

IC 12-20-24

Chapter 24. Township Borrowing for Township Assistance

IC 12-20-24-1

Appeal for right to borrow; showing

Sec. 1. (a) In addition to the other methods of township assistance financing provided by this article, if a township trustee for a township determines that a particular township's township assistance account will be exhausted before the end of a fiscal year, the township trustee shall notify the township board of that determination.

(b) After receiving notice under subsection (a) that a township's township assistance account will be exhausted before the end of a fiscal year, the township board shall appeal to the department of local government finance for the right to borrow money on a short term basis to fund township assistance services in the township. In the appeal the township board must do the following:

- (1) Show that the amount of money contained in the township assistance account will not be sufficient to fund services required to be provided within the township by this article.
- (2) Show the amount of money that the board estimates will be needed to fund the deficit.
- (3) Indicate a period, not to exceed five (5) years, during which the township would repay the loan.

As added by P.L.2-1992, SEC.14. Amended by P.L.145-1993, SEC.8; P.L.101-2000, SEC.8; P.L.73-2005, SEC.108; P.L.169-2006, SEC.36.

IC 12-20-24-2

Repealed

(Repealed by P.L.169-2006, SEC.84.)

IC 12-20-24-3

Repealed

(Repealed by P.L.169-2006, SEC.84.)

IC 12-20-24-4

Repealed

(Repealed by P.L.169-2006, SEC.84.)

IC 12-20-24-5

Decision of department

Sec. 5. (a) If upon appeal under section 1 of this chapter the department determines that a township board should be allowed to borrow money under this chapter, the department shall order the township trustee to borrow the money from a financial institution on behalf of the township board and to deposit the money borrowed in the township's township assistance account.

(b) If upon appeal under section 1 of this chapter the department determines that the township board should not be allowed to borrow

money, the board may not do so for that year.
As added by P.L.2-1992, SEC.14. Amended by P.L.101-2000, SEC.9; P.L.90-2002, SEC.352; P.L.73-2005, SEC.111; P.L.169-2006, SEC.37.

IC 12-20-24-6

Approval of loan; repayment period

Sec. 6. If a loan is approved under IC 12-2-4.5 (before its repeal) or this chapter, the board of commissioners or county council (for a loan approved by the board of commissioners or county council before July 1, 2006) or the department shall determine the period during which the township shall repay the loan. However, the period may not exceed five (5) years.

As added by P.L.2-1992, SEC.14. Amended by P.L.90-2002, SEC.353; P.L.169-2006, SEC.38.

IC 12-20-24-7

Approval restrictions

Sec. 7. A board of commissioners or a county council (for a loan approved by the board of commissioners or county council before July 1, 2006) or the department may not do any of the following:

- (1) Approve a request to borrow money made under IC 12-2-4.5 (before its repeal) or this chapter unless the body determines that the township's township assistance account will be exhausted before the account can fund all township obligations incurred under this article.
- (2) Recommend or approve a loan that will exceed the estimated amount of the deficit.

As added by P.L.2-1992, SEC.14. Amended by P.L.90-2002, SEC.354; P.L.73-2005, SEC.112; P.L.169-2006, SEC.39.

IC 12-20-24-8

Tax levy

Sec. 8. (a) If a township board:

- (1) appeals before August 1 for permission to borrow money;
 - (2) receives permission from:
 - (A) the board of commissioners or the county council, before July 1, 2006; or
 - (B) the department;
- to borrow money before November 1 of that year; and
- (3) borrows money under this chapter;

the township board shall levy a property tax beginning in the next succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(b) If a township board:

- (1) appeals after August 1 for permission to borrow money;
- (2) receives permission from:
 - (A) the board of commissioners or the county council, before July 1, 2006; or

(B) the department;
to borrow money; and

(3) borrows money in the year of the appeal under this chapter; the township board shall levy a property tax beginning in the second succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The property taxes levied under this section shall be retained by the township trustee and applied by the township trustee to retire the debt.

As added by P.L.2-1992, SEC.14. Amended by P.L.101-2000, SEC.10; P.L.90-2002, SEC.355; P.L.169-2006, SEC.40.

IC 12-20-24-9

Additional appropriation

Sec. 9. A township board must make an additional appropriation before money borrowed under IC 12-2-4.5 (before its repeal) or this chapter may be spent.

As added by P.L.2-1992, SEC.14.