(f) **A reorganization committee must submit the fiscal impact analysis described in subsection (e) to the department of local government finance at least six (6) months before the election in which the public question will be on the ballot. A legislative body of a reorganizing political subdivision may not adopt a plan of reorganization unless the reorganization committee has submitted the fiscal impact analysis to the department of local government finance as required by this subsection. The department of local government finance must do the following within a reasonable period of time, but not later than thirty (30) days before the date of the election in which the public question will be on the ballot:**

(1) **Review the fiscal impact analysis.**

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**(2) Make any comments concerning the fiscal impact analysis that the department considers appropriate.**

**(3) Provide the department's comments under subdivision (2) to the legislative body of the reorganizing political subdivisions.**

**(4) Post the department's comments under subdivision (2) on the department's Internet web site.**

**The department of local government finance shall certify to the reorganization committee the total amount of expense incurred by the department in carrying out the department's review and preparing the department's comments. Upon receipt of the department's certification of the expenses, the reorganizing political subdivisions shall immediately pay to the treasurer of state the amount charged. The share of the cost to be paid by each reorganizing political subdivision shall be determined by the reorganization committee. Money paid by a reorganizing political subdivision under this subsection shall be deposited in the state general fund.**

SECTION 33. IC 36-1.5-4-27, AS AMENDED BY P.L.113-2010, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. **(a)** After the county recorder of each county in which reorganizing political subdivisions are located has notified the county election board that a public question on a plan of reorganization is eligible to be placed on the ballot, the county election board shall, **except as provided in subsection (b)**, place the public question on the ballot in accordance with IC 3-10-9 on the first regularly scheduled general election or municipal election (excluding any primary elections) that will occur in all of the precincts of the reorganizing political subdivisions at least sixty (60) days after the required notices are received: **after the public question has been certified as provided in IC 3-10-9-3.**

**(b) If a regularly scheduled general election or municipal election (excluding any primary elections) will not be held in all of the precincts of the reorganizing political subdivisions during the first year in which the public question is eligible to be placed on the ballot under this section and if the reorganizing political subdivisions request the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in November of the year. The certification must occur not later than noon on August 1. However, a special election may be held under this subsection only if the reorganizing political**

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**subdivisions agree to pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.**

SECTION 34. IC 36-1.5-4-32, AS ADDED BY P.L.186-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) This subsection does not apply to a reorganization described in section 1(a)(9) of this chapter. A reorganization as specified in the plan of reorganization is approved if a majority of the voters in each reorganizing political subdivision voting on the public question approve the public question on the reorganization. **If a reorganizing political subdivision includes the territory of another reorganizing political subdivision, the following apply:**

**(1) Except as provided in subdivision (2),** the vote of voters of a reorganizing political subdivision (~~for example, a city~~) who also are voters in a second reorganizing political subdivision (~~for example, a township~~) that is geographically larger than the first political subdivision and that includes the territory of the first political subdivision shall be included only in the tally of votes for the first reorganizing political subdivision in which the voters reside.

**(2) In the case of a proposed reorganization between a township and municipality that is not entirely located with the township:**

**(A) the voters who reside within the municipality and do not also reside within the township:**

**(i) shall be included only in the tally of votes for the municipality; and**

**(ii) shall not be included in the tally of votes for the township; and**

**(B) the voters who reside within the township and also reside within the municipality:**

**(i) shall be included only in the tally of votes for the township; and**

**(ii) shall not be included in the tally of votes for the municipality.**

(b) This subsection applies only to a reorganization described in section 1(a)(9) of this chapter. The reorganization is approved only if:

(1) the percentage of voters voting on the public question who

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vote, on a countywide basis, in favor of the proposed reorganization is at least equal to the countywide vote approval percentage specified in the final reorganization plan;

(2) if the legislative bodies of the reorganizing political subdivisions have agreed that the vote on the public question shall be conducted with a rejection threshold, the percentage of voters of the county (excluding the voters of the reorganizing municipalities) voting on the public question who vote against the reorganization is less than the rejection threshold included in the final reorganization plan; and

(3) if the legislative bodies of the reorganizing political subdivisions have agreed that the vote on the public question shall be conducted with a rejection threshold, the percentage of voters of each reorganizing municipality voting on the public question who vote against the reorganization is less than the rejection threshold included in the final reorganization plan.

If the reorganization is not approved, the reorganization is terminated. If the legislative bodies of the reorganizing political subdivisions have agreed that the vote in the public question shall be conducted with a rejection threshold, then in tabulating the votes under subdivisions (2) and (3), the vote of voters of a reorganizing municipality who also are voters in the county shall be included only in the tally of votes for the municipality in which the voters reside."

Delete pages 4 through 5.

Page 6, delete lines 1 through 7.

Page 6, line 9, delete "[EFFECTIVE JULY" and insert "[EFFECTIVE UPON PASSAGE]:".

Page 6, line 10, delete "1, 2011]:".

Page 6, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 36. IC 36-1.5-4-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 45. (a) Except as provided in subsections (c) through (e), a political subdivision may not take an action described in subsection (b) within a reorganizing political subdivision after the date a plan of reorganization is finally adopted by all reorganizing political subdivisions.**

**(b) A political subdivision may not take any of the following actions partially or wholly within a reorganizing political subdivision after the date a plan of reorganization is finally adopted by all reorganizing political subdivisions unless all reorganizing political subdivisions agree by adopting identical resolutions:**

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- (1) Initiate an annexation of territory within the township.**
- (2) Establish a fire protection territory or fire protection district.**
- (3) Extend water, sewer, or any other infrastructure to the political subdivision.**
- (4) Expand zoning jurisdiction under IC 36-7-4-205.**
- (c) This chapter does not prohibit:**
  - (1) a political subdivision subject to the reorganization from taking an action under subsection (b) within the political subdivision's own boundaries; and**
  - (2) any of the reorganizing political subdivisions taking an action under subsection (b) for the purpose of implementing the plan of reorganization.**
- (d) A political subdivision may take an action described in subsection (b) after the date the reorganization is rejected by the voters under section 33 of this chapter.**
- (e) If a reorganization is approved by the voters under section 34 of this chapter, a political subdivision may not take an action under subsection (b) until the earlier of the following:**
  - (1) The plan of reorganization has been implemented.**
  - (2) One (1) year after the date the reorganization is approved under section 34 of this chapter."**

Page 7, between lines 23 and 24, begin a new paragraph and insert:  
 "SECTION 39. IC 36-4-1.5-2, AS ADDED BY P.L.111-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. **(a)** A town may be changed into a city through the following:

- (1) The town legislative body must adopt a resolution submitting to the town's voters the question of whether the town should be changed into a city. The town legislative body shall adopt a resolution described in this subdivision if at least the number of registered voters of the town equal to ten percent (10%) of the total votes cast in the town at the last election for secretary of state sign a petition requesting the town legislative body to adopt such a resolution. In determining the number of signatures required under this subdivision, any fraction that exceeds a whole number shall be disregarded.**
- (2) The town legislative body must adopt the resolution under subdivision (1) not later than thirty (30) days after the date a petition having a sufficient number of signatures is filed. A resolution adopted under subdivision (1) must fix the date for an election on the question of whether the town should be changed**

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into a city as follows:

**(A) If the election is to be on the same date as a general election or municipal election:**

**(i) the resolution must state that fact and be certified in accordance with IC 3-10-9-3; and**

**(ii) the election must be held on the date of the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.**

**(B) If the election is to be a special election, the date must be:**

~~(A)~~ **(i) not less than thirty (30) and ~~(B)~~ not more than sixty (60) days after the notice of the election; and**

**(ii) not later than the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.**

~~If the election is to be on the same date as a general election the resolution must state that fact and be certified in accordance with IC 3-10-9-3.~~

(3) The town legislative body shall file a copy of the resolution adopted under subdivision (1) with the circuit court clerk of each county in which the town is located. The circuit court clerk shall immediately certify the resolution to the county election board.

(4) The county election board shall give notice of the election in the manner prescribed by IC 3-8-2-19. IC 3-10-6 applies to the election.

(5) The question described in subdivision (1) shall be placed on the ballot in the form prescribed by IC 3-10-9-4. The text of the question shall be: "Shall the town of \_\_\_\_\_ change into a city?".

(6) If a majority of the voters voting on the question described in subdivision (1) vote "yes", the town is changed into a city as provided in this chapter. If a majority of the voters voting on the question vote "no", the town remains a town.

**(b) This subsection applies only to a town in which:**

**(1) a petition meeting the requirements of subsection (a)(1) is filed with the town legislative body before July 1, 2011; and**

**(2) an election has not been held under subsection (a) as a result of the petition.**

**Not later than July 15, 2011, the town legislative body shall adopt and file a resolution with the circuit court clerk as set forth in subsection (a). The resolution must fix the date for an election on the question of whether the town should be changed into a city as**

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**the date of the municipal general election in November 2011. A resolution adopted by the town legislative body in accordance with this subsection voids any previous resolutions adopted by the town legislative body as a result of the petition described in subdivision (1).**

SECTION 40. IC 36-4-1.5-3, AS ADDED BY P.L.111-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) A town legislative body may satisfy the requirements of this section in an ordinance adopted either before or after the town's voters vote on the question described in section 2 of this chapter.

(b) If a resolution is adopted under section 2 of this chapter, the town legislative body shall adopt an ordinance providing for the transition from governance as a town to governance as a city. The ordinance adopted under this section must include the following details:

- (1) A division of the town into city legislative body districts as provided in the applicable provisions of IC 36-4-6.
- (2) Provisions for the election of the following officers:
  - (A) The city executive.
  - (B) The members of the city legislative body.
  - (C) The city clerk or city clerk-treasurer as appropriate under IC 36-4-10.
- (3) The date of the first election of the city officers. The first election may be held only on the date of ~~a~~ **the next** general election or a municipal election, **whichever is earlier, following the date fixed for an election under section 2 of this chapter on the question of whether the town should be changed into a city.** Candidates for election to the city offices shall be nominated:
  - (A) at the corresponding primary election during a general election year or a municipal election year; or
  - (B) as otherwise provided in IC 3.
- (4) Subject to section 4 of this chapter, the term of office of each city officer elected at the first election of city officers.
- (5) Any other details the town legislative body considers useful in providing for the transition of the town into a city.
- (c) An ordinance adopted under this section is effective only if the voters of the town approve the conversion of the town into a city under section 2(6) of this chapter.
- (d) The provisions of an ordinance adopted under this section are subject to all other laws governing the structure of city government.

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(e) Subject to this chapter, the town legislative body or the city legislative body (after the town is changed into a city) may amend an ordinance adopted under this section.

SECTION 41. IC 36-4-3-1.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 1.4. If a township is a participant in a proposed reorganization under IC 36-1.5, a municipality may not adopt an annexation ordinance annexing territory within the township within the period set forth in IC 36-1.5-4-45.**

SECTION 42. IC 36-6-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) At the annual meeting of the township legislative body under IC 36-6-6-9 the executive shall present a complete report of all receipts and expenditures of the preceding calendar year, including the balance to the credit of each fund controlled by the executive. If the executive controls any money that is not included in a particular fund, then the executive shall state all the facts concerning that money in the report.

(b) Each item of expenditure must be accompanied by the verified voucher of the person to whom the sum was paid, stating:

- (1) why the payment was made;
- (2) that the receipt is for the exact sum received;
- (3) that no part of the sum has been retained by the executive; and
- (4) that no part of the sum has been or is to be returned to the executive or any other person.

The executive may administer oaths to persons giving these receipts.

**(c) This subsection applies only to a township in a county not having a consolidated city. The report must separately list each expenditure that is made to reimburse the executive for the executive's use of tangible property (as defined in IC 6-1.1-1-19) for public business, including any reimbursements made for the executive's use of a private residence, a personal telephone, or a personal vehicle for public business. As used in this section, "private residence" means a place that is not a public place.**

~~(c)~~ (d) The executive shall swear or affirm that:

- (1) the report shows all sums received by ~~him~~; **the executive**;
- (2) the expenditures credited have been fully paid in the sums stated, without express or implied agreement that any part of the sums is to be retained by or returned to the executive or any other person; and
- (3) the executive has received no money or other property in consideration of any contract entered into on behalf of the township.

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(d) (e) Within ten (10) days after the legislative body's action under IC 36-6-6-9, the executive shall file a copy of the report and its accompanying vouchers, as adopted by the legislative body, in the county auditor's office. The legislative body may, for the benefit of the township, bring a civil action against the executive if the executive fails to file the report within ten (10) days after the legislative body's action. The legislative body may recover five dollars (\$5) for each day beyond the time limit for filing the report, until the report is filed.

SECTION 43. IC 36-6-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) The legislative body shall meet on or before the third Tuesday after the first Monday in January of each year. At this meeting it shall consider and approve, in whole or in part, the annual report of the executive presented under IC 36-6-4-12.

(b) The legislative body may send for persons, books, and papers necessary in the examination of the report. A member may administer oaths necessary in the examination of the report.

(c) Any sum in the control of the executive that remains unexpended and is subject to no liability shall be credited in favor of the fund for which it was appropriated.

(d) Any fund expended, in whole or in part, for a purpose for which it was not appropriated shall be considered unexpended and in the control of the executive, who is liable on his the executive's bond for such an expenditure.

(e) When its examination of the report is completed, the legislative body shall take action on the report, specifying the parts of the report that are altered or disallowed. The report remains under the control of the legislative body and in custody of its chairman, who shall keep it open to inspection by taxpayers of the township.

**(f) This subsection applies only to a township in a county not having a consolidated city. The annual report must be filed with the state board of accounts under IC 5-11-1-4 not later than March 1 of each year.**

SECTION 44. IC 36-6-6-10, AS AMENDED BY P.L.146-2008, SECTION 713, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) This section does not apply to the appropriation of money to pay a deputy or an employee of a township assessor with assessment duties or to an elected township assessor.

(b) The township legislative body shall fix the:

- (1) salaries;
- (2) wages;

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- (3) rates of hourly pay; and
  - (4) remuneration other than statutory allowances;
- of all officers and employees of the township.

(c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, except as provided in ~~subsection~~ **subsections (h) and (i)**, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) Except as provided in subsection (h), the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive and assessor under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(f) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

(g) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

(h) In a year in which there is not an election of members to the township legislative body, the township legislative body may by unanimous vote reduce the salaries of the members of the township legislative body by any amount.

**(i) This subsection applies only to a township in a county not having a consolidated city. After December 31, 2011, the total compensation and benefits provided or paid to a township board member may not exceed two thousand dollars (\$2,000) per year, including:**

- (1) salary;**
- (2) per diem;**
- (3) use of a township vehicle;**

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- (4) mileage or vehicle allowance;**
  - (5) health, vision, and dental insurance; and**
  - (6) any other:**
    - (A) amount paid to a township board member; or**
    - (B) benefit provided to a township board member;**
- to compensate the township board member for services provided as a public officer.**

**A township board member may not receive per diem that exceeds one hundred dollars (\$100) for each day the board member is engaged in board activities. Notwithstanding subsection (h), if necessary in order to comply with this subsection, a township legislative body shall vote in 2011 to reduce the salaries of the members of the township legislative body effective January 1, 2012. The salary reduction shall be made by a majority vote of the township legislative body.**

SECTION 45. IC 36-6-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) The legislative body shall meet annually in accord with IC 6-1.1-17, to adopt the township's annual budget.

(b) The legislative body shall consider the estimates of expenditures made by the executive under IC 36-6-4-11, and may approve or reject all or part of any estimate or any item within an estimate. The legislative body may require the executive to further itemize an estimate not sufficiently itemized.

(c) The legislative body may not appropriate for any purpose an amount more than the executive's estimate of the amount required for that purpose.

(d) The legislative body shall include in the budget:

- (1) provisions for the payment of existing debt of the township as it becomes due; and
- (2) the salaries fixed under section 10 of this chapter.

(e) In making levies for the township general fund, the legislative body may include an amount not more than the amount necessary to compensate its members for their services during the year for which the levies are made.

(f) After the legislative body has taken action on the executive's estimates, it shall levy taxes for the township funds on property in the township and fix rates of taxation sufficient to provide that revenue during the next year.

(g) On the assessment date, as defined by IC 6-1.1-1-2, the rates of taxation adopted under this section become a levy and a lien on all taxable property in the township, including property in municipalities

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in the township. The levy constitutes an appropriation for the specific items in the executive's estimates.

**(h) This subsection does not apply in a county having a consolidated city. In addition to any other requirements, the budget and property tax levies for 2012 and thereafter of a township must be reviewed and approved by the county fiscal body as provided in IC 6-1.1-17-20.2.**

SECTION 46. IC 36-6-6-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 16. (a) This section applies only to a township in a county not having a consolidated city.**

**(b) Except as provided in subsection (c) and section 17 of this chapter, a township legislative body may allow a claim:**

- (1) only at a meeting of the township legislative body; and**
- (2) only if the claim was filed in the manner prescribed by IC 5-11-10-2 at least five (5) days before the meeting.**

**(c) The township trustee may pay township assistance claims under IC 12-20 in advance of township legislative body allowance without written approval of the township legislative body under section 17 of this chapter. The township legislative body shall review and allow the claim at its next regular or special meeting following the preapproved payment of the claim.**

SECTION 47. IC 36-6-6-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 17. (a) This section applies only to a township in a county not having a consolidated city.**

**(b) A township legislative body may adopt a resolution allowing money to be disbursed for lawful township purposes under this section.**

**(c) Notwithstanding IC 5-11-10, with the prior written approval of the township legislative body, the township trustee may make claim payments in advance of township legislative body allowance for the following kinds of expenses if the township legislative body has adopted a resolution under subsection (b):**

- (1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.**
- (2) License or permit fees.**
- (3) Insurance premiums.**
- (4) Utility payments or utility connection charges.**
- (5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.**

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- (6) Grants of state funds authorized by statute.
- (7) Maintenance or service agreements.
- (8) Leases or rental agreements.
- (9) Bond or coupon payments.
- (10) Payroll.
- (11) State, federal, or county taxes.
- (12) Expenses that must be paid because of emergency circumstances.
- (13) Expenses described in a resolution.

(d) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the township trustee.

(e) The township legislative body shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

SECTION 48. IC 36-6-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

**Chapter 10. Township Capital Improvement Plan**

**Sec. 1.** This chapter applies after December 31, 2012, in a county not having a consolidated city.

**Sec. 2.** As used in this chapter, "capital improvement" means:

- (1) acquisition of land;
- (2) site improvements;
- (3) infrastructure improvements;
- (4) construction of buildings or structures;
- (5) rehabilitation, renovation, or enlargement of buildings or structures; or
- (6) acquisition or improvement of machinery, equipment, furnishings, or facilities.

**Sec. 3.** As used in this chapter, "capital improvement fund" means a township fund in which the money in the fund may be used for the payment of capital improvements. The term includes:

- (1) a cumulative firefighting building and equipment fund under IC 36-8-14;
- (2) an equipment replacement fund under IC 36-8-19-8.5;
- (3) a cumulative township vehicle and building fund under IC 36-9-17.5;
- (4) a cumulative building fund under IC 36-10-7.5-19; and
- (5) any other fund established by a township for the payment of capital improvements.

**Sec. 4.** As used in this chapter, "plan" refers to a township

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capital improvement plan adopted or amended under this chapter.

Sec. 5. Before a township may collect property taxes for a capital improvement fund in a particular year, the township trustee must prepare a proposed or amended plan in the immediately preceding year. The county fiscal body, not later than August 1, shall hold a public hearing on a proposed or amended plan and adopt the proposed or amended plan.

Sec. 6. (a) The department of local government finance shall prescribe the format of the plan.

(b) A plan must:

- (1) apply to at least the three (3) years immediately following the year the plan is adopted;
- (2) estimate for each year to which the plan applies the nature and amount of proposed expenditures from the capital improvement fund; and
- (3) estimate:
  - (A) the source of all revenue to be dedicated to the proposed expenditures in the upcoming calendar year; and
  - (B) the amount of property taxes to be collected in the upcoming calendar year and retained in the fund for expenditures proposed for a later year.

Sec. 7. A township trustee, with the approval of the county fiscal body, may amend a plan to:

- (1) provide money for the purposes of the fund; or
- (2) supplement money accumulated in the fund for the purposes of the fund.

Sec. 8. The plan shall be considered by:

- (1) the township trustee and township board in making the annual budget estimate under IC 6-1.1-17-2;
- (2) the county fiscal body in approving the township budget under IC 6-1.1-17-2; and
- (3) the department of local government finance when reviewing a budget, tax rate, and tax levy of a township under IC 6-1.1-17-16."

Page 8, line 7, after "(1) the" insert "advisory".

Page 8, line 9, after "the" insert "advisory".

Page 9, after line 32, begin a new paragraph and insert:

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"SECTION 53. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1357 as printed February 15, 2011.)

LAWSON C, Chairperson

Committee Vote: Yeas 5, Nays 2.

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