



Reprinted
January 30, 2026

HOUSE BILL No. 1315

DIGEST OF HB 1315 (Updated January 29, 2026 3:17 pm - DI 87)

Citations Affected: IC 36-1.5.

Synopsis: Township reorganization. Provides that on January 1, 2028, certain townships are dissolved and their powers, duties, offices, and property are transferred to a municipality or county. Requires a township to adopt a resolution not later than June 1, 2026, that designates the municipality or county (designated unit) that will reorganize with the township. Requires the appointment of a joint board consisting of representatives of the township and the designated unit to prepare a plan of reorganization. Provides that a township must reorganize with the county if: (1) the township does not adopt a resolution by June 1, 2026; or (2) the municipality that the township designated in its resolution does not adopt a reorganization plan by December 31, 2026. Provides that if: (1) the designated unit is a municipality; and (2) part of a township is located outside the municipality; the municipality must establish an urban township services district and a rural township services district. Requires the county fiscal body to approve the budget, tax rate, and tax levy imposed by the municipality within the boundaries of the rural township services district. Provides that a designated unit has all of the powers of the government modernization act in reorganizing the township. Amends the government modernization act to require a political
(Continued next page)

Effective: Upon passage.

Shonkwiler, May, Lauer, Miller D

January 6, 2026, read first time and referred to Committee on Local Government.
January 13, 2026, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 126.3.
January 27, 2026, amended, reported — Do Pass.
January 29, 2026, read second time, amended, ordered engrossed.

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Digest Continued

subdivision to respond to a resolution that names the political subdivision as a participant in a proposed reorganization. Provides that a township that operates a fire department is not subject to dissolution. Provides that a township does not operate a fire department if the township is a participating unit (not a provider unit) in a fire protection territory (territory) or is within a fire protection district (district). Provides that after a reorganization: (1) the area within the boundaries of the dissolved township remains in the territory or district; and (2) the designated unit succeeds the dissolved township in its role in the territory or district.



Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1315

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 36-1.5-4-13, AS AMENDED BY P.L.202-2013,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 13. (a) The legislative body of a political
4 subdivision that receives a certified resolution under section 10 or 12
5 of this chapter ~~may~~ **shall** do any of the following:

6 (1) Adopt a resolution declining to participate in a proposed
7 reorganization. **The resolution must detail why the political**
8 **subdivision does not wish to participate in the reorganization.**

9 (2) Adopt a substantially identical resolution proposing to
10 participate in a proposed reorganization with the political
11 subdivisions named in a resolution certified to the political
12 subdivision.

13 (3) Adopt a resolution proposing to participate in a proposed
14 reorganization with political subdivisions that differ in part or in
15 whole from the political subdivisions named in a resolution
16 certified to the political subdivision.

17 (b) The clerk of the political subdivision adopting a resolution

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proposing a reorganization under this section shall certify the resolution to the clerk of each political subdivision named in the resolution.

SECTION 2. IC 36-1.5-4.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 4.1. Reorganization of Certain Townships

Sec. 1. This chapter does not apply to a township:

- (1) located in a county having a consolidated city; or
- (2) that, not later than December 31, 2026, has begun to consolidate with another:
 - (A) township under IC 36-6-1.5; or
 - (B) unit under IC 36-1.5-4; or
- (3) located in a county in which each township located in the county consolidates in accordance with subdivision (2) to establish not more than one (1) township whose boundaries coincide with the boundaries of the county and the consolidated township would not meet the population requirement described in section 6(1)(A) of this chapter.

Sec. 2. To the extent that other provisions in this article conflict with this chapter, this chapter controls.

Sec. 3. As used in this chapter, "designated unit" means:

- (1) a county or municipality that is named by a township in a resolution under section 13 of this chapter; or
- (2) a county that becomes the designated unit under section 14 of this chapter.

Sec. 4. As used in this chapter, "plan" or "plan of reorganization" means a plan of reorganization approved by the legislative body of a designated unit under this chapter.

Sec. 5. As used in this chapter, "reorganization" means the dissolution of a township and the transfer of township property, functions, powers, and services to the designated unit.

Sec. 6. As used in this chapter, "township" means either of the following:

- (1) A township that satisfies all of the following criteria:
 - (A) The township has a population of less than six thousand seven hundred (6,700) as determined by the most recent federal decennial census.
 - (B) The township does not operate a fire department. For purposes of this clause, a township that is:
 - (i) a participating unit that is not a provider unit in a fire protection territory; or



(ii) part of a fire protection district;

does not operate a fire department.

(C) In calendar year 2024, the total value of benefits provided to recipients of township assistance (as reported in the township's annual statistical report under IC 12-20-28-3) does not exceed two hundred percent (200%) of the sum of all compensation paid to township employees (as reported in the township's annual report filed under IC 5-11-13-1).

(2) A township that satisfies all of the following criteria:

(A) At least eighty percent (80%) of the total area of the township is located within the corporate boundaries of a municipality.

(B) At least fifty-one percent (51%) of the township's population resides within the corporate boundaries of a municipality described in clause (A).

(C) The township does not operate a fire department. For purposes of this clause, a township that is:

(i) a participating unit that is not a provider unit in a fire protection territory; or

(ii) part of a fire protection district;
does not operate a fire department.

Sec. 7. As used in this chapter, "township office" refers to any of the following:

(1) The office of township trustee elected as provided in IC 36-6-4-2.

(2) The office of township assessor elected as provided in IC 36-6-5-1 (if the office exists).

(3) The office of a member of the township board elected as provided in IC 36-6-6-2.

Sec. 8. As used in this chapter, "township services" means the following:

(1) Township assistance under IC 12-20 and IC 12-30-4.

(2) Provision of insulin to the poor under IC 12-20-16.

(3) Fire protection services under IC 36-8.

(4) Fence viewing under IC 32-26.

(5) Provision and maintenance of cemeteries under IC 23-14.

(6) Provision and maintenance of township parks and community centers under IC 36-10.

(7) Destruction of detrimental plants, noxious weeds, and rank vegetation under IC 15-16-8.

(8) Any other services required by statute to be provided by



a township.

Sec. 9. As used in this chapter, "township services district" means a service district that is located within the boundaries of the reorganized township in which the designated unit imposes a township services district levy.

Sec. 10. As used in this chapter, "township services district levy" means the budget, tax rate, and tax levy imposed by the designated unit within the boundaries of a township services district.

Sec. 11. (a) On January 1, 2028, each township is dissolved. All of the following occur:

(1) The term of office of an individual who holds a township office ends on December 31, 2027. An election for a township office shall not be held in 2028 or thereafter.

(2) The:

(A) powers and duties of the office of township trustee are transferred to the executive of the designated unit;

(B) legislative powers and duties of the office of township board members are transferred to the legislative body of the designated unit;

(C) fiscal powers and duties of the office of township board members are transferred to the fiscal body of the designated unit; and

(D) powers and duties of the township assessor (if the office exists) are transferred to the county assessor.

(3) The boundaries of the dissolved township remain as the boundaries of the service area within which the designated unit provides township services.

(4) If a township participates in a fire protection territory or fire protection district, the fire protection territory or fire protection district is unaffected by the reorganization and the area within the boundaries of the dissolved township remain a part of the fire protection territory or fire protection district after reorganization. The designated unit succeeds the township in the township's role as:

(A) participating unit that is not a provider unit in the fire protection territory; or

(B) participant in the fire protection district;

for the area within the boundaries of the dissolved township.

(5) The balance in the general fund of the township shall be transferred to the general fund of the designated unit.

(6) The balance in the township assistance fund of a township shall be transferred to a township assistance fund established



by the designated unit.

(7) The balance of any other fund of the township shall be transferred to the fund of the designated unit that most closely corresponds to the fund of the township.

(8) Subject to section 30 of this chapter, the property and liabilities of the township become the property and liabilities of the designated unit.

(b) IC 36-1-8-5 does not apply to a balance referred to in subsection (a).

Sec. 12. (a) A township that is described in:

(1) section 6(1) of this chapter and that is adjacent to a municipality; or

(2) section 6(2) of this chapter;

may designate the municipality in a resolution under section 13 of this chapter. A township is not adjacent to a municipality if the township and municipality are connected by a strip of land that is less than one hundred fifty (150) feet wide.

(b) A township that is described in section 6(1) or 6(2) of this chapter may designate a county in a resolution under section 13 of this chapter.

Sec. 13. (a) The legislative body of a township shall adopt a resolution not later than June 1, 2026, that:

(1) proposes a reorganization; and

(2) designates:

(A) one (1) municipality; or

(B) one (1) county;

that satisfies the criteria under section 12 of this chapter for reorganizing with the township.

(b) The township trustee of the township shall certify the resolution to:

(1) the county clerk; and

(2) if the designated unit is a municipality, the clerk of the municipality.

If the designated unit meets the criteria under section 12 of this chapter, the designated unit and the township shall appoint a joint board under section 16 of this chapter.

Sec. 14. If a township fails to adopt a resolution under section 13 of this chapter not later than June 1, 2026, the county in which the township is primarily located shall be the designated unit of the township without the township adopting a resolution or taking further action. A joint board shall be appointed under section 16 of this chapter, and the county shall reorganize with the township



as provided in this chapter.

Sec. 15. If a designated unit is named by two (2) or more townships in resolutions under section 13 of this chapter, the designated unit may:

(1) appoint a single joint board under section 16 of this chapter; and

(2) prepare and adopt a single reorganization plan; to govern the reorganization of the townships, instead of appointing separate boards and adopting separate plans for each of the townships.

Sec. 16. (a) A joint board shall consist of the following:

(1) Two (2) members of the township board of each township participating in the reorganization, selected by the members of the township board.

(2) Four (4) members of the legislative body of the designated municipality or of the fiscal body of the designated county, whichever is applicable, selected by the members of the body.

(3) The township trustee of each township participating in the reorganization.

(4) The deputy township trustee or a full-time township employee of each township participating in the reorganization.

The fiscal officer of the designated municipality or county, and other members of the bodies under subdivisions (1) and (2), shall serve as advisory, nonvoting members.

(b) A majority of the voting members constitutes a quorum. Official action may only be taken by affirmative vote of at least a majority of members present at the meeting.

(c) The members of a joint board serve without compensation. The members are entitled to reimbursement from the reorganizing township and designated units for the necessary expenses incurred in the performance of their duties.

(d) A joint board is subject to IC 5-14-1.5 and IC 5-14-3.

(e) The joint board shall prepare a reorganization plan not later than December 1, 2026, for transferring the powers, duties, and property of the township consistent with this chapter. The joint board shall send the plan to the legislative body of the designated unit for adoption.

(f) The legislative body of the designated unit may adopt the plan as drafted or modify the plan before adoption.

Sec. 17. Elimination of a township office does not invalidate:

(1) any resolutions, fees, schedules, or other actions adopted



or taken by the township trustee or township assessor (if the office exists) before January 1, 2028; or

(2) any appointments made by the township trustee or township assessor (if the office exists) before January 1, 2028.

Sec. 18. (a) In 2027 and each year thereafter, the fiscal body of the designated unit shall, in the manner provided by IC 6-1.1-17, adopt a township services district levy for the ensuing year.

(b) If a designated unit fails to adopt a township services district levy, the township service district's most recently approved township services levy is continued for the ensuing budget year.

Sec. 19. (a) This section applies if:

(1) the designated unit is a municipality; and

(2) a part of the reorganized township is located outside the boundaries of the municipality.

(b) The municipality shall establish:

(1) an urban township services district consisting of the area of the township that is located within the boundaries of the municipality; and

(2) a rural township services district consisting of the area of the township located outside the boundaries of the municipality.

(c) Subject to subsection (d), a tax levied under this section may be levied at:

(1) a uniform rate upon all taxable property within the township; or

(2) different rates for the township service districts included within the township, so long as a tax rate applies uniformly to all of a township service district's taxable property within the township.

(d) If a uniform tax rate is levied upon all taxable property within a township upon reorganization, different tax rates may be levied for the township service districts included within the township in subsequent years.

(e) Not later than October 1 of a year, the municipality shall submit the township services district levy for the rural township service district to the county fiscal body for its approval. Not later than October 15 of the year, the county fiscal body shall review the proposed township service district levy for the rural township service district. The county fiscal body may reduce or modify but not increase the proposed township service district levy.

(f) If:

(1) the municipality fails to adopt a township service district



levy; or

(2) a county fiscal body does not adopt the township service district levy for a rural township district within the time specified under subsection (c);

the township service district's most recent township service district levy approved by the municipality or county, whichever is appropriate, is continued for the ensuing budget year.

(g) A tax levied by the designated unit under this chapter after December 31, 2028 shall:

(1) be in an amount sufficient for the designated unit to provide township services within a township service district; and

(2) include amounts necessary to continue payment of any debt service or obligation incurred by the township before January 1, 2028, in accordance with the terms of the debt service or obligation incurred.

Sec. 20. For purposes of the property tax levy limits under IC 6-1.1-18.5, a tax levied by a designated unit under this chapter is included in the calculation of the maximum permissible property tax levy for the designated unit. For property taxes first due and payable in 2028, the designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 shall be increased by:

(1) the township's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2027; multiplied by

(2) the maximum levy growth quotient under IC 6-1.1-18.5-2 for property taxes first due and payable in 2028.

The designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2028 as adjusted under this section shall be used in the determination of the designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2029 and thereafter.

Sec. 21. (a) The plan of reorganization governs the actions, duties, and powers of the designated unit and the township that are not specified by law.

(b) The plan of reorganization must be consistent with this chapter and include at least the following:

(1) A description of the township services provided by the designated unit and the service areas in which the services will be offered.



(2) The disposition of the personnel, the agreements, the assets, and, subject to section 30 of this chapter, the liabilities of the township, including the terms and conditions upon which the transfer of property and personnel will be achieved.

(3) Any other matter that the joint board determines to be necessary or appropriate or to include in the plan of reorganization.

(c) When the plan of reorganization is submitted to the designated unit by the joint board, the designated unit shall post a copy of the plan of reorganization on the website of the designated unit not more than seven (7) days after receiving the plan of reorganization from the joint board. If the plan of reorganization is amended, the designated unit shall post the amended plan on the website of the designated unit not later than seven (7) days after the amended plan is adopted.

Sec. 22. The legislative body of the designated unit shall certify the legislative body's final action on a plan of reorganization or revised plan of reorganization, as modified by the legislative body, in the manner prescribed by the department of local government finance, to each of the following:

(1) The clerk of the circuit court and, if the designated unit is a municipality, the clerk of the municipality.

(2) The county fiscal officer of each county in which the township is located.

(3) The county recorder of each county in which the township is located.

(4) The county voter registration office of each county in which the township is located.

Sec. 23. The legislative body of the designated unit shall file a certified copy of the plan with each of the following at the same time certifications are made under section 22 of this chapter:

(1) The county recorder of each county in which a reorganizing political subdivision is located.

(2) The department of local government finance.

(3) The clerk of the circuit court.

Sec. 24. Each county recorder receiving a certification under sections 22 and 23 of this chapter shall record the certification and the plan of reorganization in the records of the county recorder without charge. The county recorder shall notify the county election board of each county in which the township is located.

Sec. 25. (a) The township is reorganized under the conditions set forth in the plan of reorganization filed with the county recorder



1 under this chapter.

2 (b) This subsection applies if the designated unit is a
3 municipality. If the municipal legislative body fails to adopt a
4 reorganization plan not later than December 31, 2026, the
5 township shall reorganize with the county in which the township is
6 primarily located. The county fiscal body shall:

7 (1) prepare a reorganization plan for adoption by the county
8 fiscal body that takes effect January 1, 2028; and

9 (2) take all other steps necessary under this article.

10 The county fiscal body has all of the powers and authority under
11 this chapter to prepare and implement a township reorganization
12 plan without the approval of the township.

13 Sec. 26. The department of local government finance is
14 expressly directed to complete the duties assigned to it under
15 IC 6-1.1-17-16 with respect to the submitted property tax levies,
16 property tax rates, and budget as follows:

17 (1) For each budget year, not later than December 31 of the
18 year preceding that budget year, unless a taxing unit in a
19 county is issuing debt after December 1 in the year preceding
20 the budget year or intends to file a shortfall appeal under
21 IC 6-1.1-18.5-16.

22 (2) For each budget year, not later than January 15 of the
23 budget year if a taxing unit in a county is issuing debt after
24 December 1 in the year preceding the budget year or intends
25 to file a shortfall appeal under IC 6-1.1-18.5-16.

26 Sec. 27. (a) This section applies to a reorganization under this
27 chapter that involves:

28 (1) a municipality as the designated unit; and

29 (2) at least one (1) township;

30 all of which are participating units in the same fire protection
31 territory on the date the reorganization plan is finally adopted
32 under this chapter.

33 (b) The fiscal body of the designated unit may:

34 (1) establish an equipment replacement fund under
35 IC 36-8-19-8.5 and impose a property tax for the fund as
36 provided in IC 36-8-19-8.5; and

37 (2) take any other action under IC 36-8-19-8.5 that may be
38 taken under that section by a participating unit in a fire
39 protection territory.

40 (c) If a designated unit establishes an equipment replacement
41 fund under IC 36-8-19-8.5 as authorized by this section, the
42 department of local government finance may adjust the maximum



1 permissible ad valorem property tax levy that would otherwise
 2 apply to the designated unit in the same manner in which the
 3 department may adjust the maximum permissible ad valorem
 4 property tax levy of a civil taxing unit under IC 6-1.1-18.5-10.5 to
 5 meet the civil taxing unit's obligations to a fire protection territory
 6 established under IC 36-8-19.

7 Sec. 28. (a) A designated unit has the powers granted by statute
 8 to a township, including a power described in subsection (b).

9 (b) Except as provided in the plan of reorganization, a
 10 designated unit may do any of the following:

11 (1) Establish any fund that the township (either acting on its
 12 own or jointly with another political subdivision) was
 13 authorized to establish before January 1, 2028.

14 (2) Impose any tax levy or adopt any tax that the township
 15 was authorized to impose or adopt before January 1, 2028.

16 Sec. 29. A plan of reorganization may establish within the
 17 township, territories, or districts:

18 (1) in which specified services provided by the designated unit
 19 will be provided at different levels, quantities, or amounts;
 20 and

21 (2) in which the fees, charges, or taxes imposed by the
 22 designated unit will vary depending on the level, quantity, or
 23 amount of the services provided.

24 Sec. 30. The following apply:

25 (1) Indebtedness that was incurred by the designated unit or
 26 township before January 1, 2028:

27 (A) may not be imposed on taxpayers that were not
 28 responsible for payment of the indebtedness before
 29 January 1, 2028; and

30 (B) must be paid by the taxpayers that were responsible for
 31 payment of the indebtedness before January 1, 2028.

32 (2) Pension obligations existing as of January 1, 2028:

33 (A) may not be imposed on taxpayers that were not
 34 responsible for payment of the pension obligations before
 35 January 1, 2028; and

36 (B) must be paid by the taxpayers that were responsible for
 37 payment of the pension obligations before January 1, 2028.

38 Sec. 31. The following apply to a reorganization under this
 39 chapter:

40 (1) Except as provided in subdivision (2):

41 (A) the designated unit is responsible after December 31,
 42 2027, for providing township services in all areas of the



township; and

(B) the designated unit retains the powers of a township after December 31, 2027, in order to provide township services as required by clause (A).

(2) Powers and duties of the designated unit may be transferred as authorized in an interlocal cooperation agreement approved under IC 36-1-7 or as authorized in a cooperative agreement approved under IC 36-1.5-5.

(3) Section 30 of this chapter applies to the debt service levy of the designated unit and to the department of local government finance's determination of the new maximum permissible ad valorem property tax levy for the designated unit.

(4) The designated unit may not borrow money under IC 36-6-6-14(b) or IC 36-6-6-14(c).

(5) The new maximum permissible ad valorem property tax levy for the designated unit's firefighting and emergency services fund under IC 36-8-13-4(a)(1) or the combined levies for the firefighting fund and emergency services fund described in IC 36-8-13-4(a)(2) is equal to:

(A) the result of:

(i) the maximum permissible ad valorem property tax levy for the township's firefighting and emergency services fund under IC 36-8-13-4(a)(1) or the combined ad valorem property tax levies for the township firefighting fund and township emergency services fund described in IC 36-8-13-4(a)(2), as applicable, in 2027; multiplied by

(ii) the maximum levy growth quotient applicable for property taxes first due and payable in 2028; plus

(B) any amounts borrowed by the township under IC 36-6-6-14(b) or IC 36-6-6-14(c) in 2027.

Sec. 32. (a) Except as provided in subsections (c) through (d), a political subdivision may not take an action described in subsection (b) within a township after December 31, 2026.

(b) A political subdivision may not take any of the following actions partially or wholly within a township after December 31, 2026, unless the designated unit agrees by adopting a resolution:

(1) Initiate an annexation of territory.

(2) Establish a fire protection territory or fire protection district.

(3) Extend water, sewer, or any other infrastructure to the



political subdivision.

(4) Expand zoning jurisdiction under IC 36-7-4-205.

(c) This chapter does not prohibit a designated unit from taking an action under subsection (b) for the purpose of implementing the plan of reorganization.

(d) A political subdivision may take an action described in subsection (b) after December 31, 2027.

Sec. 33. (a) Except as otherwise provided in this section, until the final plan of reorganization is approved by the legislative body of the designated unit, the designated unit or township may not promote a position on the reorganization by doing any of the following:

(1) Using facilities or equipment, including mail and messaging systems, owned by the designated unit or township to promote a position on the reorganization, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the designated unit or township.

(2) Making an expenditure of money from a fund controlled by the designated unit or township to promote a position on the reorganization.

(3) Using an employee to promote a position on the reorganization during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the public question at any time. However, if a person described in subsection (c) is advocating for or against a position on the reorganization or discussing the reorganization as authorized under subsection (c), an employee of the designated unit or township may assist the person in presenting information on the reorganization if requested to do so by the person described in subsection (c).

However, this section does not prohibit an official or employee of the designated unit or township from carrying out duties with respect to a reorganization that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the reorganization in response to inquiries from any person.

(b) This subsection does not apply to:

(1) a personal expenditure to promote a position on a reorganization by an employee of the designated unit or township whose employment is governed by a collective bargaining contract or an employment contract; or

(2) an expenditure to promote a position on a reorganization



1 by a person or an organization that has a contract or an
 2 arrangement (whether formal or informal) with the
 3 designated unit or township solely for the use of the political
 4 subdivision's facilities.

5 A person or an organization that has a contract or arrangement
 6 (whether formal or informal) with the designated unit or township
 7 to provide goods or services to the designated unit or township may
 8 not spend any money to promote a position on the reorganization.
 9 A person or an organization that violates this subsection commits
 10 a Class A infraction.

11 (c) Notwithstanding any other law, an elected or appointed
 12 official of a designated unit or township may:

13 (1) personally advocate for or against a position on a
 14 reorganization; or

15 (2) discuss the reorganization with any individual, group, or
 16 organization or personally advocate for or against a position
 17 on a reorganization before any individual, group, or
 18 organization;

19 so long as it is not done by using public funds. Advocacy or
 20 discussion allowed under this subsection is not considered a use of
 21 public funds.

22 Sec. 34. Nothing in this chapter shall be construed:

23 (1) to constitute an annexation of a township by a municipality
 24 under the provisions of this chapter; or

25 (2) as changing the corporate boundaries of a municipality
 26 that is the designated unit of the dissolved township.

27 SECTION 3. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 8 through 9, begin a new paragraph and insert:

"Sec. 1. This chapter does not apply to a township:

(1) located in a county having a consolidated city; or

(2) that, on June 1, 2026, has begun to consolidate with another:

(A) township under IC 36-6-1.5; or

(B) unit under IC 36-1.5-4; or

(3) located in a county in which each township located in the county consolidates in accordance with subdivision (2) to establish not more than one (1) township whose boundaries coincide with the boundaries of the county and the consolidated township would not meet the population requirement described in section 6(1)(A) of this chapter."

Page 2, line 32, delete "was at least two hundred percent (200%)" and insert **"does not exceed two hundred percent (200%)"**.

Page 2, delete lines 37 through 38, begin a new line double block indented and insert:

"(A) At least eighty percent (80%) of the total area of the township is located within the corporate boundaries of a municipality."

Page 11, between lines 35 and 36, begin a new paragraph and insert:

"Sec. 30. Nothing in this chapter shall be construed:

(1) to constitute as an annexation of an applicable township by a municipality under the provisions of this chapter; or

(2) as changing the corporate boundaries of a municipality that is the designated unit of the dissolved township."

and when so amended that said bill do pass.

(Reference is to HB 1315 as introduced.)

MAY

Committee Vote: yeas 9, nays 3.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 38, after "department." insert **"For purposes of this clause, a township that is:**

- (i) a provider unit or nonprovider unit in a fire protection territory; or**
 - (ii) part of a fire protection district;**
- does not operate a fire department."**

Page 3, line 11, after "department." insert **"For purposes of this clause, a township that is:**

- (i) a provider unit or nonprovider unit in a fire protection territory; or**
 - (ii) part of a fire protection district;**
- does not operate a fire department."**

Page 4, between lines 9 and 10, begin a new line block indented and insert:

"(4) If a township participates in a fire protection territory or fire protection district, the fire protection territory or fire protection district is unaffected by the reorganization and the area within the boundaries of the dissolved township remain a part of the fire protection territory or fire protection district after reorganization. The designated unit succeeds the township in the township's role as:

- (A) provider unit or nonprovider unit in the fire protection territory; or**
 - (B) participant in the fire protection district;**
- for the area within the boundaries of the dissolved township."**

Page 4, line 10, delete "(4)" and insert **"(5)"**.

Page 4, line 12, delete "(5)" and insert **"(6)"**.

Page 4, line 15, delete "(6)" and insert **"(7)"**.

Page 4, line 18, delete "(7)" and insert **"(8)"**.

and when so amended that said bill do pass.

(Reference is to HB 1315 as printed January 13, 2026.)

THOMPSON

Committee Vote: yeas 15, nays 9.

HB 1315—LS 6995/DI 87



HOUSE MOTION

Mr. Speaker: I move that House Bill 1315 be amended to read as follows:

Page 2, line 10, delete "that, on June 1, 2026," and insert "**that, not later than December 31, 2026,**".

Page 2, line 24, delete "11" and insert "**13**".

Page 2, line 25, delete "to which section 12 or 21 of this chapter applies." and insert "**that becomes the designated unit under section 14 of this chapter.**".

Page 2, line 40, delete "provider unit or nonprovider unit" and insert "**participating unit that is not a provider unit**".

Page 3, line 18, delete "provider unit or nonprovider unit" and insert "**participating unit that is not a provider unit**".

Page 3, after line 42, begin a new paragraph and insert:

"Sec. 9. As used in this chapter, "township services district" means a service district that is located within the boundaries of the reorganized township in which the designated unit imposes a township services district levy.

Sec. 10. As used in this chapter, "township services district levy" means the budget, tax rate, and tax levy imposed by the designated unit within the boundaries of a township services district."

Page 4, line 1, delete "9." and insert "**11.**".

Page 4, line 27, delete "provider unit or nonprovider unit" and insert "**participating unit that is not a provider unit**".

Page 4, line 39, delete "26" and insert "**30**".

Page 5, line 2, delete "10." and insert "**12.**".

Page 5, line 6, delete "11" and insert "**13**".

Page 5, line 11, delete "11" and insert "**13**".

Page 5, line 13, delete "11." and insert "**13.**".

Page 5, line 19, delete "10" and insert "**12**".

Page 5, line 26, delete "10" and insert "**12**".

Page 5, line 28, delete "14" and insert "**16**".

Page 5, line 29, delete "12." and insert "**14.**".

Page 5, line 29, delete "11" and insert "**13**".

Page 5, line 33, delete "14" and insert "**16**".

Page 5, line 36, delete "13." and insert "**15.**".

Page 5, line 37, delete "11" and insert "**13**".

Page 5, line 39, delete "14" and insert "**16**".

Page 6, delete lines 3 through 16, begin a new paragraph and insert:

"Sec. 16. (a) A joint board shall consist of the following:

(1) Two (2) members of the township board of each township



participating in the reorganization, selected by the members of the township board.

(2) Four (4) members of the legislative body of the designated municipality or of the fiscal body of the designated county, whichever is applicable, selected by the members of the body.

(3) The township trustee of each township participating in the reorganization.

(4) The deputy township trustee or a full-time township employee of each township participating in the reorganization.

The fiscal officer of the designated municipality or county, and other members of the bodies under subdivisions (1) and (2), shall serve as advisory, nonvoting members.

(b) A majority of the voting members constitutes a quorum. Official action may only be taken by affirmative vote of at least a majority of members present at the meeting."

Page 6, line 29, delete "15." and insert "17."

Page 6, delete lines 35 through 38, begin a new paragraph and insert:

"Sec. 18. (a) In 2027 and each year thereafter, the fiscal body of the designated unit shall, in the manner provided by IC 6-1.1-17, adopt a township services district levy for the ensuing year.

(b) If a designated unit fails to adopt a township services district levy, the township service district's most recently approved township services levy is continued for the ensuing budget year.

Sec. 19. (a) This section applies if:

(1) the designated unit is a municipality; and

(2) a part of the reorganized township is located outside the boundaries of the municipality.

(b) The municipality shall establish:

(1) an urban township services district consisting of the area of the township that is located within the boundaries of the municipality; and

(2) a rural township services district consisting of the area of the township located outside the boundaries of the municipality.

(c) Subject to subsection (d), a tax levied under this section may be levied at:

(1) a uniform rate upon all taxable property within the township; or

(2) different rates for the township service districts included within the township, so long as a tax rate applies uniformly to



all of a township service district's taxable property within the township.

(d) If a uniform tax rate is levied upon all taxable property within a township upon reorganization, different tax rates may be levied for the township service districts included within the township in subsequent years.

(e) Not later than October 1 of a year, the municipality shall submit the township services district levy for the rural township service district to the county fiscal body for its approval. Not later than October 15 of the year, the county fiscal body shall review the proposed township service district levy for the rural township service district. The county fiscal body may reduce or modify but not increase the proposed township service district levy.

(f) If:

- (1) the municipality fails to adopt a township service district levy; or
- (2) a county fiscal body does not adopt the township service district levy for a rural township district within the time specified under subsection (c);

the township service district's most recent township service district levy approved by the municipality or county, whichever is appropriate, is continued for the ensuing budget year.

(g) A tax levied by the designated unit under this chapter after December 31, 2028 shall:

- (1) be in an amount sufficient for the designated unit to provide township services within a township service district; and
- (2) include amounts necessary to continue payment of any debt service or obligation incurred by the township before January 1, 2028, in accordance with the terms of the debt service or obligation incurred.

Sec. 20. For purposes of the property tax levy limits under IC 6-1.1-18.5, a tax levied by a designated unit under this chapter is included in the calculation of the maximum permissible property tax levy for the designated unit. For property taxes first due and payable in 2028, the designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 shall be increased by:

- (1) the township's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2027; multiplied by
- (2) the maximum levy growth quotient under IC 6-1.1-18.5-2



for property taxes first due and payable in 2028.

The designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2028 as adjusted under this section shall be used in the determination of the designated unit's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes first due and payable in 2029 and thereafter."

Page 6, line 39, delete "17." and insert "**21.**".

Page 7, line 6, delete "26" and insert "**30**".

Page 7, line 20, delete "18." and insert "**22.**".

Page 7, line 33, delete "19." and insert "**23.**".

Page 7, line 35, delete "18" and insert "**22**".

Page 7, line 40, delete "20." and insert "**24.**".

Page 7, line 41, delete "18 and 19" and insert "**22 and 23**".

Page 8, line 3, delete "21." and insert "**25.**".

Page 8, line 17, delete "22." and insert "**26.**".

Page 8, line 30, delete "23." and insert "**27.**".

Page 9, line 11, delete "24." and insert "**28.**".

Page 9, line 20, delete "25." and insert "**29.**".

Page 9, line 28, delete "26." and insert "**30.**".

Page 9, line 42, delete "27." and insert "**31.**".

Page 10, line 13, delete "26" and insert "**30**".

Page 10, line 37, delete "28." and insert "**32.**".

Page 11, line 12, delete "29." and insert "**33.**".

Page 12, line 26, delete "30." and insert "**34.**".

Page 12, line 27, delete "as an annexation of an applicable" and insert "**an annexation of a**".

(Reference is to HB 1315 as printed January 27, 2026.)

SHONKWILER

