Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 365

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 36-1-1.5-2, AS AMENDED BY P.L.249-2015, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible municipality" means a municipality that:

- (1) includes any territory located in a township for which the township assistance property tax rate for property taxes first due and payable in 2015 or in any year thereafter after 2014 and before 2024 is more than:
 - (A) the statewide average township assistance property tax rate for property taxes first due and payable in the preceding year (as determined by the department of local government finance); multiplied by
 - (B) twelve (12); and
- (2) is adjacent to one (1) or more townships other than the township described in subdivision (1).

SECTION 2. IC 36-1-1.5-9, AS AMENDED BY P.L.129-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The following apply if at least two-thirds (2/3) of the voters voting in a special election under this chapter vote "yes" on the public question under this chapter:



- (1) The legislative body of the eligible municipality may, within one (1) year two (2) years after the special election, submit a petition to one (1) or more adjacent townships requesting an adjacent township to accept the transfer of the territory of the eligible municipality that is within the transferor township.
- (2) The legislative body of an adjacent township that receives a petition under subdivision (1) may adopt a resolution accepting the transfer of the territory of the eligible municipality that is within the transferor township and specifying the date on which the transfer is effective, if the legislative body of the adjacent township adopts a resolution accepting the transfer of the territory of the eligible municipality before the later of:
 - (A) December 31 of the calendar year in which the petition under subdivision (1) is received; or
 - (B) the ninetieth day following the date on which the petition under subdivision (1) is received.

However, the legislative body of the adjacent township may adopt a resolution accepting the transfer of the territory of the eligible municipality only within the two (2) year period following the date on which the legislative body receives the petition.

- (3) If the legislative body of the eligible municipality submits a petition one (1) or more petitions to one (1) or more adjacent townships under subdivision (1) within one (1) year two (2) years after the special election, but a resolution accepting the transfer of the territory of the eligible municipality within the transferor township is not adopted by the legislative body of an adjacent township within the two (2) year period following the date on which the last legislative body of a township receives such a petition:
 - (A) the territory of the eligible municipality may not be transferred under this chapter; and
 - (B) a subsequent special election under this chapter may not be held in the eligible municipality.

before July 1, 2020, the territory of the eligible municipality is automatically transferred to and becomes part of the adjacent township with the greatest assessed value. A transfer under this subdivision is effective January 1, 2022, and the assessed value of property located in the territory of the eligible municipality that is located in the transferor township shall be used in preparing the 2022 budget of the receiving township.

(4) If the legislative body of the eligible municipality does not



submit a petition to one (1) or more adjacent townships under subdivision (1) within one (1) year two (2) years after the special election:

- (A) the territory of the eligible municipality may not be transferred under this chapter; and
- (B) a subsequent special election under this chapter may not be held in the eligible municipality.
- (5) If the transferor township issues or otherwise incurs indebtedness after June 30, 2020, the transferring township excluding the eligible municipality is obligated to repay the indebtedness and the eligible municipality is not obligated to repay the indebtedness.

SECTION 3. IC 36-1-1.5-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. This chapter expires January 1, 2024.** SECTION 4. **An emergency is declared for this act.**



President of the Senate	
President Pro Tempore	
Speaker of the House of Represen	tatives
Governor of the State of Indiana	
Date	Time
Date:	Time:

