

# HOUSE BILL No. 1131

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-3.

**Synopsis:** Town of Cumberland. Provides that on January 1, 2027, the town of Cumberland is an excluded city and no longer part of the consolidated city. Requires the town legislative body and the legislative body of the consolidated city and county to take any steps necessary to transition the town to an excluded city. Requires the department of local government finance to adjust property tax levies, rates, budgets, and distributive shares of local units of local government as necessary to account for the town becoming an excluded city.

**Effective:** July 1, 2025; January 1, 2027.

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**Miller D, Pressel, Heine**

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January 8, 2025, read first time and referred to Committee on Local Government.

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First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

# HOUSE BILL No. 1131

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 36-3-1-7 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JANUARY 1, 2027]: Sec. 7. (a) ~~A municipality, other~~  
3 ~~than a first class city, having a population of more than five thousand~~  
4 ~~(5,000) in the county is known as an excluded city and does not~~  
5 ~~become part of the consolidated city under this chapter. In addition, a~~  
6 ~~municipality that had qualified as an excluded city before January 1,~~  
7 ~~1973, under IC 18-4-1-2(d) (repealed September 1, 1981), is~~  
8 ~~considered an excluded city. The following municipalities are~~  
9 ~~excluded cities and are not part of the consolidated city under this~~  
10 ~~chapter:~~

- 11 (1) **The city of Lawrence.**
- 12 (2) **The city of Beech Grove.**
- 13 (3) **The city of Southport.**
- 14 (4) **The town of Speedway.**
- 15 (5) **The town of Cumberland.**

16 Any other municipality is known as an included town and ~~does become~~  
17 ~~is a part of the consolidated city under this chapter.~~



1 (b) This article applies to any part of ~~an included town~~ **the town of**  
 2 **Cumberland** that is inside the ~~county~~ boundaries **of Marion County**,  
 3 even though part of it ~~the town~~ is outside ~~those the~~ boundaries of  
 4 **Marion County**.

5 SECTION 2. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS  
 6 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
 7 1, 2025]:

8 **Chapter 8. Town of Cumberland**

9 **Sec. 1. This chapter applies only to the part of the town of**  
 10 **Cumberland located within Marion County.**

11 **Sec. 2. After December 31, 2026:**

- 12 (1) **the town remains a town government;**  
 13 (2) **the town's boundaries and name remain the same;**  
 14 (3) **the term of any elected or appointed officer of the town is**  
 15 **not affected;**  
 16 (4) **the town ceases to be:**  
 17 (A) **an included town under IC 36-3-1-7; and**  
 18 (B) **a part of the consolidated city;**  
 19 (5) **the town is an excluded city as provided in IC 36-3-1-7 and**  
 20 **IC 36-3-2-4 and has all of the rights, powers, duties, and**  
 21 **responsibilities of an excluded city;**  
 22 (6) **the town continues to fulfill the duties that were imposed**  
 23 **by law upon the consolidated city before January 1, 2027,**  
 24 **within the town boundaries;**  
 25 (7) **the resolutions, fees, schedules, or other actions adopted or**  
 26 **taken by the town legislative body or town clerk-treasurer**  
 27 **before January 1, 2027, remain valid;**  
 28 (8) **any appointments made by the town legislative body**  
 29 **before January 1, 2027, remain valid; and**  
 30 (9) **the town retains its assets, debts, property rights,**  
 31 **equipment, records, personnel, and contracts.**

32 **Sec. 3. After December 31, 2026, any reference in:**

- 33 (1) **the Indiana Code;**  
 34 (2) **the Indiana Administrative Code; or**  
 35 (3) **any resolution;**

36 **to an excluded city, unless expressly provided otherwise, is**  
 37 **considered a reference to the town.**

38 **Sec. 4. The town legislative body and the legislative body of the**  
 39 **consolidated city and county shall take any steps necessary to**  
 40 **implement this chapter, including adopting ordinances, resolutions,**  
 41 **and entering into interlocal agreements.**

42 **Sec. 5. The department of local government finance shall adjust**



1       **maximum permissible property tax levies, rates, and budgets of**  
2       **units of local government as necessary to account for the town**  
3       **becoming an excluded city.**

4       **Sec. 6. Notwithstanding IC 6-3.6-11-5, the department of local**  
5       **government finance shall adjust the distributive shares of the**  
6       **consolidated city and county and the town under IC 6-3.6-11-5 as**  
7       **necessary to account for the town becoming an excluded city.**

