

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Local Government, to which was referred Senate Bill No. 240, 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:

1 Page 8, delete lines 7 through 12, begin a new line block indented
2 and insert:

3 **"(2) Whether the ending balance remaining in each township**
4 **fund is excessive and should be used by the township to reduce**
5 **property tax levies. In determining whether an ending balance**
6 **in a township fund is excessive, the township board (before**
7 **January 1, 2013) or the county fiscal body (after December**
8 **31, 2012) shall consider the factors described in subdivision**
9 **(1). If the township board (before January 1, 2013) or the**
10 **county fiscal body (after December 31, 2012) determines**
11 **under this subdivision that the ending balance in a township**
12 **fund is excessive, the township board or county fiscal body**
13 **shall transfer the excessive amount to the township's levy**
14 **excess fund."**

15 Page 9, between lines 22 and 23, begin a new paragraph and insert:

16 **"(e) The following apply to township budgets adopted for 2011,**
17 **2012, and 2013:**

18 **(1) Except as provided in subdivision (2), the total amount**
19 **appropriated by a township board for a particular year**
20 **(including any additional appropriations made for that year)**

1 **may not exceed the result of:**

2 **(A) the total amount appropriated by the township board**
 3 **for the previous year (including any additional**
 4 **appropriations made for that year); multiplied by**

5 **(B) the assessed value growth quotient determined under**
 6 **IC 6-1.1-18.5-2 and applicable to the township for the**
 7 **particular year.**

8 **(2) If a township board determines after a public hearing that**
 9 **the township cannot carry out its governmental functions for**
 10 **a year under the appropriation limitations imposed by**
 11 **subdivision (1), the township board, after approval by the**
 12 **township executive, may appeal to the department of local**
 13 **government finance for relief from the appropriation**
 14 **limitations for the year. In the appeal, the township board**
 15 **must state that the township will be unable to carry out the**
 16 **governmental functions committed to it by law unless the**
 17 **township is given relief from the appropriation limits. The**
 18 **township board must support the appeal by reasonably**
 19 **detailed statements of fact. The department of local**
 20 **government finance shall review the merits of the township**
 21 **board's appeal. If the department of local government finance**
 22 **determines after reviewing the appeal that the township**
 23 **cannot carry out its governmental functions for a year under**
 24 **the appropriation limitations imposed by subdivision (1), the**
 25 **department of local government finance may grant relief from**
 26 **those appropriation limitations in the manner determined to**
 27 **be appropriate by the department of local government**
 28 **finance.**

29 **This subsection expires January 1, 2014."**

30 Page 13, line 29, delete "may not be held in a private residence."
 31 and insert "**must be held in a public place.**"

32 Page 13, between lines 29 and 30, begin a new paragraph and insert:

33 "SECTION 13. IC 36-1.5-1-10 IS ADDED TO THE INDIANA
 34 CODE AS A NEW SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2010]: **Sec. 10. (a) This section applies if:**

36 **(1) a township reorganizes under this article with one (1) or**
 37 **more townships; and**

38 **(2) the new political subdivision that results from the**
 39 **reorganization is not a city or town.**

40 **(b) After December 31, 2012, the fiscal body of the resulting new**
 41 **political subdivision is the county fiscal body, which shall review**
 42 **the budget of the new political subdivision under IC 6-1.1-17-2."**

- 1 Page 14, line 5, delete "personal" and insert "**tangible**".
- 2 Page 14, line 6, after "property" insert "**(as defined in**
- 3 **IC 6-1.1-1-19)**".
- 4 Page 14, line 8, after "business." insert "**As used in this section,**
- 5 **"private residence" means a place that is not a public place.**".
- 6 Page 17, line 7, delete "September 20" and insert "**August 1**".
- 7 Renumber all SECTIONS consecutively.
(Reference is to SB 240 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 7, Nays 4.

Senator Lawson C, Chairperson