

SENATE BILL No. 238

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-18.5; IC 6-3.5-6-18.5; IC 8-22-3-11.6; IC 36-3; IC 36-8.

Synopsis: Marion County fire consolidation. Consolidates the fire departments of the townships, fire protection territories, and the airport authority into the fire department of a consolidated city if the legislative body of the consolidated city adopts an ordinance and the mayor of the consolidated city approves the ordinance. Establishes a procedure for the fire department of an excluded city or town to be consolidated into the fire department of a consolidated city if the legislative body of the excluded city or town and the city-county legislative body adopt substantially similar ordinances authorizing the consolidation. Requires the fire department of a consolidated city to establish, operate, and maintain emergency ambulance services in the fire district served by the consolidated fire department. Provides that, if fire departments are consolidated in Marion County, the fire and emergency medical services advisory board is established to advise and make recommendations to the fire chief of the consolidated fire department on matters concerning fire and emergency medical services in each unit affected by consolidation. Allows the advisory board to veto any proposed changes in the placement of fire stations and emergency response apparatus in areas served by the consolidated fire department.

Effective: July 1, 2006; January 1, 2007.

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January 9, 2006, read first time and referred to Committee on Governmental Affairs and Interstate Cooperation.

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Second Regular Session 114th General Assembly (2006)

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 2005 Regular Session of the General Assembly.

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SENATE BILL No. 238



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 6-1.1-18.5-21 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2006]: **Sec. 21. The ad valorem property tax**
4 **levy limits imposed by this chapter do not apply to ad valorem**
5 **property taxes imposed by a consolidated city to pay or fund any**
6 **indebtedness assumed, defeased, paid, or refunded under**
7 **IC 36-3-1-6.1 or IC 36-3-1-6.3.**

8 SECTION 2. IC 6-1.1-18.5-22 IS ADDED TO THE INDIANA
9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2006]: **Sec. 22. (a) For purposes of this**
11 **section:**

12 (1) "current year" means the calendar year that immediately
13 precedes the first calendar year in which property taxes are
14 first due and payable based on a consolidation under
15 IC 36-3-1-6.1 or IC 36-3-1-6.3;

16 (2) "ensuing year" means the calendar year that immediately
17 succeeds the current year; and



- 1 (3) "maximum levy" means the maximum permissible ad
- 2 valorem property tax levy under section 3 of this chapter.
- 3 (b) The maximum levy for a consolidated city is increased for
- 4 property taxes first due and payable in the ensuing year and each
- 5 subsequent calendar year by an amount equal to the lesser of:
- 6 (1) the difference between:
- 7 (A) the maximum levy for the current year for the
- 8 consolidated city's fire special service district created
- 9 under IC 36-3-1-6; and
- 10 (B) the amount levied for the current year for the fire
- 11 special service district; or
- 12 (2) ten percent (10%) of the maximum levy for the
- 13 consolidated city's fire special service district created under
- 14 IC 36-3-1-6 for property taxes first due and payable in the
- 15 ensuing year.
- 16 (c) The maximum levy for property taxes first due and payable
- 17 in the ensuing year:
- 18 (1) is increased for a consolidated city by the amount equal to
- 19 the property tax levy for taxes first due and payable in the
- 20 current year for fire protection and related services by each:
- 21 (A) township;
- 22 (B) airport authority; or
- 23 (C) fire protection territory;
- 24 whose fire department is consolidated into the fire
- 25 department of a consolidated city under IC 36-3-1-6.1; and
- 26 (2) is reduced for:
- 27 (A) a township;
- 28 (B) an airport authority; or
- 29 (C) a fire protection territory;
- 30 whose fire department is consolidated into the fire
- 31 department of a consolidated city under IC 36-3-1-6.1 by the
- 32 amount equal to the property tax levy for taxes first due and
- 33 payable in the current year for fire protection and related
- 34 services by the township, airport authority, or fire protection
- 35 territory.
- 36 (d) The balance on January 1 of the ensuing year in the
- 37 cumulative building and equipment fund for fire protection and
- 38 related services of each:
- 39 (1) township;
- 40 (2) airport authority; or
- 41 (3) fire protection territory;
- 42 whose fire department is consolidated into the fire department of

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1 **a consolidated city under IC 36-3-1-6.1 is transferred on that date**
 2 **to the consolidated city's cumulative building and equipment fund**
 3 **for fire protection and related services.**

4 SECTION 3. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005,
 5 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2006]: Sec. 18.5. (a) This section applies to a county
 7 containing a consolidated city.

8 (b) Notwithstanding section 18(e) of this chapter, the distributive
 9 shares that each civil taxing unit in a county containing a consolidated
 10 city is entitled to receive during a month equals the following:

11 (1) For the calendar year beginning January 1, 1995, calculate the
 12 total amount of revenues that are to be distributed as distributive
 13 shares during that month multiplied by the following factor:

14	Center Township	.0251
15	Decatur Township	.00217
16	Franklin Township	.0023
17	Lawrence Township	.01177
18	Perry Township	.01130
19	Pike Township	.01865
20	Warren Township	.01359
21	Washington Township	.01346
22	Wayne Township	.01307
23	Lawrence-City	.00858
24	Beech Grove	.00845
25	Southport	.00025
26	Speedway	.00722
27	Indianapolis/Marion County	.86409

28 (2) Notwithstanding subdivision (1), for the calendar year
 29 beginning January 1, 1995, the distributive shares for each civil
 30 taxing unit in a county containing a consolidated city shall be not
 31 less than the following:

32	Center Township	\$1,898,145
33	Decatur Township	\$164,103
34	Franklin Township	\$173,934
35	Lawrence Township	\$890,086
36	Perry Township	\$854,544
37	Pike Township	\$1,410,375
38	Warren Township	\$1,027,721
39	Washington Township	\$1,017,890
40	Wayne Township	\$988,397
41	Lawrence-City	\$648,848
42	Beech Grove	\$639,017

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1 Southport \$18,906
 2 Speedway \$546,000
 3 (3) For each year after 1995, calculate the total amount of
 4 revenues that are to be distributed as distributive shares during
 5 that month as follows:
 6 STEP ONE: Determine the total amount of revenues that were
 7 distributed as distributive shares during that month in calendar
 8 year 1995.
 9 STEP TWO: Determine the total amount of revenue that the
 10 department has certified as distributive shares for that month
 11 under section 17 of this chapter for the calendar year.
 12 STEP THREE: Subtract the STEP ONE result from the STEP
 13 TWO result.
 14 STEP FOUR: If the STEP THREE result is less than or equal
 15 to zero (0), multiply the STEP TWO result by the ratio
 16 established under subdivision (1).
 17 STEP FIVE: Determine the ratio of:
 18 (A) the maximum permissible property tax levy under
 19 IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for each civil
 20 taxing unit for the calendar year in which the month falls,
 21 plus, for a county, an amount equal to the property taxes
 22 imposed by the county in 1999 for the county's welfare fund
 23 and welfare administration fund; divided by
 24 (B) the sum of the maximum permissible property tax levies
 25 under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all
 26 civil taxing units of the county during the calendar year in
 27 which the month falls, and an amount equal to the property
 28 taxes imposed by the county in 1999 for the county's welfare
 29 fund and welfare administration fund.
 30 STEP SIX: If the STEP THREE result is greater than zero (0),
 31 the STEP ONE amount shall be distributed by multiplying the
 32 STEP ONE amount by the ratio established under subdivision
 33 (1).
 34 STEP SEVEN: For each taxing unit, determine the STEP FIVE
 35 ratio multiplied by the STEP TWO amount.
 36 STEP EIGHT: For each civil taxing unit, determine the
 37 difference between the STEP SEVEN amount minus the
 38 product of the STEP ONE amount multiplied by the ratio
 39 established under subdivision (1). The STEP THREE excess
 40 shall be distributed as provided in STEP NINE only to the civil
 41 taxing units that have a STEP EIGHT difference greater than
 42 or equal to zero (0).

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STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(4) This subdivision does not apply to Center Township. For each year beginning with the year in which a consolidation under IC 36-3-1-6.1 or IC 36-3-1-6.3 takes effect, sixty-six percent (66%) of the revenues to be distributed as distributive shares during each month to the townships listed in subdivision (1) are distributed as additional distributive shares to Indianapolis/Marion County, and the township distributive shares are reduced by sixty-six percent (66%).

SECTION 4. IC 8-22-3-11.6, AS ADDED BY P.L.227-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) If the:

(1) legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances providing that~~ **adopts an ordinance providing that** the fire department of the airport authority is consolidated into the fire department of the consolidated city **under IC 36-3-1-6.1**, and that the fire department of the consolidated city shall provide fire protection services for the airport authority; **and**

(2) executive of the consolidated city approves the ordinance; ~~If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances. set forth in the ordinance.~~

(c) **This subsection applies only if a consolidated law**

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1 **enforcement department is established under IC 36-3-1-5.1.**
 2 **Notwithstanding section 11 of this chapter,** the legislative body of
 3 the consolidated city **and the governing body of the airport authority**
 4 may adopt ~~substantially similar ordinances~~ **an ordinance** providing
 5 that the law enforcement services of the airport authority are
 6 consolidated into the consolidated law enforcement department of the
 7 consolidated city, and ~~that~~ the law enforcement department of the
 8 consolidated city shall provide law enforcement services for the airport
 9 authority. ~~If ordinances are~~ **an ordinance is** adopted under this section,
 10 the consolidation shall take effect on the date ~~agreed to by the~~
 11 ~~legislative body of the consolidated city and the governing body of the~~
 12 ~~airport authority~~ **set forth in the ordinance: ordinance.**

13 SECTION 5. IC 36-3-1-6.1, AS ADDED BY P.L.227-2005,
 14 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2006]: Sec. 6.1. (a) This section applies only in a county
 16 containing a consolidated city. If the requirements of subsection (g) are
 17 satisfied, **and except as provided in section 6.3 of this chapter,** the
 18 fire departments of the following are consolidated into the fire
 19 department of a consolidated city (referred to as "the consolidated fire
 20 department"):

21 (1) A township for which the consolidation is approved by the
 22 ~~township legislative body and trustee and the legislative body and~~
 23 mayor of the consolidated city.

24 (2) ~~Any~~ A fire protection territory established under IC 36-8-19
 25 that is located in a ~~township described in subdivision (1):~~ **county**
 26 **having a consolidated city.**

27 (3) **The territory in which an airport authority established for**
 28 **a consolidated city under IC 8-22-3 may provide fire**
 29 **protection services.**

30 (b) If the requirements of subsection (g) are satisfied, **and except as**
 31 **provided in section 6.3 of this chapter,** the consolidated fire
 32 department shall provide fire protection services within an entity
 33 described in subsection (a)(1), ~~or~~ (a)(2), **or (a)(3)** in which the
 34 requirements of subsection (g) are satisfied on the date ~~agreed to in the~~
 35 ~~resolution of the township legislative body and the ordinance of the~~
 36 ~~legislative body of the consolidated city:~~ **set forth in the ordinance of**
 37 **the legislative body.**

38 (c) If the requirements of subsection (g) are satisfied and the fire
 39 department of an entity listed in subsection (a) is consolidated into the
 40 fire department of the consolidated city, all of the property, equipment,
 41 records, rights, and contracts of the department consolidated into the
 42 fire department of the consolidated city are:

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1 (1) transferred to; or
 2 (2) assumed by;
 3 the consolidated city on the effective date of the consolidation.
 4 However, real property other than real property used as a fire station
 5 may be transferred only on terms mutually agreed to by the legislative
 6 body and mayor of the consolidated city and the trustee and legislative
 7 body of the township in which that real property is located:

8 (d) If the requirements of subsection (g) are satisfied and the fire
 9 department of an entity listed in subsection (a) is consolidated into the
 10 fire department of the consolidated city, the employees of the fire
 11 department consolidated into the fire department of the consolidated
 12 city of a township or territory listed in subsection (a) cease
 13 employment with the department of the entity listed in subsection (a)
 14 and become employees of the consolidated fire department on the
 15 effective date of the consolidation. **For purposes of IC 36-8-3.2 and**
 16 **IC 36-8-10.5, the employees are not "hired" or "rehired" by the**
 17 **consolidated city upon becoming employees of the consolidated fire**
 18 **department.** The consolidated city shall assume all agreements with
 19 labor organizations that:

- 20 (1) are in effect on the effective date of the consolidation; and
- 21 (2) apply to employees of the department consolidated into the
- 22 fire department of the consolidated city **listed in subsection (a)**
- 23 who become employees of the consolidated fire department.

24 (e) If the requirements of subsection (g) are satisfied and the fire
 25 department of an entity listed in subsection (a) is consolidated into the
 26 fire department of a consolidated city, **except as provided in**
 27 **subsection (i), the consolidated city shall assume, defease, pay, or**
 28 **refund all of** the indebtedness related to fire protection services
 29 incurred before the effective date of the consolidation, by the entity or
 30 a building, holding, or leasing corporation on behalf of the entity whose
 31 fire department is consolidated into the consolidated fire department
 32 under subsection (a). ~~shall remain the debt of the entity and does not~~
 33 ~~become and may not be assumed by the consolidated city. Indebtedness~~
 34 ~~related to fire protection services that is incurred by the consolidated~~
 35 ~~city before the effective date of the consolidation shall remain the debt~~
 36 ~~of the consolidated city and property taxes levied to pay the debt may~~
 37 ~~only be levied by the fire special service district.~~

38 (f) If the requirements of subsection (g) are satisfied and the fire
 39 department of an entity listed in subsection (a) is consolidated into the
 40 fire department of a consolidated city, the merit board and the merit
 41 system of ~~the each~~ fire department **that of an entity listed in**
 42 **subsection (a) is consolidated are** dissolved on the effective date of the

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1 consolidation, and the duties of the merit boards are transferred to and
2 assumed by the merit board for the consolidated fire department on the
3 effective date of the consolidation. **However, firefighters shall**
4 **maintain their rank or grade achieved:**

- 5 (1) under a merit system under IC 36-8-3.5 or IC 36-1-4-14;
- 6 and
- 7 (2) before the effective date of the consolidation.

8 (g) A township legislative body, after approval by the township
9 trustee, may adopt a resolution approving the consolidation of the
10 township's fire department with the fire department of the consolidated
11 city. A township legislative body may adopt a resolution under this
12 subsection only after the township legislative body has held a public
13 hearing concerning the proposed consolidation. The township
14 legislative body shall hold the hearing not earlier than thirty (30) days
15 after the date the resolution is introduced. The hearing shall be
16 conducted in accordance with IC 5-14-1.5 and notice of the hearing
17 shall be published in accordance with IC 5-3-1. If the township
18 legislative body has adopted a resolution under this subsection, the
19 township legislative body shall, after approval from the township
20 trustee, forward the resolution to the legislative body of the
21 consolidated city. If such a resolution is forwarded to the legislative
22 body of the consolidated city, **if the legislative body of the consolidated**
23 **city may adopt adopts** an ordinance, approved by the mayor of the
24 consolidated city, **approving providing for** the consolidation of the fire
25 department of the township **an entity listed in subsection (a)** into the
26 fire department of the consolidated city, **and** the requirements of this
27 subsection are satisfied. The consolidation shall take effect on the date
28 **agreed to by set forth in** the township legislative body in its resolution
29 **and by the ordinance adopted by the** legislative body of the
30 consolidated city in its ordinance approving the consolidation.

31 (h) The following apply if the requirements of subsection (g) are
32 satisfied:

- 33 (1) The consolidation of the fire department of that township is
- 34 effective on the date agreed to by the township legislative body in
- 35 the resolution and by the legislative body of the consolidated city
- 36 in its ordinance approving the consolidation.
- 37 (2)

38 (h) Notwithstanding any other Indiana law, in order to assume,
39 **defease, pay, or refund all or a part of the indebtedness described**
40 **in subsection (e), the consolidated city is not required to comply**
41 **with any other statutory procedures or approvals that apply when**
42 **a unit incurs indebtedness.**

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1 (i) Notwithstanding subsections (e) and (h), the consolidated city
2 may not assume all or a part of the indebtedness described in
3 subsection (e) that will exceed the limitations on the amount of
4 indebtedness that the consolidated city may incur. The part of the
5 indebtedness described in subsection (e) that exceeds the
6 consolidated city's debt limitations remains the debt of the entity
7 that incurred the debt or the building, holding, or leasing
8 corporation on behalf of the entity that incurred the debt.

9 (j) This subsection applies to the indebtedness or a bond, bond
10 resolution, trust agreement or indenture, security agreement,
11 purchase agreement, or other undertaking described in subsection
12 (e). The rights of the trustee and the bondholders remain the same.
13 The powers, duties, agreements, and liabilities of a township or
14 territory listed in subsection (a) are transferred to the consolidated
15 city, and the consolidated city assumes those powers, duties,
16 agreements, and liabilities.

17 (k) The consolidated city may levy property taxes on taxable
18 property located within the area served by the consolidated fire
19 department to provide for the payment of the expenses for the
20 operation of the consolidated fire department.

21 (l) Subject to IC 36-3-6-4.1, the fire special service district
22 established under IC 36-3-1-6 may levy property taxes only to
23 satisfy the consolidated city's 1937 firefighters' pension obligations
24 under IC 36-8-7-14.

25 (m) The consolidated city's cumulative building and equipment
26 fund for fire protection and related services is established. The
27 consolidated city is exempted from the requirements of IC 36-8-14
28 and IC 6-1.1-41 regarding:

- 29 (1) establishment of the cumulative building and equipment
30 fund for fire protection and related services; and
- 31 (2) an increase to the levy for that fund.

32 (n) Notwithstanding any other provision, a firefighter:
33 (A) (1) who is a member of the 1977 fund before the effective
34 date of a consolidation under this section; and
35 (B) (2) who, after the consolidation, becomes an employee of the
36 fire department of a consolidated city under this section;
37 remains a member of the 1977 fund without being required to meet the
38 requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter
39 shall receive credit for any service as a member of the 1977 fund before
40 the consolidation to determine the firefighter's eligibility for benefits
41 under IC 36-8-8.

42 (o) Notwithstanding any other provision, a firefighter:

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1 ~~(A)~~ **(1)** who is a member of the 1937 fund before the effective
 2 date of a consolidation under this section; and
 3 ~~(B)~~ **(2)** who, after the consolidation, becomes an employee of the
 4 fire department of a consolidated city under this section;
 5 remains a member of the 1937 fund. The firefighter shall receive credit
 6 for any service as a member of the 1937 fund before the consolidation
 7 to determine the firefighter's eligibility for benefits under IC 36-8-7.

8 ~~(4)~~ For property taxes first due and payable in the year in which
 9 the consolidation is effective, the maximum permissible ad
 10 valorem property tax levy under IC 6-1.1-18.5:

11 ~~(A)~~ is increased for the consolidated city by an amount equal
 12 to the maximum permissible ad valorem property tax levy in
 13 the year preceding the year in which the consolidation is
 14 effective for fire protection and related services by the
 15 township whose fire department is consolidated into the fire
 16 department of the consolidated city under this section; and

17 ~~(B)~~ is reduced for the township whose fire department is
 18 consolidated into the fire department of the consolidated city
 19 under this section by the amount equal to the maximum
 20 permissible ad valorem property tax levy in the year preceding
 21 the year in which the consolidation is effective for fire
 22 protection and related services for the township.

23 ~~(5)~~ The amount levied in the year preceding the year in which the
 24 consolidation is effective by the township whose fire department
 25 is consolidated into the fire department of the consolidated city
 26 for the township's cumulative building and equipment fund for
 27 fire protection and related services is transferred on the effective
 28 date of the consolidation to the consolidated city's cumulative
 29 building and equipment fund for fire protection and related
 30 services, which is hereby established. The consolidated city is
 31 exempted from the requirements of IC 36-8-14 and IC 6-1.1-41
 32 regarding establishment of the cumulative building and
 33 equipment fund for fire protection and related services.

34 ~~(6)~~ **(p)** The local boards for the 1937 firefighters' pension fund and
 35 the 1977 police officers' and firefighters' pension and disability fund of
 36 **the township an entity listed in subsection (a)** are dissolved, and their
 37 services are terminated not later than the effective date of the
 38 consolidation. The duties performed by the local boards under
 39 IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated
 40 city's local board for the 1937 firefighters' pension fund and local board
 41 for the 1977 police officers' and firefighters' pension and disability
 42 fund, respectively. Notwithstanding any other provision, the legislative

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1 body of the consolidated city may adopt an ordinance to adjust the
2 membership of the consolidated city's local board to reflect the
3 consolidation.

4 (7) The consolidated city may levy property taxes within the
5 consolidated city's maximum permissible ad valorem property tax
6 levy limit to provide for the payment of the expenses for the
7 operation of the consolidated fire department. However, property
8 taxes to fund the pension obligation under IC 36-8-7 for members
9 of the 1937 firefighters fund who were employees of the
10 consolidated city at the time of the consolidation may be levied
11 only by the fire special service district within the fire special
12 service district. The fire special service district established under
13 IC 36-3-1-6 may levy property taxes to provide for the payment
14 of expenses for the operation of the consolidated fire department
15 within the territory of the police special service district. Property
16 taxes to fund the pension obligation under IC 36-8-8 for members
17 of the 1977 police officers' and firefighters pension and disability
18 fund who were members of the fire department of the
19 consolidated city on the effective date of the consolidation may be
20 levied only by the fire special service district within the fire
21 special service district. Property taxes to fund the pension
22 obligation for members of the 1937 firefighters fund who were
23 not members of the fire department of the consolidated city on the
24 effective date of the consolidation and members of the 1977
25 police officers' and firefighters pension and disability fund who
26 were not members of the fire department of the consolidated city
27 on the effective date of the consolidation may be levied by the
28 consolidated city within the city's maximum permissible ad
29 valorem property tax levy. However, these taxes may be levied
30 only within the fire special service district and any townships that
31 have consolidated fire departments under this section.

32 (8) The executive of the consolidated city shall provide for an
33 independent evaluation and performance audit, due before March
34 1 of the year in which the consolidation is effective and for the
35 following two (2) years, to determine:

36 (A) the amount of any cost savings, operational efficiencies, or
37 improved service levels; and

38 (B) any tax shifts among taxpayers;
39 that result from the consolidation. The independent evaluation
40 and performance audit must be provided to the legislative council
41 in an electronic format under IC 5-14-6 and to the state budget
42 committee.

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1 SECTION 6. IC 36-3-1-6.2, AS ADDED BY P.L.227-2005,
 2 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2006]: Sec. 6.2. (a) If a consolidated fire department is
 4 established under section 6.1 of this chapter, the consolidated city,
 5 through the consolidated fire department shall after the consolidation
 6 establish, operate, and maintain emergency ambulance services (as
 7 defined in IC 16-18-2-107) in the fire special service district and in
 8 those townships in the county that are consolidated under section 6.1
 9 of this chapter: **of the consolidated fire department.**

10 (b) This section does not prohibit the providing of emergency
 11 ambulance services under an interlocal agreement under IC 36-1-7.

12 (b) **The legislative body of the consolidated city shall adopt an
 13 ordinance approving the consolidation of a hospital based
 14 ambulance service into the consolidated fire department.**

15 (c) **The terms of a consolidation with a hospital based
 16 ambulance service shall be determined by the ordinance adopted
 17 under subsection (b).**

18 SECTION 7. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 20 1, 2006]: Sec. 6.3. (a) **The consolidated fire department may not
 21 provide fire protection services for:**

- 22 (1) **an excluded city with a fire department; or**
- 23 (2) **an excluded town with a fire department;**
- 24 **unless the consolidated city enters into an interlocal agreement**
- 25 **under IC 36-1-7 to provide the services or the conditions in**
- 26 **subsection (b) are met.**

27 (b) **Except as provided in IC 36-1-7, in order for the
 28 consolidated fire department to provide fire protection services to
 29 an excluded city or town, all the following must occur:**

- 30 (1) **The legislative body of the excluded city or town and the**
- 31 **city-county legislative body must adopt substantially similar**
- 32 **ordinances authorizing the consolidation of the fire**
- 33 **department of the excluded city or town into the consolidated**
- 34 **fire department.**
- 35 (2) **The ordinances described in subdivision (1) must:**
- 36 (A) **specify the effective date of the consolidation; and**
- 37 (B) **set forth the conditions of the consolidation.**

38 (c) **After the effective date of the consolidation described in**

39 **subsection (b), the consolidated fire department shall provide fire**

40 **protection services within the territory of the excluded city or**

41 **town.**

42 (d) **After the effective date of the consolidation described in**

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1 subsection (b), all the property, equipment, records, rights, and
 2 contracts of the fire department of the excluded city or town are:
 3 (1) transferred to; or
 4 (2) assumed by;
 5 the consolidated city.

6 (e) After the effective date of the consolidation described in
 7 subsection (b), the employees of the fire department of the excluded
 8 city or town cease employment with the excluded city or town and
 9 become employees of the consolidated fire department. For
 10 purposes of IC 36-8-3.2 and IC 36-8-10.5, the employees are not
 11 "hired" or "rehired" by the consolidated city upon becoming
 12 employees of the consolidated fire department. The consolidated
 13 city shall assume all agreements with labor organizations that:

- 14 (1) are in effect after the effective date of the consolidation
- 15 described in subsection (b); and
- 16 (2) apply to employees of the fire department of the excluded
- 17 city or town who become employees of the consolidated fire
- 18 department.

19 (f) Except as provided in subsection (h), the consolidated city
 20 shall assume, defease, pay, or refund all indebtedness related to fire
 21 protection services incurred before the effective date of the
 22 consolidation described in subsection (b) by:

- 23 (1) an excluded city;
- 24 (2) an excluded town; or
- 25 (3) a building, holding, or leasing corporation on behalf of an
- 26 excluded city or town;

27 whose fire department is consolidated into the consolidated fire
 28 department under subsection (b).

29 (g) Notwithstanding any other Indiana law, in order to assume,
 30 defease, pay, or refund all or a part of the indebtedness described
 31 in subsection (f) the consolidated city is not required to comply
 32 with any other statutory procedures or approvals that apply when
 33 a unit incurs indebtedness.

34 (h) Notwithstanding subsections (f) and (g), the consolidated city
 35 may not assume all or a part of the indebtedness described in
 36 subsection (f) that will exceed the limitations on the amount of
 37 indebtedness that the consolidated city may incur. The part of the
 38 indebtedness described in subsection (f) that exceeds the
 39 consolidated city's debt limitations remains the debt of the
 40 excluded city or town, or the building, holding, or leasing
 41 corporation on behalf of the excluded city or town that incurred
 42 the debt.

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1 (i) This subsection applies to the indebtedness or a bond, bond
 2 resolution, trust agreement or indenture, security agreement,
 3 purchase agreement, or other undertaking described in subsection
 4 (f). The rights of the trustee and the bondholders remain the same.
 5 The powers, duties, agreements, and liabilities of the fire
 6 department of the excluded city or town are transferred to the
 7 consolidated city, and the consolidated city assumes those powers,
 8 duties, agreements, and liabilities.

9 (j) When an excluded city or town consolidates its fire
 10 department into the consolidated fire department under subsection
 11 (b), the local boards for the 1937 firefighters' pension fund and the
 12 1977 police officers' and firefighters' pension and disability fund
 13 of the excluded city or town are dissolved and their services are
 14 terminated not later than the effective date of the consolidation.
 15 The duties performed by the local boards under IC 36-8-7 and
 16 IC 36-8-8, respectively, are assumed by the consolidated city's local
 17 board for the 1937 firefighters' pension fund and the local board
 18 for the 1977 police officers' and firefighters' pension and disability
 19 fund, respectively.

20 (k) When an excluded city or town consolidates its fire
 21 department into the consolidated fire department under subsection
 22 (b), the merit board and merit system of the excluded city's or
 23 town's fire department is dissolved, and the duties of the merit
 24 board are transferred to and assumed by the merit board for the
 25 consolidated fire department.

26 (l) When an excluded city or town consolidates its fire
 27 department into the consolidated fire department under subsection
 28 (b), for property taxes first due and payable in the year in which
 29 the consolidation is effective, the maximum permissible ad valorem
 30 property tax levy under IC 6-1.1-18.5:

31 (1) is increased for the consolidated city; and

32 (2) is reduced for the excluded city or town;

33 by the amount equal to the property tax levy of the excluded city
 34 or town for the year preceding the year in which the consolidation
 35 is effective for fire protection and related services.

36 (m) When an excluded city or town consolidates its fire
 37 department into the consolidated fire department under subsection
 38 (b), the balance on the effective date of the consolidation in the
 39 excluded city's or town's cumulative building and equipment fund
 40 for fire protection and related services is transferred on that date
 41 to the consolidated city's cumulative building and equipment fund
 42 for fire protection and related services.

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1 SECTION 8. IC 36-3-6-4.1 IS ADDED TO THE INDIANA CODE
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2007]: **Sec. 4.1. Notwithstanding IC 36-8-7, the**
 4 **special service district council may not adopt an ordinance under**
 5 **section 7 of this chapter that levies a tax within the fire special**
 6 **service district in an amount and at a rate that is greater than the**
 7 **amount and the rate necessary to produce sufficient revenue to**
 8 **satisfy the consolidated city's 1937 firefighters' pension fund**
 9 **obligations under IC 36-8-7-14.**

10 SECTION 9. IC 36-3-7-6 IS ADDED TO THE INDIANA CODE
 11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 12 1, 2006]: **Sec. 6. (a) Notwithstanding any other law, the**
 13 **consolidated city may issue obligations to refund obligations issued**
 14 **before the effective date of a consolidation under IC 36-3-1-6.1, in**
 15 **the name of:**

- 16 (1) a township;
- 17 (2) an airport authority;
- 18 (3) a fire protection territory; or
- 19 (4) a building, holding, or leasing corporation on behalf of a
- 20 township, an airport authority, or a fire protection territory;
- 21 to satisfy the requirements of IC 36-3-1-6.1(e), IC 36-3-1-6.1(h),
- 22 and IC 36-3-1-6.1(i).

23 (b) Notwithstanding any other Indiana law, the consolidated city
 24 may issue obligations to refund obligations issued before the
 25 effective date of a consolidation described in IC 36-3-1-6.3(b) by:

- 26 (1) an excluded city;
- 27 (2) an excluded town; or
- 28 (3) a building, holding, or leasing corporation on behalf of an
- 29 excluded city or town;

30 to satisfy the requirements of IC 36-3-1-6.3(f), IC 36-3-1-6.3(g), and
 31 IC 36-3-1-6.3(h).

32 SECTION 10. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS
 33 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 34 1, 2006]:

35 **Chapter 8. Fire and Emergency Medical Services Advisory**
 36 **Board**

37 **Sec. 1. This chapter applies to:**

- 38 (1) the consolidated city with a fire department consolidated
- 39 under IC 36-3-1-6.1;
- 40 (2) an excluded city that has a fire department and
- 41 consolidates its fire department under IC 36-3-1-6.3;
- 42 (3) an excluded town that consolidates its fire department

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under IC 36-3-1-6.3; and
 (4) a township consolidated under IC 36-3-1-6.1;
 in a county containing a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the fire and emergency medical services advisory board established by section 4 of this chapter.

Sec. 3. As used in this chapter, "unit" means a city, town, or township to which this chapter applies under section 1 of this chapter.

Sec. 4. The fire and emergency medical services advisory board is established.

Sec. 5. (a) The board consists of the following members:

- (1) The executive of the consolidated city.
- (2) The executive of each of the following townships in the county:
 - (A) Decatur Township.
 - (B) Franklin Township.
 - (C) Lawrence Township.
 - (D) Perry Township.
 - (E) Pike Township.
 - (F) Warren Township.
 - (G) Washington Township.
 - (H) Wayne Township.
 - (I) Center Township.
- (3) The executive of each excluded city that has a fire department and consolidated under IC 36-3-1-6.3.
- (4) The executive of each excluded town that has a fire department and consolidated under IC 36-3-1-6.3.
- (5) One (1) member who is an emergency medical professional appointed jointly by the township executives of each township in the county.
- (6) One (1) member who is an emergency medical professional appointed by the executive of the consolidated city.
- (7) One (1) member who is an emergency medical professional appointed by a local labor union that represents firefighters employed by the consolidated city.

(b) The executive of the consolidated city shall serve as the board's chairperson. The board shall meet at the call of the chairperson.

(c) Members appointed under subsection (a)(5) through (a)(7) are nonvoting members of the board.

Sec 6. (a) The term of a member appointed under section 5(a)(1)

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1 through 5(a)(4) of this chapter is coextensive with the term of the
2 office held by the member at the time the member was appointed
3 to the board.

4 (b) A member appointed under section 5(a)(5) through 5(a)(7)
5 of this chapter serves a term of four (4) years. If a member ceases
6 to be a member of the board, the original appointing authority
7 shall appoint an individual to serve on the board for the remainder
8 of the unexpired term of the member.

9 Sec. 7. The board may:

10 (1) advise the fire chief of the consolidated fire department on
11 matters concerning fire and emergency medical services in
12 each unit;

13 (2) make recommendations to the fire chief regarding fire and
14 emergency medical services; and

15 (3) upon the affirmative vote of a quorum of members, veto
16 any proposed changes in the placement of fire stations and
17 emergency response apparatus in areas served by the
18 consolidated fire department.

19 Sec. 8. A quorum for a meeting of the board is determined as
20 follows:

21 STEP ONE: Determine the total number of voting members
22 serving on the board.

23 STEP TWO: Divide the number determined under STEP
24 ONE by two (2). If the quotient is not a whole number, round
25 the quotient down to the nearest whole number.

26 STEP THREE: Add one (1) to the quotient determined under
27 STEP TWO.

28 Sec. 9. The chief of the consolidated fire department, or the
29 chief's designee, must attend all meetings of the board.

30 Sec. 10. The chief of the consolidated fire department shall
31 provide written notice to the board of any proposed changes to the
32 placement of fire stations or emergency response apparatus at least
33 forty-five (45) days before implementing the change.

34 SECTION 11. IC 36-8-8-2.1 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2.1. (a) As used in this
36 chapter, "local board" means the following:

37 (1) For a unit that established a 1925 fund for its police officers,
38 the local board described in IC 36-8-6-2.

39 (2) Except as provided in subdivision (3), for a unit that
40 established a 1937 fund for its firefighters, the local board
41 described in IC 36-8-7-3.

42 (3) For a unit that established a 1937 fund for its firefighters

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1 **and consolidates its fire department into the fire department**
2 **of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:**

3 **(A) before the date the consolidation is effective, the local**
4 **board described in IC 36-8-7-3; and**

5 **(B) on and after the date the consolidation is effective, the**
6 **local board, established under IC 36-8-7-3, of the**
7 **consolidated city.**

8 ~~(3)~~ **(4)** For a consolidated city that established a 1953 fund for its
9 police officers, the local board described in IC 36-8-7.5-2.

10 ~~(4)~~ **(5)** For a unit, other than a consolidated city, that did not
11 establish a 1925 fund for its police officers or a 1937 fund for its
12 firefighters, the local board described in subsection (b) or (c).

13 (b) If a unit did not establish a 1925 fund for its police officers, a
14 local board shall be composed in the same manner described in
15 IC 36-8-6-2(b). However, if there is not a retired member of the
16 department, no one shall be appointed to that position until such time
17 as there is a retired member.

18 (c) **Except as provided in subsection (d)**, if a unit did not establish
19 a 1937 fund for its firefighters, a local board shall be composed in the
20 same manner described in IC 36-8-7-3(b). However, if there is not a
21 retired member of the department, no one shall be appointed to that
22 position until such time as there is a retired member.

23 **(d) If a unit located in a county containing a consolidated city**
24 **did not establish a 1937 fund for its firefighters and consolidates its**
25 **fire department into the fire department of the consolidated city**
26 **under IC 36-3-1-6.1 or IC 36-3-1-6.3, a local board shall be**
27 **composed in the same manner as:**

28 **(1) before the date the consolidation is effective, the local**
29 **board described in IC 36-8-7-3; and**

30 **(2) on and after the date the consolidation is effective, the**
31 **local board, established under IC 36-8-7-3, of the consolidated**
32 **city.**

33 SECTION 12. IC 36-8-8-7, AS AMENDED BY P.L.227-2005,
34 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2006]: Sec. 7. (a) Except as provided in subsections (d), (e),
36 (f), (g), (h), (k), (l), **and (m): and (n):**

37 (1) a police officer; or

38 (2) a firefighter;

39 who is less than thirty-six (36) years of age and who passes the baseline
40 statewide physical and mental examinations required under section 19
41 of this chapter shall be a member of the 1977 fund and is not a member
42 of the 1925 fund, the 1937 fund, or the 1953 fund.

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1 (b) A police officer or firefighter with service before May 1, 1977,
 2 who is hired or rehired after April 30, 1977, may receive credit under
 3 this chapter for service as a police officer or firefighter prior to entry
 4 into the 1977 fund if the employer who rehires the police officer or
 5 firefighter chooses to contribute to the 1977 fund the amount necessary
 6 to amortize the police officer's or firefighter's prior service liability over
 7 a period of not more than forty (40) years, the amount and the period
 8 to be determined by the PERF board. If the employer chooses to make
 9 the contributions, the police officer or firefighter is entitled to receive
 10 credit for the police officer's or firefighter's prior years of service
 11 without making contributions to the 1977 fund for that prior service. In
 12 no event may a police officer or firefighter receive credit for prior years
 13 of service if the police officer or firefighter is receiving a benefit or is
 14 entitled to receive a benefit in the future from any other public pension
 15 plan with respect to the prior years of service.

16 (c) Except as provided in section 18 of this chapter, a police officer
 17 or firefighter is entitled to credit for all years of service after April 30,
 18 1977, with the police or fire department of an employer covered by this
 19 chapter.

20 (d) A police officer or firefighter with twenty (20) years of service
 21 does not become a member of the 1977 fund and is not covered by this
 22 chapter if the police officer or firefighter:

- 23 (1) was hired before May 1, 1977;
- 24 (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both
 25 of which were repealed September 1, 1981); and
- 26 (3) is rehired after April 30, 1977, by the same employer.

27 (e) A police officer or firefighter does not become a member of the
 28 1977 fund and is not covered by this chapter if the police officer or
 29 firefighter:

- 30 (1) was hired before May 1, 1977;
- 31 (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both
 32 of which were repealed September 1, 1981);
- 33 (3) was rehired after April 30, 1977, but before February 1, 1979;
 34 and
- 35 (4) was made, before February 1, 1979, a member of a 1925,
 36 1937, or 1953 fund.

37 (f) A police officer or firefighter does not become a member of the
 38 1977 fund and is not covered by this chapter if the police officer or
 39 firefighter:

- 40 (1) was hired by the police or fire department of a unit before May
 41 1, 1977;
- 42 (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both

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1 of which were repealed September 1, 1981);
 2 (3) is rehired by the police or fire department of another unit after
 3 December 31, 1981; and
 4 (4) is made, by the fiscal body of the other unit after December
 5 31, 1981, a member of a 1925, 1937, or 1953 fund of the other
 6 unit.

7 If the police officer or firefighter is made a member of a 1925, 1937, or
 8 1953 fund, the police officer or firefighter is entitled to receive credit
 9 for all the police officer's or firefighter's years of service, including
 10 years before January 1, 1982.

11 (g) As used in this subsection, "emergency medical services" and
 12 "emergency medical technician" have the meanings set forth in
 13 IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

14 (1) is employed by a unit that is participating in the 1977 fund;
 15 (2) was employed as an emergency medical technician by a
 16 political subdivision wholly or partially within the department's
 17 jurisdiction;
 18 (3) was a member of the public employees' retirement fund during
 19 the employment described in subdivision (2); and
 20 (4) ceased employment with the political subdivision and was
 21 hired by the unit's fire department due to the reorganization of
 22 emergency medical services within the department's jurisdiction;
 23 shall participate in the 1977 fund. A firefighter who participates in the
 24 1977 fund under this subsection is subject to sections 18 and 21 of this
 25 chapter.

26 (h) A police officer or firefighter does not become a member of the
 27 1977 fund and is not covered by this chapter if the individual was
 28 appointed as:

29 (1) a fire chief under a waiver under IC 36-8-4-6(c); or
 30 (2) a police chief under a waiver under IC 36-8-4-6.5(c);
 31 unless the executive of the unit requests that the 1977 fund accept the
 32 individual in the 1977 fund and the individual previously was a
 33 member of the 1977 fund.

34 (i) A police matron hired or rehired after April 30, 1977, and before
 35 July 1, 1996, who is a member of a police department in a second or
 36 third class city on March 31, 1996, is a member of the 1977 fund.

37 (j) A park ranger who:

38 (1) completed at least the number of weeks of training at the
 39 Indiana law enforcement academy or a comparable law
 40 enforcement academy in another state that were required at the
 41 time the park ranger attended the Indiana law enforcement
 42 academy or the law enforcement academy in another state;

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- 1 (2) graduated from the Indiana law enforcement academy or a
 2 comparable law enforcement academy in another state; and
 3 (3) is employed by the parks department of a city having a
 4 population of more than one hundred twenty thousand (120,000)
 5 but less than one hundred fifty thousand (150,000);

6 is a member of the fund.

7 (k) Notwithstanding any other provision of this chapter, a police
 8 officer or firefighter:

9 (1) who is a member of the 1977 fund before a consolidation
 10 under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

11 (2) whose employer is consolidated into the fire department of a
 12 consolidated city under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or**
 13 **IC 36-3-1-6.3;** and

14 (3) who, after the consolidation, becomes an employee of the
 15 consolidated law enforcement department or the consolidated fire
 16 department under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or**
 17 **IC 36-3-1-6.3;**

18 is a member of the 1977 fund without meeting the requirements under
 19 sections 19 and 21 of this chapter.

20 (l) Notwithstanding any other provision of this chapter, a police
 21 officer or firefighter who:

22 (1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1,
 23 provides law enforcement services or fire protection services for
 24 an entity in a consolidated city;

25 (2) has the provision of those services consolidated into **the**
 26 **consolidated law enforcement department or the consolidated**
 27 **fire department of a consolidated city;** and

28 (3) after the consolidation, becomes an employee of the
 29 consolidated law enforcement department or the consolidated fire
 30 department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

31 is a member of the 1977 fund without meeting the requirements under
 32 sections 19 and 21 of this chapter.

33 (m) A police officer or firefighter who is a member of the 1977 fund
 34 under subsection (k) or (l):

35 (1) may not be:

36 (1) ~~(A)~~ (A) retired for purposes of section 10 of this chapter; or

37 (2) ~~(B)~~ (B) disabled for purposes of section 12 of this chapter;
 38 solely because of a change in employer under the consolidation;

39 **and**

40 (2) **shall receive credit for all years of service as a member of**
 41 **the 1977 fund before consolidation under IC 36-3-1-6.1 or**
 42 **IC 36-3-1-6.3.**

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1 SECTION 13. IC 36-8-4.3 IS REPEALED [EFFECTIVE
2 JANUARY 1, 2007].

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