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FISCAL IMPACT STATEMENT

LS 6063

BILL NUMBER: SB 74

NOTE PREPARED: Nov 7, 2007

BILL AMENDED:

SUBJECT: Police and Firefighter Merit Systems.

FIRST AUTHOR: Sen. Deig

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill requires all cities, towns, and townships that have full-time paid police or fire departments to use the statutory merit system or establish their own merit system for their police and fire departments not later than July 1, 2010.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary-* For a city, town, or township without a merit board, the impact to their expenditures would vary and depend on the existing level of budgeted resources. The fund affected would be the city, town, or township general fund. Establishment of merit boards would require adoption of an ordinance, resolution, or use of existing state statute. Local councils would likely be able to adopt the required legislation to establish merit boards during a regularly scheduled meeting.

Background Information- The city of Franklin has a fire and a police merit board. Each has five members which earn a per diem for their services. Annual cost to fund the Franklin boards is approximately \$36,000. The 2007 budgeted cost to fund the five-member New Albany Police Merit Board was reported as \$31,993.

The Professional Firefighter's Union of Indiana reports that about 21 of their reporting members have a fire board. Of the cities and towns that responded to a recent Association of Cities and Towns (ACT) inquiry on the existence of merit boards, the following cities and towns have indicated they have a fire merit board

and/or police merit board.

Police Merit Board	Fire Merit Board
Anderson	Anderson
Attica	Avon
Cicero	Brownsburg
East Chicago	Carmel
Evansville	Lawrence
Franklin	Evansville
Gary	Fishers
Lafayette	Fort Wayne
Michigan City	Franklin
Muncie	Hammond
New Albany	Indianapolis
New Haven	Kokomo
Richmond	Lafayette
Terre Haute	LaPorte
Vincennes	Michigan City
West Lafayette	Muncie
	Portage
	Terre Haute

Research independent of the ACT inquiry indicates that the city of Greenwood also has a police merit board.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Cities, towns, and townships.

Information Sources: Janet Alexander, City of Franklin; Matt Brase, Association of Cities and Towns; Kay Gerry, City of New Albany; Tom Hanify, Professional Firefighter’s Union of Indiana, 630-1840.

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