



February 13, 2025

HOUSE BILL No. 1472

DIGEST OF HB 1472 (Updated February 11, 2025 7:52 pm - DI 125)

Citations Affected: IC 36-4.

Synopsis: Annexation of residential development. Allows the town of Plainfield in Hendricks County to annex: (1) a noncontiguous residential development; and (2) the right-of-way of a public highway connecting the development to the town. Provides that the annexation is initiated by: (1) the homeowner's association board petitioning the town legislative body for annexation of the residential development; and (2) the town legislative body adopting a resolution approving initiation of the annexation process. Provides that the Town of Plainfield redevelopment commission may only enact a housing tax increment financing district in Liberty Township in Hendricks County if the district is approved by a resolution passed by the Mill Creek School Corporation.

Effective: July 1, 2025.

Steuerwald

January 21, 2025, read first time and referred to Committee on Local Government.
February 4, 2025, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 126.3.
February 13, 2025, amended, reported — Do Pass.

HB 1472—LS 7621/DI 87



February 13, 2025

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. 1472

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 36-4-3-4, AS AMENDED BY P.L.105-2022,
2 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2025]: Sec. 4. (a) The legislative body of a municipality may,
4 by ordinance, annex any of the following:
5 (1) Territory that is contiguous to the municipality.
6 (2) Territory that is not contiguous to the municipality and is
7 occupied by a municipally owned or operated as either of the
8 following:
9 (A) An airport or landing field.
10 (B) A wastewater treatment facility or water treatment facility.
11 After a municipality annexes territory under this clause, the
12 municipality may annex additional territory to enlarge the
13 territory for the use of the wastewater treatment facility or
14 water treatment facility only if the county legislative body
15 approves that use of the additional territory by ordinance.
16 (3) Territory that is not contiguous to the municipality but is
17 found by the legislative body to be occupied by:

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- 1 (A) a municipally owned or regulated sanitary landfill, golf
 2 course, or hospital;
 3 (B) a police station of the municipality; or
 4 (C) a solar electric generating facility that is or will be
 5 interconnected to an electric utility owned by the municipality.
 6 However, if territory annexed under subdivision (2) or (3) ceases to be
 7 used for the purpose for which the territory was annexed for at least
 8 one (1) year, the territory reverts to the jurisdiction of the unit having
 9 jurisdiction before the annexation if the unit that had jurisdiction over
 10 the territory still exists. If the unit no longer exists, the territory reverts
 11 to the jurisdiction of the unit that would currently have jurisdiction over
 12 the territory if the annexation had not occurred. The clerk of the
 13 municipality shall notify the offices required to receive notice of a
 14 disannexation under section 19 of this chapter when the territory
 15 reverts to the jurisdiction of the unit having jurisdiction before the
 16 annexation. Territory that is annexed under subdivision (2) (including
 17 territory that is enlarged under subdivision (2)(B) for the use of the
 18 wastewater treatment facility or water treatment facility) or subdivision
 19 (3) may not be considered a part of the municipality for purposes of
 20 annexing additional territory.
- 21 (b) This subsection applies to municipalities in any of the following
 22 counties:
- 23 (1) A county having a population of more than sixty-six thousand
 24 six hundred (66,600) and less than seventy thousand (70,000).
 25 (2) A county having a population of more than eighty-two
 26 thousand (82,000) and less than eighty-three thousand (83,000).
 27 (3) A county having a population of more than eighty thousand
 28 four hundred (80,400) and less than eighty-two thousand
 29 (82,000).
 30 (4) A county having a population of more than forty-six thousand
 31 (46,000) and less than forty-six thousand four hundred (46,400).
 32 (5) A county having a population of more than thirty-seven
 33 thousand (37,000) and less than thirty-seven thousand nine
 34 hundred (37,900).
 35 (6) A county having a population of more than thirty-six thousand
 36 five hundred (36,500) and less than thirty-six thousand seven
 37 hundred (36,700).
 38 (7) A county having a population of more than thirty-two
 39 thousand (32,000) and less than thirty-three thousand (33,000).
 40 (8) A county having a population of more than twenty-three
 41 thousand (23,000) and less than twenty-three thousand three
 42 hundred seventy-five (23,375).



- 1 (9) A county having a population of more than two hundred
 2 thousand (200,000) and less than two hundred fifty thousand
 3 (250,000).
- 4 (10) A county having a population of more than two hundred fifty
 5 thousand (250,000) and less than three hundred thousand
 6 (300,000).
- 7 (11) A county having a population of more than thirty thousand
 8 nine hundred (30,900) and less than thirty-two thousand (32,000).
- 9 (12) A county having a population of more than eighty thousand
 10 (80,000) and less than eighty thousand four hundred (80,400).
- 11 Except as provided in subsection (c), the legislative body of a
 12 municipality to which this subsection applies may, by ordinance, annex
 13 territory that is not contiguous to the municipality, has its entire area
 14 not more than two (2) miles from the municipality's boundary, is to be
 15 used for an industrial park containing one (1) or more businesses, and
 16 is either owned by the municipality or by a property owner who
 17 consents to the annexation. However, if territory annexed under this
 18 subsection is not used as an industrial park within five (5) years after
 19 the date of passage of the annexation ordinance, or if the territory
 20 ceases to be used as an industrial park for at least one (1) year, the
 21 territory reverts to the jurisdiction of the unit having jurisdiction before
 22 the annexation if the unit that had jurisdiction over the territory still
 23 exists. If the unit no longer exists, the territory reverts to the
 24 jurisdiction of the unit that would currently have jurisdiction over the
 25 territory if the annexation had not occurred. The clerk of the
 26 municipality shall notify the offices entitled to receive notice of a
 27 disannexation under section 19 of this chapter when the territory
 28 reverts to the jurisdiction of the unit having jurisdiction before the
 29 annexation.
- 30 (c) A city in a county with a population of more than two hundred
 31 fifty thousand (250,000) and less than three hundred thousand
 32 (300,000) may not annex territory as prescribed in subsection (b) until
 33 the territory is zoned by the county for industrial purposes.
- 34 (d) Notwithstanding any other law, territory that is annexed under
 35 subsection (b) or (h) is not considered a part of the municipality for the
 36 purposes of:
- 37 (1) annexing additional territory:
- 38 (A) in a county that is not described by clause (B); or
 39 (B) in a county having a population of more than two hundred
 40 fifty thousand (250,000) and less than three hundred thousand
 41 (300,000), unless the boundaries of the noncontiguous territory
 42 become contiguous to the city, as allowed by Indiana law;



- 1 (2) expanding the municipality's extraterritorial jurisdictional
 2 area; or
 3 (3) changing an assigned service area under IC 8-1-2.3-6(1).
 4 (e) As used in this section, "airport" and "landing field" have the
 5 meanings prescribed by IC 8-22-1.
 6 (f) As used in this section, "hospital" has the meaning prescribed by
 7 IC 16-18-2-179(b).
 8 (g) An ordinance adopted under this section must assign the
 9 territory annexed by the ordinance to at least one (1) municipal
 10 legislative body district.
 11 (h) This subsection applies to a city having a population of more
 12 than twenty-eight thousand (28,000) and less than twenty-nine
 13 thousand (29,000). The city legislative body may, by ordinance, annex
 14 territory that:
 15 (1) is not contiguous to the city;
 16 (2) has its entire area not more than eight (8) miles from the city's
 17 boundary;
 18 (3) does not extend more than:
 19 (A) one and one-half (1 1/2) miles to the west;
 20 (B) three-fourths (3/4) mile to the east;
 21 (C) one-half (1/2) mile to the north; or
 22 (D) one-half (1/2) mile to the south;
 23 of an interchange of an interstate highway (as designated by the
 24 federal highway authorities) and a state highway (as designated
 25 by the state highway authorities); and
 26 (4) is owned by the city or by a property owner that consents to
 27 the annexation.
 28 (i) This subsection applies to a city having a population of more
 29 than thirty-four thousand (34,000) and less than thirty-four thousand
 30 five hundred (34,500). The city legislative body may, by ordinance,
 31 annex territory under section 5.1 of this chapter:
 32 (1) that is not contiguous to the city;
 33 (2) that is south of the southernmost boundary of the city;
 34 (3) the entire area of which is not more than four (4) miles from
 35 the city's boundary; and
 36 (4) that does not extend more than one (1) mile to the east of a
 37 state highway (as designated by the state highway authorities).
 38 Territory annexed under this subsection is not considered a part of the
 39 city for purposes of annexation of additional territory. A city may not
 40 require connection to a sewer installed to provide service to territory
 41 annexed under this subsection.
 42 (j) A ~~third class city~~ **city municipality** may annex a residential



1 development under section 5.2 of this chapter that is not contiguous to
 2 the ~~city~~ **municipality**.

3 SECTION 2. IC 36-4-3-5.2, AS AMENDED BY P.L.82-2023,
 4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2025]: Sec. 5.2. (a) As used in this section, "homeowners
 6 association" means a corporation that satisfies all of the following:

7 (1) The corporation is exempt from federal income taxation under
 8 26 U.S.C. 528.

9 (2) The control and management of the corporation is vested in a
 10 board of directors.

11 (3) The corporation is organized and operated exclusively for the
 12 benefit of two (2) or more persons who each own:

13 (A) a dwelling in fee simple; or

14 (B) a commercial building in fee simple;

15 within the residential development.

16 (4) The purpose of the corporation is to:

17 (A) own, maintain, and operate common areas and facilities;

18 (B) administer and enforce covenants and restrictions on
 19 property; and

20 (C) collect and distribute assessments on property;

21 located within the residential development.

22 (5) The corporation acts in accordance with the articles, bylaws,
 23 or other documents governing the corporation to:

24 (A) adopt and enforce rules and regulations necessary for the
 25 enjoyment of common areas, recreation facilities, and other
 26 amenities located within the residential development; and

27 (B) exercise the corporation's power to:

28 (i) levy assessments on property within the residential
 29 development; and

30 (ii) collect assessments on property located within the
 31 residential development by enforcing the corporation's lien
 32 and foreclosure rights.

33 **(b) As used in this section, "municipality" means:**

34 **(1) a third class city; or**

35 **(2) a town having a population of more than thirty thousand**
 36 **(30,000) located in a county having a population of more than**
 37 **one hundred seventy-four thousand (174,000) and less than**
 38 **one hundred eighty thousand (180,000).**

39 ~~(b)~~ **(c)** As used in this section, "residential development" means a
 40 parcel of land that is subdivided or will be subdivided upon collection
 41 of the annexation into:

42 (1) lots, parcels, tracts, units, or interests that:



- 1 (A) include an existing Class 2 structure (as defined in
 2 IC 22-12-1-5); or
 3 (B) are designated for the construction of a Class 2 structure;
 4 each of which is encumbered by substantively identical restrictive
 5 covenants concerning one (1) or more servient estates located
 6 within the boundaries of the original undivided parcel, or other
 7 governing document of record;
 8 (2) lots, parcels, tracts, units, or interests that:
 9 (A) include an existing Class 1 structure (as defined in
 10 IC 22-12-1-4); or
 11 (B) are designated for the construction of a Class 1 structure;
 12 and
 13 (3) a common area.
- 14 ~~(c)~~ **(d)** In addition to annexing territory under section 3, 4, 5, or 5.1
 15 of this chapter, a ~~third class city~~ **city municipality** may annex a residential
 16 development and a public highway right-of-way that connects the
 17 residential development to the corporate limits of the ~~third class city~~,
 18 **municipality**, if all of the following are satisfied:
- 19 (1) The residential development is governed by a homeowners
 20 association.
 21 (2) The residential development has at least any combination of
 22 three hundred (300) proposed or existing, or both, single family
 23 lots within the proposed or existing residential developments.
 24 (3) The residential development is located in its entirety not more
 25 than four and five-tenths (4.5) miles outside the ~~third class city's~~
 26 **municipality's** corporate boundaries.
 27 (4) The residential development dwellings are or will be upon
 28 construction connected to the ~~third class city's~~ **municipality's**
 29 sewer or water service.
 30 (5) The residential development includes a commercial area
 31 containing or proposed to contain buildings intended to be used
 32 and operated for commercial purposes.
 33 (6) The residential development is adjacent to the public highway
 34 right-of-way.
 35 (7) The public highway that connects the residential development
 36 to the corporate limits of the ~~city~~ **municipality** is part of the state
 37 highway system (as defined in IC 8-23-1-40).
 38 (8) The annexation territory includes only the public highway
 39 right-of-way and the residential development.
 40 (9) The aggregate external boundary of the annexation territory
 41 that coincides with the boundary of the municipality is greater
 42 than zero (0).



1 ~~(d)~~ **(e)** Unless the articles, bylaws, or other governing documents of
 2 the homeowners association expressly provide otherwise, the board of
 3 directors of the homeowners association may file a petition with the
 4 legislative body of the **third class city municipality** requesting the **city**
 5 **municipality** to annex all property within the residential development.
 6 The annexation may proceed only if the **third class city municipality**
 7 adopts a resolution approving the initiation of the annexation process
 8 not more than sixty (60) days after the petition is filed. If the **third class**
 9 **city municipality** does not adopt a resolution within the sixty (60) day
 10 period, the petition is void.

11 ~~(e)~~ **(f)** If the legislative body of the **third class city municipality**
 12 adopts a resolution approving initiation of the annexation, the **city**
 13 **municipality** shall prepare a written preliminary fiscal plan that must
 14 be made available to the public at each of the outreach program
 15 meetings under section 1.7 of this chapter.

16 ~~(f)~~ **(g)** Upon completion of the outreach program meetings and
 17 before mailing the notification to landowners under section 2.2 of this
 18 chapter, the legislative body of the **third class city municipality** shall
 19 adopt a written fiscal plan by resolution that incorporates any revisions
 20 to the preliminary fiscal plan.

21 ~~(g)~~ **(h)** The **third class city municipality** shall hold a public hearing
 22 not earlier than thirty (30) days after the date the annexation ordinance
 23 is introduced. All interested parties must have the opportunity to testify
 24 as to the proposed annexation. Notice of the hearing shall be:

- 25 (1) published in accordance with IC 5-3-1 except that the notice
- 26 shall be published at least thirty (30) days before the hearing; and
- 27 (2) mailed as set forth in section 2.2 of this chapter.

28 A **third class city municipality** may adopt an ordinance not earlier than
 29 thirty (30) days or not later than sixty (60) days after the legislative
 30 body of the **third class city municipality** has held the public hearing
 31 under this subsection.

32 ~~(h)~~ **(i)** A landowner may file a remonstrance against the annexation
 33 as provided in section 11 of this chapter.

34 ~~(i)~~ **(j)** Territory annexed under this section may not be considered
 35 a part of the **third class city municipality** for purposes of annexing
 36 additional territory under section 3 or 4 of this chapter. However,
 37 territory annexed under this chapter shall be considered a part of the
 38 **third class city municipality** for purposes of annexing additional
 39 territory under section 5 or 5.1 of this chapter.

40 ~~(j)~~ **(k)** For purposes of an annexation under this section:

- 41 (1) section 1.5 of this chapter does not apply; and
- 42 (2) the landowner of the public highway right-of-way that is part



1 of the state highway system (as defined in IC 8-23-1-40) is
2 considered to be the state of Indiana.

3 **(l) The redevelopment commission of a town described in**
4 **subsection (b)(2) may only enact a housing tax increment financing**
5 **district in Liberty Township in Hendricks County if the housing**
6 **tax increment financing district is approved by a resolution passed**
7 **by the Mill Creek School Corporation.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1472, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1472 as introduced.)

MAY

Committee Vote: Yeas 10, Nays 0

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1472, 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 8, after line 2, begin a new paragraph and insert:

"(1) The redevelopment commission of a town described in subsection (b)(2) may only enact a housing tax increment financing district in Liberty Township in Hendricks County if the housing tax increment financing district is approved by a resolution passed by the Mill Creek School Corporation."

and when so amended that said bill do pass.

(Reference is to HB 1472 as printed February 4, 2025.)

THOMPSON

Committee Vote: yeas 19, nays 0.

