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FISCAL IMPACT STATEMENT

LS 6932
BILL NUMBER: SB 380

NOTE PREPARED: Jan 4, 2011
BILL AMENDED:

SUBJECT: Township Government.

FIRST AUTHOR: Sen. Buck
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill provides that each township that does not contain a high school building of a school corporation, does not contain all or part of at least one municipality, does not contain at least one fire station, or have a population of at least 50,000 is merged on January 1, 2016, into a contiguous township that meets one of those requirements.

It specifies the manner in which the townships involved in a particular merger are determined.

It provides that these merger requirements do not apply to: (1) a township in Marion County; (2) a township that before January 1, 2014, has reorganized under the local government reorganization statutes; or (3) a township that before January 1, 2014, has merged with one or more other townships under the voluntary township merger process.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill will have indeterminate fiscal impact. There are no township duties or responsibilities diminished or repealed, and any cost savings would result from efficiencies gained through the combining of township governments. For two reasons there are no data available to indicate how many townships would be consolidated under the bill. First, townships that reorganize prior to January 1, 2014, would be excluded, and second, information on townships containing a high school building or a fire

station is not readily available.

Background: The nine townships of Marion County are excluded from being eliminated or receiving townships under the bill. Also, any township that reorganizes before January 1, 2014, is eliminated from the provisions of the bill. A township that has any one of the following could be a receiving township under the bill:

- (1) A high school building.
- (2) A municipality.
- (3) A fire station.
- (4) A population of at least 50,000.

All other townships would be eliminated and, on January 1, 2016, merged into a receiving township. The combination of townships is based on the receiving township being contiguous to the eliminated township. The first criterion for combining townships would merge an eliminated township into a receiving township that has a high school building. If more than one contiguous receiving township has a high school building, the eliminated township would merge with the receiving township that has the greatest population. If no contiguous township has a high school building, the next criterion would be a receiving township with a municipality, then a fire station, and finally a population of at least 50,000. If an eliminated township may merge with more than one receiving township under these criteria, the receiving township with the greatest population prevails. More than one eliminated township may be combined with a single receiving township.

On January 1, 2016, the merged township is abolished and all of the functions, powers, and duties are transferred to a receiving township. Each township included in the merger retains its geographic boundaries and name but is governed by the receiving township. Further, outstanding township indebtedness remains the liability of the taxpayers of the merged township and a property tax to pay the indebtedness may only be imposed within the area of the township that incurred the indebtedness. Pending actions against a merged township may be executed and enforced against the receiving township without a change in the plaintiff or defendant name.

There are 254 high schools in Indiana (high schools combined with other grade levels are excluded from this number) but only 205 could be identified in their township, including the 20 high schools in Marion County. Additionally, there are no data available to identify the number or the location of fire stations, but the 105 townships with fire protection were included in this survey. The following table calculates the potential number of receiving and eliminated townships, assuming no township otherwise reorganizes prior to January 1, 2014.

Total Number of Townships in Indiana	1,008
Townships in Marion County	9
Townships identified with high schools * ^a	157
Townships with at least one municipality *	446
Townships with a fire protection district *	44
Townships population greater than 50,000 *	0
Potential No. of Receiving Townships	647
Potential No. of Eliminated Townships	352
* The count excludes townships already identified by the previous factor(s).	
^a Multiple high schools were identified in some townships.	

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: Census.gov, *Table 5. Annual Estimates of the Resident Population for Minor Civil Divisions in Indiana, Listed Alphabetically Within County: April 1, 2000, to July 1, 2009*; Local government database, Office of Census Data.

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