



Reprinted
February 13, 2019

SENATE BILL No. 556

DIGEST OF SB 556 (Updated February 12, 2019 4:08 pm - DI 87)

Citations Affected: IC 36-4.

Synopsis: Annexation. With regard to an annexation ordinance adopted after June 30, 2019, allows a county executive to review and deny an annexation if, for the assessment date in the calendar year preceding the calendar year in which the annexation ordinance is adopted, the total gross assessed value of all property annexed by the municipality by all ordinances adopted on the same date is more than 5% of the total gross assessed value of the municipality (without considering the territory to be annexed in the ordinance or ordinances). Provides that if the county executive: (1) denies the annexation, the proceedings are terminated; or (2) does not deny the annexation, the annexation proceedings continue. With regard to an annexation ordinance adopted after June 30, 2019: (1) requires the county executive to review; and (2) allows the county executive to deny an
(Continued next page)

Effective: July 1, 2019.

Buck, Boots

January 14, 2019, read first time and referred to Committee on Local Government.
February 7, 2019, amended, reported favorably — Do Pass.
February 12, 2019, read second time, amended, ordered engrossed.

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Digest Continued

annexation, if, for the assessment date in the calendar year preceding the calendar year in which the annexation ordinance is adopted, the total gross assessed value of all property annexed by the municipality by all ordinances adopted during the calendar year is more than 15% of the total assessed value of the municipality (without considering the territory to be annexed in the ordinance or ordinances). Provides that if the county executive: (1) denies the annexation, the proceedings are terminated and all annexation ordinances adopted by a municipality during the calendar year are void; or (2) does not deny the annexation, the annexation proceedings continue. Requires a fiscal plan prepared after June 30, 2019, to address any estimated effects of the annexation on taxing units not included in the annexation. Requires after June 30, 2019, that notice be given of certain annexation proceedings to taxing units and political subdivisions evaluated for purposes of the fiscal plan.



Reprinted
February 13, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 556

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 36-4-3-1.3 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
3 **1, 2019]: Sec. 1.3. (a) This section applies to an annexation**
4 **ordinance adopted after June 30, 2019.**
5 **(b) This section applies to any taxing unit or political**
6 **subdivision that the municipality evaluates in its fiscal plan under**
7 **section 13(d)(8) of this chapter as being affected or potentially**
8 **affected by the annexation.**
9 **(c) The municipality shall provide notice to the fiscal officer of**
10 **a taxing unit or political subdivision of:**
11 **(1) an outreach program under section 1.7(c) of this chapter;**
12 **and**
13 **(2) an annexation hearing under sections 2.1 and 2.2(b) of this**
14 **chapter;**
15 **in the same manner that notice is provided to landowners**
16 **described under section 2.2(c) of this chapter. The municipality**
17 **shall provide notice to a taxing unit or political subdivision under**

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1 **this section, regardless of whether the municipality determines in**
 2 **the fiscal plan that the annexation affects the taxing unit or**
 3 **political subdivision.**

4 SECTION 2. IC 36-4-3-1.7, AS AMENDED BY P.L.206-2016,
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2019]: Sec. 1.7. (a) This section applies only to an annexation
 7 ordinance adopted after June 30, 2015. This section does not apply to
 8 an annexation under section 5.1 of this chapter.

9 (b) Not earlier than six (6) months before a municipality introduces
 10 an annexation ordinance, the municipality shall conduct an outreach
 11 program to inform citizens regarding the proposed annexation. For an
 12 annexation under section 3 or 4 of this chapter, the outreach program
 13 must conduct at least six (6) public information meetings regarding the
 14 proposed annexation. For an annexation under section 5 of this chapter,
 15 the outreach program must conduct at least three (3) public information
 16 meetings regarding the proposed annexation. The public information
 17 meetings must provide citizens with the following information:

18 (1) Maps showing the proposed boundaries of the annexation
 19 territory.

20 (2) Proposed plans for extension of capital and noncapital
 21 services in the annexation territory, including proposed dates of
 22 extension.

23 (3) Expected fiscal impact on taxpayers in the annexation
 24 territory, including any increase in taxes and fees.

25 (c) The municipality shall provide notice of the dates, times, and
 26 locations of the outreach program meetings. The municipality shall
 27 publish the notice of the meetings under IC 5-3-1, including the date,
 28 time, and location of the meetings, except that notice must be published
 29 not later than thirty (30) days before the date of each meeting. The
 30 municipality shall also send notice to each owner of land within the
 31 annexation territory **and (after June 30, 2019) the fiscal officer of**
 32 **each political subdivision and taxing unit under section 1.3 of this**
 33 **chapter** not later than thirty (30) days before the date of the first
 34 meeting of the outreach program. The notice to landowners **and (after**
 35 **June 30, 2019) the fiscal officers under section 1.3 of this chapter**
 36 shall be sent by first class mail, certified mail with return receipt
 37 requested, or any other means of delivery that includes a return receipt
 38 and must include the following information:

39 (1) **If the notice is to a landowner, the notice** must inform the
 40 landowner that the municipality is proposing to annex territory
 41 that includes the landowner's property.

42 (2) The municipality is conducting an outreach program for the



1 purpose of providing information to landowners and the public
2 regarding the proposed annexation.

3 (3) The date, time, and location of the meetings to be conducted
4 under the outreach program.

5 (d) The notice shall be sent to the address of the landowner as listed
6 on the tax duplicate. **After June 30, 2019, the notice shall also be sent**
7 **to the fiscal officer of the political subdivision or taxing unit.** If the
8 municipality provides evidence that the notice was sent:

9 (1) by certified mail, with return receipt requested or any other
10 means of delivery that includes a return receipt; and

11 (2) in accordance with this section;

12 it is not necessary that the landowner **or (after June 30, 2019) fiscal**
13 **officer** accept receipt of the notice. If a remonstrance is filed under
14 section 11 of this chapter, the municipality shall file with the court
15 proof that notices were sent to landowners under this section and proof
16 of publication.

17 (e) The notice required under this section is in addition to any notice
18 required under sections 2.1 and 2.2 of this chapter.

19 SECTION 3. IC 36-4-3-3.5 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3.5. (a) An annexation
21 ordinance adopted under this chapter must contain the following
22 information:

23 (1) A description of the boundaries of the territory to be annexed,
24 including any public highway or right-of-way.

25 (2) The approximate number of acres in the territory to be
26 annexed.

27 (3) A description of any special terms and conditions adopted
28 under section 8 of this chapter.

29 **(4) This subdivision applies only to an annexation ordinance**
30 **adopted after June 30, 2019. The total gross assessed value of**
31 **all taxable property of:**

32 **(A) the annexing municipality; and**

33 **(B) the territory to be annexed;**

34 **for the assessment date in the calendar year preceding the**
35 **calendar year in which the annexation ordinance is adopted.**

36 (b) An ordinance adopted under section 3 or 4 of this chapter must
37 also contain a description of any property tax abatements adopted
38 under section 8.5 of this chapter.

39 SECTION 4. IC 36-4-3-10.1 IS ADDED TO THE INDIANA CODE
40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
41 1, 2019]: **Sec. 10.1. (a) This section applies only to an annexation**
42 **ordinance adopted after June 30, 2019.**



1 **(b) This section applies if:**

2 **(1) for the assessment date in the calendar year preceding the**
 3 **calendar year in which the annexation ordinance is adopted,**
 4 **the total gross assessed value of all taxable property of the**
 5 **territory annexed by the municipality in all ordinances**
 6 **adopted on the same date is more than five percent (5%) of**
 7 **the total gross assessed value of all taxable property in the**
 8 **municipality (without considering the territory to be annexed**
 9 **in the ordinance or ordinances); and**

10 **(2) section 10.2 of this chapter does not apply.**

11 **(c) An annexation ordinance adopted under section 5 or 5.1 of**
 12 **this chapter is not subject to review by the county executive under**
 13 **this section. However, the total gross assessed value of any taxable**
 14 **property that the municipality annexed in an ordinance under**
 15 **section 5 or 5.1 of this chapter shall be included in calculating the**
 16 **total gross assessed value of all taxable property of the territory**
 17 **under this section, if the ordinance adopted under section 5 or 5.1**
 18 **of this chapter was adopted on the same date as the other**
 19 **annexation ordinances.**

20 **(d) The municipality shall file the annexation ordinance and**
 21 **fiscal plan with the county executive of each county in which the**
 22 **annexation territory is located not later than seven (7) business**
 23 **days after the annexation ordinance is adopted. Not later than**
 24 **fifteen (15) business days after the annexation ordinance and fiscal**
 25 **plan are filed with the county executive, the county executive shall**
 26 **hold a meeting for the purpose of voting on whether the county**
 27 **executive will review the annexation.**

28 **(e) A county executive may review an annexation, if the entire**
 29 **membership of the county executive votes unanimously in favor of**
 30 **the review. An annexation proceeds under section 11.1(d) of this**
 31 **chapter, unless the annexation is denied as follows:**

32 **(1) The county executive of the county in which the territory**
 33 **is located may, by unanimous vote of its entire membership,**
 34 **vote to deny an annexation not later than ninety (90) days**
 35 **after the date the municipality files the annexation with the**
 36 **county executive.**

37 **(2) This subdivision applies if the territory is in more than one**
 38 **(1) county. An annexation is denied only if each county**
 39 **executive of each county in which the territory is located,**
 40 **votes to deny the annexation by unanimous vote of its entire**
 41 **membership not later than ninety (90) days after the date the**
 42 **municipality files the annexation with the county executive.**



1 An annexation that is denied under subdivision (1) or (2) is
2 terminated and may not proceed.

3 (f) Each county executive that receives an annexation under this
4 section shall provide notice of the following:

5 (1) Whether the county executive will review the annexation
6 ordinance.

7 (2) If the annexation is reviewed by the county executive,
8 notice that:

9 (A) the annexation was denied by a unanimous vote of the
10 entire membership of the county executive; or

11 (B) the annexation may proceed because the county
12 executive did not take action to deny the annexation
13 proposal by the date specified in subsection (e)(1).

14 The county executive shall provide the notice by publication in
15 accordance with IC 5-3-1 and to owners of real property described
16 in section 2.2 of this chapter and taxing units and political
17 subdivisions described in section 1.3 of this chapter. The
18 municipality shall provide the county executive with the names and
19 addresses of owners of real property under section 2.2 of this
20 chapter and the fiscal officers of the taxing units and political
21 subdivisions under section 1.3 of this chapter.

22 (g) The failure of a county executive to review, deny, or take any
23 action on an annexation does not affect the right of a landowner to
24 remonstrate, file an appeal, or take any other action with respect
25 to the annexation that is permitted by law.

26 SECTION 5. IC 36-4-3-10.2 IS ADDED TO THE INDIANA CODE
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
28 1, 2019]: Sec. 10.2. (a) This section applies only to an annexation
29 ordinance adopted after June 30, 2019.

30 (b) This section applies only if, for the assessment date in the
31 calendar year preceding the calendar year in which the annexation
32 ordinance or ordinances are adopted, the total gross assessed value
33 of all taxable property of the territory that is annexed by the
34 municipality in all annexation ordinances adopted during the
35 calendar year is more than fifteen percent (15%) of the total gross
36 assessed value of all taxable property in the annexing municipality
37 (without considering the territory to be annexed in the ordinance
38 or ordinances).

39 (c) An annexation ordinance adopted under section 5 or 5.1 of
40 this chapter is not subject to review by the county executive under
41 this section. However, the total gross assessed value of any taxable
42 property that the municipality annexed in an ordinance under



1 section 5 or 5.1 of this chapter shall be included in calculating the
 2 total gross assessed value of all taxable property of the territory
 3 under this section, if the ordinance was adopted during the same
 4 calendar year as the other annexation ordinances. An annexation
 5 ordinance adopted under section 5 or 5.1 of this chapter during the
 6 calendar year is voided with all other annexation ordinances if the
 7 county executive denies the annexation under this section.

8 (d) The municipality shall file the annexation ordinance and
 9 fiscal plan with the county executive of each county where the
 10 annexation territory is located not later than seven (7) business
 11 days after the annexation ordinance is adopted. The county
 12 executive shall review the annexation at a public meeting.

13 (e) If the entire membership of a county executive votes to deny
 14 the annexation in accordance with section 10.1(e)(1) or 10.1(e)(2):

15 (1) the annexation is terminated and may not proceed under
 16 section 11.1(d) of this chapter; and

17 (2) all annexation ordinances that are adopted by a
 18 municipality during a calendar year are void.

19 If a county executive does not vote to deny an annexation, the
 20 annexation may proceed under section 11.1(d).

21 (f) Each county executive that receives an annexation under this
 22 section shall provide notice that:

23 (1) the annexation was denied by a unanimous vote of the
 24 entire membership of the county executive; or

25 (2) the annexation may proceed because the county executive
 26 did not take action to deny the annexation proposal by the
 27 date specified under subsection (e).

28 The county executive shall provide the notice by publication in
 29 accordance with IC 5-3-1 and to owners of real property described
 30 in section 2.2 of this chapter and taxing units and political
 31 subdivisions described in section 1.3 of this chapter. The
 32 municipality shall provide the county executive with the names and
 33 addresses of owners of real property under section 2.2 of this
 34 chapter and the fiscal officers of the taxing units and political
 35 subdivisions under section 1.3 of this chapter.

36 (g) The failure of a county executive to review, deny, or take any
 37 action on an annexation does not affect the right of a landowner to
 38 remonstrate, file an appeal, or take any other action with respect
 39 to the annexation that is permitted by law.

40 SECTION 6. IC 36-4-3-11.1, AS ADDED BY P.L.228-2015,
 41 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2019]: Sec. 11.1. (a) Except as provided in subsection (c),



1 this section applies only to an annexation ordinance adopted after June
2 30, 2015.

3 (b) After a municipality adopts an annexation ordinance in
4 accordance with all applicable notice and hearing requirements under
5 this chapter, the annexation may not proceed unless the annexing
6 municipality completes the procedures set forth in this section.

7 **(c) If the total gross assessed value of all taxable property of the**
8 **territory that is annexed makes the annexation eligible for review**
9 **and denial by the county executive under section 10.1 or 10.2 of this**
10 **chapter, the municipality must file the annexation ordinance and**
11 **fiscal plan with the county executive before the annexation may**
12 **proceed under subsection (d).**

13 ~~(e)~~ **(d)** The proper officers of the municipality must give notice of
14 the applicability of the remonstrance process by providing notice by:

- 15 (1) publication in accordance with IC 5-3-1; and
16 (2) first class mail or certified mail with return receipt requested,
17 or any other means of delivery that includes a return receipt to the
18 circuit court clerk, ~~and~~ to owners of real property described in
19 section 2.2 of this chapter, **and (after June 30, 2019) to any**
20 **political subdivision and taxing unit under section 1.3 of this**
21 **chapter.**

22 Notice under this section must be published and mailed or delivered on
23 the same date that notice of the adoption of the annexation ordinance
24 is published under section 7 of this chapter.

25 ~~(d)~~ **(e)** The notice of the applicability of the remonstrance process
26 under subsection ~~(e)~~ **(d)** must state the following:

- 27 (1) Any owners of real property within the area proposed to be
28 annexed who want to remonstrate against the proposed
29 annexation must complete and file remonstrance petitions in
30 compliance with this chapter. The notice must state:

31 (A) that remonstrance petitions must be filed not later than
32 ninety (90) days after the date that notice of the adoption of the
33 annexation ordinance was published under section 7 of this
34 chapter; and

35 (B) the last date in accordance with clause (A) that
36 remonstrance petitions must be filed with the county auditor
37 to be valid.

- 38 (2) A remonstrance petition may be signed at the locations
39 provided by the municipality under subsection ~~(e)~~: **(f)**. The notice
40 must provide the following information regarding each location:

41 (A) The address of the location.

42 (B) The dates and hours during which a remonstrance petition



- 1 may be signed at the location.
- 2 ~~(e)~~ **(f)** Beginning the day after publication of the notice under
- 3 subsection ~~(e)~~ **(d)** and ending not later than ninety (90) days after
- 4 publication of the notice under subsection ~~(e)~~; **(d)**, the municipality
- 5 shall provide both of the following:
- 6 (1) At least one (1) location in the offices of the municipality
- 7 where a person may sign a remonstrance petition during regular
- 8 business hours.
- 9 (2) At least one (1) additional location that is available for at least
- 10 five (5) days, where a person may sign a remonstrance petition.
- 11 The location must meet the following requirements:
- 12 (A) The location must be in a public building:
- 13 (i) owned or leased by the state or a political subdivision,
- 14 including a public library, community center, or parks and
- 15 recreation building; and
- 16 (ii) located within the boundaries of the municipality or the
- 17 annexation territory.
- 18 (B) The location must be open according to the following:
- 19 (i) On a day that the location is open on a weekday, the
- 20 location must be open at a minimum from 5 p.m. to 9 p.m.
- 21 (ii) On a day that the location is open on a Saturday or
- 22 Sunday, the location must be open at least four (4) hours
- 23 during the period from 9 a.m. to 5 p.m.
- 24 ~~(f)~~ **(g)** An additional location may not be open on a day that is a
- 25 legal holiday. At any location and during the hours that a remonstrance
- 26 petition may be signed, the municipality shall have a person present:
- 27 (1) to witness the signing of remonstrance petitions; and
- 28 (2) who shall swear and affirm before a notary public that the
- 29 person witnessed each person sign the remonstrance petition.
- 30 SECTION 7. IC 36-4-3-13, AS AMENDED BY P.L.206-2016,
- 31 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32 JULY 1, 2019]: Sec. 13. (a) Except as provided in subsection (e), at the
- 33 hearing under section 12 of this chapter, the court shall order a
- 34 proposed annexation to take place if the following requirements are
- 35 met:
- 36 (1) The requirements of either subsection (b) or (c).
- 37 (2) The requirements of subsection (d).
- 38 (3) The requirements of subsection (i).
- 39 (b) The requirements of this subsection are met if the evidence
- 40 establishes the following:
- 41 (1) That the territory sought to be annexed is contiguous to the
- 42 municipality.



- 1 (2) One (1) of the following:
- 2 (A) The resident population density of the territory sought to
- 3 be annexed is at least three (3) persons per acre.
- 4 (B) Sixty percent (60%) of the territory is subdivided.
- 5 (C) The territory is zoned for commercial, business, or
- 6 industrial uses.
- 7 (c) The requirements of this subsection are met if the evidence
- 8 establishes one (1) of the following:
- 9 (1) That the territory sought to be annexed is:
- 10 (A) contiguous to the municipality as required by section 1.5
- 11 of this chapter, except that at least one-fourth (1/4), instead of
- 12 one-eighth (1/8), of the aggregate external boundaries of the
- 13 territory sought to be annexed must coincide with the
- 14 boundaries of the municipality; and
- 15 (B) needed and can be used by the municipality for its
- 16 development in the reasonably near future.
- 17 (2) This subdivision applies only to an annexation for which an
- 18 annexation ordinance is adopted after December 31, 2016. That
- 19 the territory sought to be annexed involves an economic
- 20 development project and the requirements of section 11.4 of this
- 21 chapter are met.
- 22 (d) The requirements of this subsection are met if the evidence
- 23 establishes that the municipality has developed and adopted a written
- 24 fiscal plan and has established a definite policy, by resolution of the
- 25 legislative body as set forth in section 3.1 of this chapter. The fiscal
- 26 plan must show the following:
- 27 (1) The cost estimates of planned services to be furnished to the
- 28 territory to be annexed. The plan must present itemized estimated
- 29 costs for each municipal department or agency.
- 30 (2) The method or methods of financing the planned services. The
- 31 plan must explain how specific and detailed expenses will be
- 32 funded and must indicate the taxes, grants, and other funding to
- 33 be used.
- 34 (3) The plan for the organization and extension of services. The
- 35 plan must detail the specific services that will be provided and the
- 36 dates the services will begin.
- 37 (4) That planned services of a noncapital nature, including police
- 38 protection, fire protection, street and road maintenance, and other
- 39 noncapital services normally provided within the corporate
- 40 boundaries, will be provided to the annexed territory within one
- 41 (1) year after the effective date of annexation and that they will be
- 42 provided in a manner equivalent in standard and scope to those



- 1 noncapital services provided to areas within the corporate
 2 boundaries regardless of similar topography, patterns of land use,
 3 and population density.
- 4 (5) That services of a capital improvement nature, including street
 5 construction, street lighting, sewer facilities, water facilities, and
 6 stormwater drainage facilities, will be provided to the annexed
 7 territory within three (3) years after the effective date of the
 8 annexation in the same manner as those services are provided to
 9 areas within the corporate boundaries, regardless of similar
 10 topography, patterns of land use, and population density, and in
 11 a manner consistent with federal, state, and local laws,
 12 procedures, and planning criteria.
- 13 (6) This subdivision applies to a fiscal plan prepared after June
 14 30, 2015. The estimated effect of the proposed annexation on
 15 taxpayers in each of the political subdivisions to which the
 16 proposed annexation applies, including the expected tax rates, tax
 17 levies, expenditure levels, service levels, and annual debt service
 18 payments in those political subdivisions for four (4) years after
 19 the effective date of the annexation.
- 20 (7) This subdivision applies to a fiscal plan prepared after June
 21 30, 2015. The estimated effect the proposed annexation will have
 22 on municipal finances, specifically how municipal tax revenues
 23 will be affected by the annexation for four (4) years after the
 24 effective date of the annexation.
- 25 (8) This subdivision applies to a fiscal plan prepared after ~~June~~
 26 ~~30, 2015.~~ **June 30, 2019.** Any estimated effects on political
 27 subdivisions **and taxing units (as defined in IC 6-1.1-1-21)** in
 28 the county that are not part of the annexation and on taxpayers
 29 located in those political subdivisions **and taxing units (as**
 30 **defined in IC 6-1.1-1-21)** for four (4) years after the effective
 31 date of the annexation.
- 32 (9) This subdivision applies to a fiscal plan prepared after June
 33 30, 2015. A list of all parcels of property in the annexation
 34 territory and the following information regarding each parcel:
- 35 (A) The name of the owner of the parcel.
 36 (B) The parcel identification number.
 37 (C) The most recent assessed value of the parcel.
 38 (D) The existence of a known waiver of the right to
 39 remonstrate on the parcel. This clause applies only to a fiscal
 40 plan prepared after June 30, 2016.
- 41 (e) At the hearing under section 12 of this chapter, the court shall do
 42 the following:



- 1 (1) Consider evidence on the conditions listed in ~~subdivision~~
 2 **subdivisions (2) and (3).**
- 3 (2) Order a proposed annexation not to take place if the court
 4 finds that all of the following conditions that are applicable to the
 5 annexation exist in the territory proposed to be annexed:
- 6 (A) This clause applies only to an annexation for which an
 7 annexation ordinance was adopted before July 1, 2015. The
 8 following services are adequately furnished by a provider
 9 other than the municipality seeking the annexation:
- 10 (i) Police and fire protection.
 11 (ii) Street and road maintenance.
- 12 (B) The annexation will have a significant financial impact on
 13 the residents or owners of land. The court may not consider:
- 14 (i) the personal finances; or
 15 (ii) the business finances;
 16 of a resident or owner of land. The personal and business
 17 financial records of the residents or owners of land, including
 18 state, federal, and local income tax returns, may not be subject
 19 to a subpoena or discovery proceedings.
- 20 (C) The annexation is not in the best interests of the owners of
 21 land in the territory proposed to be annexed as set forth in
 22 subsection (f).
- 23 (D) This clause applies only to an annexation for which an
 24 annexation ordinance is adopted before July 1, 2015. One (1)
 25 of the following opposes the annexation:
- 26 (i) At least sixty-five percent (65%) of the owners of land in
 27 the territory proposed to be annexed.
 28 (ii) The owners of more than seventy-five percent (75%) in
 29 assessed valuation of the land in the territory proposed to be
 30 annexed.
- 31 Evidence of opposition may be expressed by any owner of land
 32 in the territory proposed to be annexed.
- 33 (E) This clause applies only to an annexation for which an
 34 annexation ordinance is adopted after June 30, 2015. One (1)
 35 of the following opposes the annexation:
- 36 (i) At least fifty-one percent (51%) of the owners of land in
 37 the territory proposed to be annexed.
 38 (ii) The owners of more than sixty percent (60%) in assessed
 39 valuation of the land in the territory proposed to be annexed.
- 40 The remonstrance petitions filed with the court under section
 41 11 of this chapter are evidence of the number of owners of
 42 land that oppose the annexation, minus any written revocations



- 1 of remonstrances that are filed with the court under section 11
 2 of this chapter.
- 3 (F) This clause applies only to an annexation for which an
 4 annexation ordinance is adopted before July 1, 2015. This
 5 clause applies only to an annexation in which eighty percent
 6 (80%) of the boundary of the territory proposed to be annexed
 7 is contiguous to the municipality and the territory consists of
 8 not more than one hundred (100) parcels. At least seventy-five
 9 percent (75%) of the owners of land in the territory proposed
 10 to be annexed oppose the annexation as determined under
 11 section 11(b) of this chapter.
- 12 (f) The municipality under subsection (e)(2)(C) bears the burden of
 13 proving that the annexation is in the best interests of the owners of land
 14 in the territory proposed to be annexed. In determining this issue, the
 15 court may consider whether the municipality has extended sewer or
 16 water services to the entire territory to be annexed:
- 17 (1) within the three (3) years preceding the date of the
 18 introduction of the annexation ordinance; or
 19 (2) under a contract in lieu of annexation entered into under
 20 IC 36-4-3-21.
- 21 The court may not consider the provision of water services as a result
 22 of an order by the Indiana utility regulatory commission to constitute
 23 the provision of water services to the territory to be annexed.
- 24 (g) The most recent:
- 25 (1) federal decennial census;
 26 (2) federal special census;
 27 (3) special tabulation; or
 28 (4) corrected population count;
- 29 shall be used as evidence of resident population density for purposes
 30 of subsection (b)(2)(A), but this evidence may be rebutted by other
 31 evidence of population density.
- 32 (h) A municipality that prepares a fiscal plan after June 30, 2015,
 33 must comply with this subsection. A municipality may not amend the
 34 fiscal plan after the date that a remonstrance is filed with the court
 35 under section 11 of this chapter, unless amendment of the fiscal plan
 36 is consented to by at least sixty-five percent (65%) of the persons who
 37 signed the remonstrance petition.
- 38 (i) The municipality must submit proof that the municipality has
 39 complied with:
- 40 (A) the outreach program requirements and notice requirements
 41 of section 1.7 of this chapter; and
 42 (B) the requirements of section 11.1 of this chapter.



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 556, 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:

Page 3, delete lines 39 through 42.

Delete pages 4 through 6.

Page 7, delete lines 1 through 18, begin a new paragraph and insert:

SECTION 5. IC 36-4-3-10.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 10.1. (a) This section applies only to an annexation ordinance adopted after June 30, 2019.**

(b) This section applies if:

(1) for the assessment date in the calendar year preceding the calendar year in which the annexation ordinance is adopted, the total gross assessed value of all taxable property of the territory annexed by the municipality in all ordinances adopted on the same date is more than five percent (5%) of the total gross assessed value of all taxable property in the municipality (without considering the territory to be annexed in the ordinance or ordinances); and

(2) section 10.2 of this chapter does not apply.

(c) An annexation ordinance adopted under section 5 or 5.1 of this chapter is not subject to review by the county executive under this section. However, the total gross assessed value of any taxable property that the municipality annexed in an ordinance under section 5 or 5.1 of this chapter shall be included in calculating the total gross assessed value of all taxable property of the territory under this section, if the ordinance adopted under section 5 or 5.1 of this chapter was adopted on the same date as the other annexation ordinances.

(d) The municipality shall file the annexation ordinance and fiscal plan with the county executive of each county in which the annexation territory is located not later than seven (7) business days after the annexation ordinance is adopted. Not later than fifteen (15) business days after the annexation ordinance and fiscal plan are filed with the county executive, the county executive shall hold a meeting for the purpose of voting on whether the county executive will review the annexation.

(e) If a county executive votes unanimously to review the annexation, the following apply:

(1) The annexation may proceed under section 11.1(d) of this

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chapter unless the annexation is denied by each county executive in which the territory is located within ninety (90) days after the annexation is filed with the county executive.

(2) An annexation is terminated and may not proceed under section 11.1(d) of this chapter if a majority of the members of a county executive votes to deny the annexation.

(f) Each county executive that receives an annexation under this section shall provide notice of the following:

(1) Whether the county executive will review the annexation ordinance.

(2) If the annexation is reviewed by the county executive, notice that:

(A) the annexation was denied by a majority vote of the county executive; or

(B) the annexation may proceed because the county executive did not take action to deny the annexation proposal by the date specified in subsection (e)(1).

The county executive shall provide the notice by publication in accordance with IC 5-3-1 and to owners of real property described in section 2.2 of this chapter and taxing units and political subdivisions described in section 1.3 of this chapter. The municipality shall provide the county executive with the names and addresses of owners of real property under section 2.2 of this chapter and the fiscal officers of the taxing units and political subdivisions under section 1.3 of this chapter.

(g) The failure of a county executive to review, deny, or take any action on an annexation does not affect the right of a landowner to remonstrate, file an appeal, or take any other action with respect to the annexation that is permitted by law.

SECTION 6. IC 36-4-3-10.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 10.2. (a) This section applies only to an annexation ordinance adopted after June 30, 2019.

(b) This section applies only if, for the assessment date in the calendar year preceding the calendar year in which the annexation ordinance or ordinances are adopted, the total gross assessed value of all taxable property of the territory that is annexed by the municipality in all annexation ordinances adopted during the calendar year is more than fifteen percent (15%) of the total gross assessed value of all taxable property in the annexing municipality (without considering the territory to be annexed in the ordinance or ordinances).



(c) An annexation ordinance adopted under section 5 or 5.1 of this chapter is not subject to review by the county executive under this section. However, the total gross assessed value of any taxable property that the municipality annexed in an ordinance under section 5 or 5.1 of this chapter shall be included in calculating the total gross assessed value of all taxable property of the territory under this section, if the ordinance was adopted during the same calendar year as the other annexation ordinances. An annexation ordinance adopted under section 5 or 5.1 of this chapter during the calendar year is voided with all other annexation ordinances if the county executive denies the annexation under this section.

(d) The municipality shall file the annexation ordinance and fiscal plan with the county executive of each county where the annexation territory is located not later than seven (7) business days after the annexation ordinance is adopted. The county executive shall review the annexation at a public meeting.

(e) If a majority of members of a county executive vote to deny the annexation not later than ninety (90) days after the date the annexation is filed with the county executive:

- (1) the annexation is terminated and may not proceed under section 11.1(d) of this chapter; and**
- (2) all annexation ordinances that are adopted by a municipality during a calendar year are void.**

The county executive may not vote to deny the annexation later than ninety (90) days after the date the annexation is filed with the county executive. A vote to deny the annexation that occurs later than ninety (90) days after the date the annexation is filed with the county executive is void. If the county executive does not vote to deny an annexation or does not take action on an annexation within the time set forth in this subsection, the annexation may proceed under section 11.1(d).

(f) Each county executive that receives an annexation under this section shall provide notice that:

- (1) the annexation was denied by a majority vote of the county executive; or**
- (2) the annexation may proceed because the county executive did not take action to deny the annexation proposal by the date specified under subsection (e).**

The county executive shall provide the notice by publication in accordance with IC 5-3-1 and to owners of real property described in section 2.2 of this chapter and taxing units and political subdivisions described in section 1.3 of this chapter. The



municipality shall provide the county executive with the names and addresses of owners of real property under section 2.2 of this chapter and the fiscal officers of the taxing units and political subdivisions under section 1.3 of this chapter.

(g) The failure of a county executive to review, deny, or take any action on an annexation does not affect the right of a landowner to remonstrate, file an appeal, or take any other action with respect to the annexation that is permitted by law."

Page 12, delete lines 33 through 36.

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 556 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 6, Nays 1.

SENATE MOTION

Madam President: I move that Senate Bill 556 be amended to read as follows:

Page 4, delete lines 28 through 36, begin a new paragraph and insert:

"(e) A county executive may review an annexation, if the entire membership of the county executive votes unanimously in favor of the review. An annexation proceeds under section 11.1(d) of this chapter, unless the annexation is denied as follows:

(1) The county executive of the county in which the territory is located may, by unanimous vote of its entire membership, vote to deny an annexation not later than ninety (90) days after the date the municipality files the annexation with the county executive.

(2) This subdivision applies if the territory is in more than one (1) county. An annexation is denied only if each county executive of each county in which the territory is located, votes to deny the annexation by unanimous vote of its entire membership not later than ninety (90) days after the date the municipality files the annexation with the county executive.

An annexation that is denied under subdivision (1) or (2) is

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terminated and may not proceed."

Page 5, delete lines 1 through 2, begin a new line double block indented and insert:

"(A) the annexation was denied by a unanimous vote of the entire membership of the county executive; or"

Page 6, delete lines 5 through 19, begin a new paragraph and insert:

"(e) If the entire membership of a county executive votes to deny the annexation in accordance with section 10.1(e)(1) or 10.1(e)(2):

(1) the annexation is terminated and may not proceed under section 11.1(d) of this chapter; and

(2) all annexation ordinances that are adopted by a municipality during a calendar year are void.

If a county executive does not vote to deny an annexation, the ANNEXATION may proceed under section 11.1(d)."

Page 6, delete lines 22 through 23, begin a new line block indented and insert:

"(1) the annexation was denied by a unanimous vote of the entire membership of the county executive; or"

Page 7, line 8, delete "approval" and insert "denial".

(Reference is to SB 556 as printed February 8, 2019.)

NIEMEYER

