



Reprinted
March 20, 2015

ENGROSSED SENATE BILL No. 315

DIGEST OF SB 315 (Updated March 19, 2015 1:04 pm - DI 92)

Citations Affected: IC 20-23.

Synopsis: School property. Provides that a consolidated school corporation shall offer to transfer property to the township from which the consolidated school corporation received the property for any purpose if the property is no longer needed by the school corporation. (Current law requires the transferred property to be used for park and recreation purposes.) Allows the township to sell or lease the property to an Indiana nonprofit corporation that is exempt from federal taxation. Requires a consolidated school corporation to offer to transfer property to the city or town from which the consolidated school corporation received the property for any purpose if the property is no longer needed by the school corporation. Requires a consolidated school corporation to provide to a township, city, or town written notice of its intent to demolish a structure located on a property subject to transfer. Allows a township, city, or town 90 days to inform the school corporation whether the township, city, or town wishes to retain the structure. Prohibits a school corporation from demolishing a structure if the township, city, or town wishes to retain the structure.

Effective: July 1, 2015.

Smith J, Head

(HOUSE SPONSORS — CHERRY, AUSTIN)

January 8, 2015, read first time and referred to Committee on Local Government.
February 5, 2015, reported favorably — Do Pass.
February 9, 2015, read second time, amended, ordered engrossed.
February 10, 2015, engrossed. Read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

March 2, 2015, read first time and referred to Committee on Education.
March 17, 2015, amended, reported — Do Pass.
March 19, 2015, read second time, amended, ordered engrossed.

ES 315—LS 7081/DI 87



Reprinted
March 20, 2015

First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

ENGROSSED SENATE BILL No. 315

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 20-23-6-9, AS AMENDED BY P.L.113-2006,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 9. (a) When any:
4 (1) school town;
5 (2) school city;
6 (3) school township;
7 (4) joint school; or
8 (5) consolidated school;
9 has become consolidated by resolution or election and the new
10 governing body has been appointed and legally organized, the former
11 school township, school town, school city, joint school, or consolidated
12 school is considered abandoned.
13 (b) All school:
14 (1) property;
15 (2) rights;
16 (3) privileges; and

ES 315—LS 7081/DI 87



1 (4) any indebtedness;
 2 from the abandoned school is considered to accrue to and be assumed
 3 by the new consolidated school corporation.

4 (c) The title of property shall pass to and become vested in the new
 5 consolidated school corporation. All debts of the former school
 6 corporations shall be assumed and paid by the new consolidated school
 7 corporation. All the privileges and rights conferred by law upon the
 8 former:

- 9 (1) school town;
 10 (2) school city;
 11 (3) school township;
 12 (4) joint school; or
 13 (5) consolidated school;

14 are granted to the newly consolidated school corporation.

15 (d) This subsection applies when the consolidated governing body
 16 of a consolidated school corporation decides that property acquired
 17 under subsection (b) from a township is no longer needed for school
 18 purposes. The governing body shall offer the property as a gift ~~for park~~
 19 ~~and recreation purposes~~ to the township that owned the property before
 20 the school was consolidated. **If the property contains a structure that**
 21 **the governing body wishes to demolish, the governing body shall**
 22 **give written notice of the proposed demolition to the township. The**
 23 **township shall, within ninety (90) days after receiving the notice,**
 24 **inform the governing body in writing as to whether the township**
 25 **wishes to retain the structure. If the township wishes to retain the**
 26 **structure, the governing body may not demolish the structure**
 27 **before transferring the property. The township may sell or lease**
 28 **the property to an Indiana nonprofit corporation that is exempt**
 29 **from federal income taxation under Section 501 of the Internal**
 30 **Revenue Code.** If the township board accepts the offer, the governing
 31 body shall give the township a quitclaim deed to the property. ~~The deed~~
 32 ~~must state that the township is required to use the property for park and~~
 33 ~~recreation purposes.~~ If the township board refuses the offer, the
 34 governing body may sell the property in the manner provided in
 35 subsection (e).

36 (e) This subsection provides the procedure for the sale of school
 37 property that is no longer needed for school purposes by the governing
 38 body of a consolidated school corporation. The governing body shall
 39 cause the property to be appraised at a fair cash value by:

- 40 (1) one (1) disinterested resident freeholder of the school
 41 corporation offering the property for sale; and
 42 (2) two (2) disinterested appraisers licensed under IC 25-34.1;



1 who are residents of Indiana. One (1) of the appraisers described under
2 subdivision (2) must reside not more than fifty (50) miles from the
3 property. The appraisals shall be made under oath and spread of record
4 upon the records of the governing body. A sale may not be made for
5 less than the appraised value, and the sale must be made for cash. The
6 sale shall take place after the governing body gives notice under
7 IC 5-3-1 of the terms, date, time, and place of sale.

8 (f) Proceeds from a sale under subsection (e) shall be placed in a
9 capital projects fund of the consolidated school corporation or other
10 fund designated as the fund that is available for capital outlay of the
11 school corporation.

12 **(g) This subsection applies when the consolidated governing**
13 **body of a consolidated school corporation decides that property**
14 **acquired under subsection (b) from a city or town is no longer**
15 **needed for school purposes. The governing body shall offer the**
16 **property as a gift to the city or town that owned the property**
17 **before the school was consolidated. If the property contains a**
18 **structure that the governing body wishes to demolish, the**
19 **governing body shall give written notice of the proposed demolition**
20 **to the city or town. The city or town shall, within ninety (90) days**
21 **after receiving the notice, inform the governing body in writing as**
22 **to whether the city or town wishes to retain the structure. If the**
23 **city or town wishes to retain the structure, the governing body may**
24 **not demolish the structure before transferring the property. If the**
25 **fiscal body of the city or town accepts the offer, the governing body**
26 **shall give the city or town a quitclaim deed to the property. If the**
27 **fiscal body of the city or town refuses the offer, the governing body**
28 **may sell the property in the manner provided in subsection (e).**



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 315, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 315 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0

 SENATE MOTION

Madam President: I move that Senate Bill 315 be amended to read as follows:

Page 2, line 20, delete "." and insert "**for:**

(1) park and recreation purposes; or

(2) operating a community services facility that provides counseling, emergency assistance, medical care, housing, or temporary residential facilities for individuals who fear family or domestic violence.

The township may sell or lease the property to an Indiana nonprofit corporation that is exempt from federal income taxation under Section 501 of the Internal Revenue Code, for any of the purposes described in this subsection."

Page 2, line 22, reset in roman "The deed must state that the township is required to use the".

Page 2, line 23, reset in roman "property for park and recreation".

Page 2, line 23, delete "purposes." and insert "**purposes or for providing community services."**

(Reference is to SB 315 as printed February 6, 2015.)

SMITH J



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 315, 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 20, delete "for:" and insert ". **The township may sell or lease the property to an Indiana nonprofit corporation that is exempt from federal income taxation under Section 501 of the Internal Revenue Code.**".

Page 2, delete lines 21 through 28.

Page 2, line 29, delete "purposes described in this subsection.".

Page 2, line 31, strike "The deed must state that the township is required to use".

Page 2, line 32, strike "the property for park and recreation purposes".

Page 2, line 32, delete "or for providing" and insert ".".

Page 2, line 33, delete "community services.".

and when so amended that said bill do pass.

(Reference is to SB 315 as reprinted February 10, 2015.)

BEHNING

Committee Vote: yeas 11, nays 0.

 HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 315 be amended to read as follows:

Page 2, line 20, after "consolidated." insert "**If the property contains a structure that the governing body wishes to demolish, the governing body shall give written notice of the proposed demolition to the township. The township shall, within ninety (90) days after receiving the notice, inform the governing body in writing as to whether the township wishes to retain the structure. If the township wishes to retain the structure, the governing body may not demolish the structure before transferring the property.**".

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

"(g) This subsection applies when the consolidated governing body of a consolidated school corporation decides that property acquired under subsection (b) from a city or town is no longer

ES 315—LS 7081/DI 87



needed for school purposes. The governing body shall offer the property as a gift to the city or town that owned the property before the school was consolidated. If the property contains a structure that the governing body wishes to demolish, the governing body shall give written notice of the proposed demolition to the city or town. The city or town shall, within ninety (90) days after receiving the notice, inform the governing body in writing as to whether the city or town wishes to retain the structure. If the city or town wishes to retain the structure, the governing body may not demolish the structure before transferring the property. If the fiscal body of the city or town accepts the offer, the governing body shall give the city or town a quitclaim deed to the property. If the fiscal body of the city or town refuses the offer, the governing body may sell the property in the manner provided in subsection (e)."

(Reference is to ESB 315 as printed March 17, 2015.)

THOMPSON

