

TownWorks

Municipal Operations Platform

LEGISLATIVE IMPACT BRIEF

Senate Enrolled Act No. 270 and the Future of Indiana Township Government

A Compliance Readiness Guide for Township Trustees and Board Members

March 2026

TownWorks, Inc. | townworks.io

Executive Summary

In February 2026, the Indiana General Assembly passed Senate Bill 270, the most significant piece of township reform legislation in over two decades. The Senate voted 34-15 and the House 61-35. The bill was signed by the Governor and enrolled as Senate Enrolled Act No. 270 (SEA 270).

SEA 270 establishes a data-driven point system under which the Department of Local Government Finance (DLGF) will evaluate every township in Indiana (excluding Marion County) by December 31, 2026. Townships accumulating four or more points on a ten-criterion scale will be designated for mandatory merger or reorganization.

An estimated 315 to 330 of Indiana's approximately 1,001 townships could be designated. Those designated townships will be required to either merge with a neighboring township or, if they meet specific geographic overlap criteria, reorganize with an adjacent municipality. There is no opt-out. There is no referendum. The timeline runs through January 1, 2029.

Key Takeaway: Most of the scoring criteria measure compliance failures that occurred in 2023, 2024, and 2025. The data is largely locked in. But some criteria are still actionable before the DLGF compiles its list, and every township should understand its projected score now, not after the list is published.

This brief explains what SEA 270 requires, how the scoring system works, which criteria can still be addressed, and how compliance infrastructure can protect your township going forward.

Legal Disclaimer

TownWorks, Inc. is a technology company, not a law firm. The information in this document is for informational purposes only and does not constitute legal advice. While this brief is based on careful analysis of Senate Enrolled Act No. 270, municipalities should consult with qualified legal counsel regarding specific legal questions, interpretations of law, and matters requiring professional legal judgment. All statutory references are to the enrolled version of SEA 270 as signed by the Governor.

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I. What SEA 270 Does

SEA 270 creates a new chapter of Indiana Code (IC 36-6-1.7) establishing a mandatory evaluation and merger framework for Indiana townships. The act also incorporates elements of House Bill 1315 by creating IC 36-1.5-4.1, a parallel reorganization track for townships that overlap significantly with municipalities.

Two Tracks, One Trigger

Every township (excluding Marion County) will be evaluated and assigned a point score. Townships scoring four or more points are "designated townships." What happens next depends on their geography:

Track 1: Township-to-Township Merger (IC 36-6-1.7). Designated townships that do NOT meet the geographic overlap threshold must merge with at least one neighboring township that has fewer than four points. The merged entity continues as a township. If all townships in a county score four or more points, the county executive shall select two (2) of the designated townships participating in the merger to form a new township government to perform the functions of a recipient township. After all mergers are complete, a county must have at least two (2) townships.

Track 2: Township-to-Municipality Reorganization (IC 36-1.5-4.1). Designated townships where (a) at least 80% of the township's boundaries coincide with a municipality's boundaries, and (b) at least 51% of the township's population resides within that municipality, must reorganize with (dissolve into) the municipality. This track follows the Government Modernization Act framework.

A Critical Distinction: "Designated Township" Is a Defined Term

When the bill digest and early media coverage of SEA 270 circulated, significant confusion arose among trustees across the state. Many townships that share substantial geographic overlap with a municipality read the 80%/51% language and concluded that they were automatically subject to forced reorganization. This interpretation is incorrect, and understanding why is essential.

The term "**designated township**" is a defined term under IC 36-6-1.7, Section 7. A township is designated **only** if it accumulates four or more points under the DLGF scoring system described in Section 8. Geographic overlap with a municipality does not, by itself, trigger any action under SEA 270.

The geographic overlap test (80%/51%) only becomes relevant after a township has already been designated by scoring four or more points. At that stage, the overlap test determines which track the designated township follows: merger with another township (Track 1), or reorganization with a municipality (Track 2). A township that scores zero, one, two, or three points is not affected by SEA 270 regardless of how much of its territory falls within a city or town.

Example: A large suburban township whose boundaries substantially overlap with a fast-growing city might appear to be a prime candidate for forced reorganization under Track 2. But if that township has been filing its SBOA reports on time, providing township assistance, adopting its budgets, and maintaining filled board

positions, its point score may be zero or one. That township is not designated and is not subject to any action under SEA 270. The geographic overlap is irrelevant unless the four-point threshold is met first.

This distinction matters because it shifts the conversation from geography (which trustees cannot control) to compliance (which they can). SEA 270 does not punish townships for being near cities. It identifies townships that have failed to meet their basic statutory obligations. That is an important difference, and it is one that the bill’s digest language did not make sufficiently clear.

The Timeline

Date	Event
Upon Passage	SEA 270 took effect immediately upon the Governor’s signature, with an emergency declaration
December 31, 2026	DLGF publishes the scored list of all townships on its website and submits to the Legislative Council
March 31, 2027	Deadline for designated townships to petition DLGF for reconsideration of their point total
June 30, 2027	DLGF issues written determinations on all petitions; final list published by July 1
July 1, 2027	Townships that have already commenced a merger under existing IC 36-6-1.5 are exempt from mandatory merger
October 1, 2027	Deadline for Track 2 designated townships to adopt a resolution proposing reorganization with a municipality
January 1, 2029	All mergers and reorganizations must be complete

II. The DLGF Evaluation

Under Section 8 of IC 36-6-1.7, DLGF will assign points to each township based on the following criteria. A township accumulating four or more points is designated for merger or reorganization. The maximum possible score is 13 points.

Points	Criterion	Status
2	Township did not provide any township assistance in calendar years 2023 AND 2024 (per SBOA annual reports under IC 12-20-28-3)	LOCKED
1	Township does not actively manage fire protection or EMS as of January 1, 2025 (not a provider unit in a fire territory, does not allocate fire funds, or 75% + of fire expenses are pass-throughs)	LOCKED
1 each	Township did not file annual finance report with SBOA in 2023 or 2024 (maximum 2 points)	LOCKED
1 each	Township did not file all required monthly upload reports per SBOA directive in 2024 or 2025 (maximum 2 points)	LOCKED
1	Township's 2023 appropriations and levy were continued for 2024 budget year under IC 6-1.1-17-3(d) or IC 6-1.1-17-5(f)	LOCKED
1	Township's 2024 appropriations and levy were continued for 2025 budget year	LOCKED
1	Fewer than 24 township assistance applications received in 2023 and 2024 combined (per SBOA annual reports)	LOCKED
1	Township's certified budget for calendar year 2025 is less than \$100,000	LOCKED
1	No candidate on the ballot for township trustee in the 2018 or 2022 general election, OR trustee vacancy of 30+ days as of July 1, 2026	ACTIONABLE
1	No candidate on the ballot for all township board seats in the 2018 or 2022 general election, OR board vacancy of 30+ days as of July 1, 2026	ACTIONABLE

Important: The election history component of Criteria 9 and 10 (2018/2022 ballot) is locked in. However, a point under those criteria is NOT assigned if the vacancy was timely filled under IC 3-13-10 or IC 3-13-11 before the first township board meeting the following year. Additionally, the **current vacancy** component has a live date of **July 1, 2026**. Filling trustee or board vacancies before that date eliminates those points.

III. What Your Township Can Do Now

SEA 270 is not a surprise audit. The scoring criteria are published. The data sources are known. And the timeline provides a window for townships to take meaningful action. The question is not whether you can influence the outcome. The question is whether you will use the time you have.

Immediate Actions (Before July 1, 2026)

Fill Vacant Positions

Criteria 9 and 10 each carry one point for trustee or board vacancies of 30 or more days as of **July 1, 2026**. This is a live date. If your township currently has a vacant trustee position or an unfilled board seat, filling that vacancy before July 1, 2026 eliminates the point. For a township sitting at exactly four points, this single action could mean the difference between designation and survival.

The appointment process for filling township vacancies is governed by IC 3-13-10 (trustee vacancies) and IC 3-13-11 (board vacancies). Township boards and county party chairs should ensure these processes are initiated immediately for any open positions.

Verify Your Election History Records

The election component of Criteria 9 and 10 includes an important safe harbor that many trustees may overlook. The statute provides that a point is **not assigned** if the position was timely filled under IC 3-13-10 or IC 3-13-11 **before the first township board meeting the following year**. This means that even if no candidate appeared on the ballot in 2018 or 2022, the township may avoid the point if the vacancy was subsequently filled through the proper caucus or appointment process within the statutory timeframe.

Action step: Contact your county clerk or county election board and confirm that the records reflect any timely vacancy fills after the 2018 and 2022 general elections. If the fill was timely but the records are incomplete or unclear, assemble the supporting documentation now (caucus minutes, appointment letters, oath of office filings) and have it ready for the petition process.

The Petition Process: Section 10 of IC 36-6-1.7

Section 10 provides a formal reconsideration process for any township that receives four or more points. A township may petition DLGF by **March 31, 2027** to challenge its point total. The petition must be accompanied by evidence supporting the challenge. DLGF must issue a written determination by **June 30, 2027**. That determination is final and may not be appealed.

This is not a rubber stamp process. Nor is it a guaranteed rescue. But it is a real opportunity for townships that have been incorrectly scored or that can demonstrate extenuating circumstances. The townships that succeed in petition will be the ones that prepare their evidence now, not in March 2027.

Grounds for Petition

1. Incorrect Point Assignment

If DLGF assigned a point based on data that does not accurately reflect your township's compliance, you can petition with documentation showing the data is wrong. Common scenarios include:

SBOA filing discrepancies (Criteria 3 and 4): Your township filed its annual finance report or monthly uploads, but SBOA records do not reflect receipt. This can happen when reports are submitted close to deadlines, when submission portals experience errors, or when paper filings are not logged promptly. If you have confirmation emails, submission receipts, or postmarked copies, those become your evidence.

Township assistance documentation gaps (Criteria 1 and 7): Your township provided assistance in 2023 and 2024, but the assistance was not captured in the SBOA annual reports under IC 12-20-28-3. This is especially common for trustees who provide emergency assistance (utility shutoff prevention, emergency housing) without routing it through the formal application and investigation process. If you have receipts, vendor payment records, or other documentation showing assistance was provided, assemble those records.

Budget continuation disputes (Criteria 5 and 6): If DLGF records show your budget was continued under IC 6-1.1-17-3(d) or IC 6-1.1-17-5(f), but your township actually adopted a budget through the proper hearing and adoption process, gather your Form 4 (Adopted Budget Ordinance), published Form 3 (Notice to Taxpayers), hearing minutes, and Gateway submission records.

2. Fire Protection Classification Disputes (Criterion 2)

Criterion 2 involves the most complex factual determination in the scoring system. A township receives one point if it does not "actively manage fire protection or emergency services" as of January 1, 2025. The statute defines this through a three-prong test: the township is not a provider unit in a fire protection territory, does not allocate funds for fire protection, or at least 75% of its fire protection expenditures are pass-through payments to another unit.

For townships with non-standard fire territory arrangements, joint agreements, or shared service contracts, the 75% pass-through calculation may produce disputed results. A township that contributes significantly to fire protection through a fire territory but whose contribution is structured as a contractual payment could be classified as a pass-through payer even though it is genuinely participating in fire service delivery.

Action step: Pull your township's fire-related expenditure records for the period surrounding January 1, 2025. Calculate the breakdown between direct expenditures (personnel, equipment, facilities) and payments to other units or territories. If your percentage is near the 75% threshold, document the nature of those payments. Are they contractual obligations under a fire territory agreement? Are they joint service payments? The characterization of those payments will be central to any petition on this criterion.

3. Disaster Exception

Section 10 specifically provides that a petition may cite a disaster as defined in IC 10-14-3-1 that "significantly disrupted the operations of the township and prevented the township from meeting the criteria." If your township experienced a natural disaster, public health emergency, or other qualifying event during the

evaluation period that prevented compliance with any criterion, document the event, the disruption, and the causal connection between the two.

Building Your Evidence File: A Practical Checklist

Regardless of your current projected score, every township should assemble the following documentation before the DLGF list is published in December 2026:

Category	Documents to Assemble
SBOA Filings (Criteria 3, 4)	Copies of all submitted annual finance reports for 2023 and 2024; confirmation emails or submission receipts from SBOA portal; copies of all monthly upload reports for 2024 and 2025; any correspondence with SBOA regarding filing status
Township Assistance (Criteria 1, 7)	Complete TA-7 annual reports for 2023 and 2024; application logs showing all cases received; investigation records; decision letters; vendor payment records for emergency assistance; any documentation of assistance provided outside the formal application process
Budget Adoption (Criteria 5, 6)	Form 4 (Adopted Budget Ordinance) for 2024 and 2025 budget years; published Form 3 notices; hearing minutes; Gateway submission records; any DLGF correspondence regarding budget status
Fire Protection (Criterion 2)	Fire territory agreements; provider unit certifications; fire fund expenditure detail for fiscal year covering January 1, 2025; breakdown of direct vs. pass-through expenditures; contracts with fire departments or other units
Election/Vacancy (Criteria 9, 10)	County election records for 2018 and 2022 general elections showing township candidates; vacancy fill documentation (caucus minutes, appointment letters, oaths of office); records showing timely fills under IC 3-13-10 or IC 3-13-11
General	Certified budget documents for 2025 showing total appropriations; current roster of all elected and appointed officials with dates of service; any disaster declarations or emergency orders affecting the township during the evaluation period

Why Prepare Now? DLGF publishes its list on December 31, 2026. You will have exactly 90 days to file a petition by March 31, 2027. That is not enough time to reconstruct two years of records, track down submission confirmations, and build a persuasive evidentiary package from scratch. The townships that win their petitions will be the ones that walked in with a complete file on Day One.

Long-Term Compliance: The Scorecard Does Not Expire

Even if your township is not designated in the initial round, the SEA 270 scoring system establishes a framework that the legislature can revisit at any time. The compliance metrics embedded in the ten criteria are not new obligations. They are existing statutory requirements that the General Assembly has now decided to measure and enforce. Maintaining compliance with SBOA reporting, DLGF budget processes, and township assistance obligations is no longer just good governance. It is an existential requirement.

IV. The Compliance Gap

The SEA 270 scoring criteria are not arbitrary. They measure the core statutory obligations that every Indiana township is already required to meet. Townships that score four or more points are, in most cases, townships that have been failing to meet obligations they have had for years.

The uncomfortable truth is that many of these failures are not the result of bad faith or incompetence. They are the result of inadequate tools. Township trustees are often part-time officials managing complex statutory obligations with paper ledgers, disconnected spreadsheets, or legacy software that records transactions but does nothing to enforce compliance.

Consider how each scored failure connects to a systemic gap:

Missed SBOA filings (Criteria 3 and 4) often occur because there is no automated reminder system, no pre-formatted report template tied to the actual financial data, and no escalation mechanism when a deadline approaches.

Budget continuations (Criteria 5 and 6) happen when a trustee misses the budget adoption timeline, often because the notice, hearing, and adoption workflow is not tracked as a connected process with hard deadlines.

Undocumented township assistance (Criteria 1 and 7) can result from providing assistance informally without capturing it in the required reporting framework under IC 12-20-28-3. The trustee is helping people, but the system does not document it in a way that SBOA recognizes.

Low application counts (Criterion 7) may also reflect a lack of a citizen-facing intake process. If residents do not know how to apply or find the process burdensome, applications go unrecorded even when need exists.

Every one of these gaps is a software problem. And every one of them is solvable.

V. Compliance Infrastructure: A Different Approach

TownWorks is the first municipal operations platform that encodes Indiana statutory requirements directly into workflow logic. Rather than recording what happened after the fact, TownWorks prevents non-compliant operations before they occur.

The platform uses a "law-first" architecture with 225 blocking validators that enforce compliance at the point of action. When a deadline approaches, the system escalates. When a required step is missing, the system blocks. When a report is due, the system generates it from live operational data.

How TownWorks Maps to the SEA 270 Scoring Criteria

SEA 270 Criterion	Risk Factor	TownWorks Prevention
No assistance provided (Criteria 1)	Informal aid not documented in SBOA-required format	IC 12-20 workflow engine with mandatory intake forms, investigation tracking, and automated TA-7 reporting
No fire management (Criterion 2)	Fire territory arrangements not properly classified	Fire Territory engine tracks provider/participating unit status and fund allocations
Missing SBOA filings (Criteria 3-4)	Manual filing process with no deadline enforcement	Automated deadline tracking with escalation alerts; report generation from live financial data
Budget continuation (Criteria 5-6)	Missed budget adoption timeline	Full budget workflow with Form 3 notice generation, hearing scheduling, and DLGF Gateway export
Low application count (Criterion 7)	No citizen-facing intake; informal processes	Citizen Portal with online applications; every case documented from intake through disposition
Small budget (Criterion 8)	Structural factor	N/A (budget size is not a compliance issue)
Vacant positions (Criteria 9-10)	Positions unfilled due to governance gaps	Board/official tracking with vacancy alerts and term expiration monitoring

The Bottom Line: Six of the ten SEA 270 scoring criteria measure compliance failures that TownWorks is specifically designed to prevent. A township running on TownWorks with its blocking validators and deadline automation would not accumulate points for missed filings, undocumented assistance, or budget process failures. The platform does not just help you respond to SEA 270. It makes the compliance failures that trigger SEA 270 structurally impossible.

VI. What Designated Townships Face

Townships that are designated under SEA 270 face a complex legal and operational process that will require professional guidance.

Track 1: Merger

Under IC 36-6-1.7, Section 14, designated townships that do not meet the 80%/51% geographic overlap threshold must merge with at least one other township using the process in IC 36-6-1.5. The merged entity must certify final action to the county legislative body, county executive, circuit court clerk, county fiscal officer, county recorder, county voter registration office, and the Secretary of State's office.

Key considerations for merging townships include: negotiating which township serves as the recipient, consolidating fund accounting and financial records, integrating township assistance caseloads across expanded geographic areas, restructuring fire territory arrangements, combining cemetery management obligations, and establishing governance for the new board structure.

Track 2: Municipal Reorganization

Designated townships meeting the 80%/51% threshold face a fundamentally different process. Under IC 36-1.5-4.1, these townships must adopt a reorganization resolution by October 1, 2027, designating an adjacent municipality for reorganization. The municipality then becomes responsible for all township services, funds, and property.

This track raises additional legal complexities that affected communities should evaluate carefully with qualified counsel. Designated townships that contain smaller municipalities within their boundaries present a particularly difficult scenario. When such a township is directed to reorganize with an adjacent city, the smaller municipalities within the township's borders may find themselves subject to a township services district administered by a city in which their residents have no elected representation and no vote on the levies imposed upon them.

These situations raise serious questions under both the Indiana Constitution and federal law regarding due process, equal protection, and the foundational principle that taxation requires representation. The General Assembly's intent in SEA 270 is to improve government efficiency, but the mechanics of Track 2 reorganization in multi-municipality townships may produce outcomes that require judicial interpretation. Townships and municipalities facing these circumstances should not wait for the designation list to begin evaluating their legal position.

The Operational Reality After Merger or Reorganization

Regardless of which track your township follows, the resulting entity will face an immediate operational challenge: it needs software that works. Not software that spins for days while processing reports. Not software

that requires constant calls to customer service to figure out basic functions. Not legacy systems designed for a world where compliance was optional and performance was merely a factor in re-election.

The General Assembly has made something clear with SEA 270: **showing up and doing the job well is no longer just good politics. It is a requirement for your entity's survival.** The scoring system is built on measurable compliance metrics. The data will be compiled again. Townships that emerge from this process, whether as recipients of a merger or as newly formed entities, need infrastructure that ensures they never end up on a designation list.

For Merged Townships

When two townships merge, the recipient township absorbs the designated township's operations, funds, caseloads, and geographic territory. That means consolidated fund accounting, expanded township assistance obligations across a larger population, combined cemetery records, restructured fire territory arrangements, and a new board structure. The recipient township's existing software needs to handle all of this from Day One, not after months of manual migration and data re-entry.

TownWorks is the only municipal operations platform built specifically for this scenario. The platform's multi-tenant architecture and entity-type configuration allow a merged township to onboard with its expanded boundaries, consolidated funds, and combined caseloads already structured correctly. Blocking validators and deadline automation ensure that the newly merged entity maintains compliance from its first day of operation, not after a transition period where things fall through the cracks.

For Reorganized Entities

Track 2 reorganizations present an even more complex challenge. When a township dissolves into a municipality under IC 36-1.5-4.1, the municipality becomes responsible for administering township services, including township assistance under IC 12-20, within a **township services district**. The municipality must maintain separate levies, manage township-specific funds, and comply with SBOA requirements that are fundamentally different from municipal accounting standards.

No existing municipal software was designed for this. Township software handles townships. Municipal software handles towns and cities. When a reorganization creates a hybrid entity that must do both simultaneously, most platforms simply cannot accommodate it.

TownWorks was founded on town and city operations and expanded to include townships. It is the **only platform that natively supports all four Indiana entity types**: Township, Town, Reorganized Town under IC 36-1.5, and Class 2 and 3 Cities. The IC 36-1.5 entity type exists in the platform today because the founder has navigated the Government Modernization Act reorganization process firsthand and understands the operational requirements that no software vendor reading the statute could anticipate.

When a designated township reorganizes with a municipality, the resulting entity does not need two software systems running in parallel. It needs one platform that understands both frameworks, maps the correct statutory requirements to each function, and keeps the entire operation compliant. That platform exists.

Professional Guidance

Whether your township faces Track 1 or Track 2, the process involves statutory deadlines, asset transfers, interlocal agreement restructuring, fire territory negotiations, personnel transitions, and ongoing compliance obligations throughout the merger or reorganization timeline. The constitutional questions surrounding multi-municipality townships add another layer of complexity that requires experienced legal analysis.

This is not a process that a township should navigate alone, and it is not a process where general-practice legal counsel will be sufficient. The mechanics of SEA 270, the interplay between IC 36-6-1.7 and IC 36-1.5-4.1, the DLGF petition process, the levy cap calculations, and the governance transition rules all require counsel with specific expertise in Indiana municipal law, local government reorganization, and the operational realities of township government.

TownWorks maintains a network of qualified legal professionals with direct experience in SEA 270 implementation, township mergers under IC 36-6-1.5, and Government Modernization Act reorganizations under IC 36-1.5. This network includes attorneys who have analyzed the constitutional implications of the reorganization framework and who have guided municipalities through the IC 36-1.5 process in practice, not just in theory.

For townships seeking both legal counsel and operational transition support, TownWorks offers a **coordinated approach**: legal representation through qualified counsel who understand the statutory framework, paired with platform onboarding that ensures the resulting entity is operationally compliant from Day One. One point of contact. One team that understands both the law and the technology. No gaps between what your attorney negotiates and what your software can actually do.

Contact TownWorks to discuss your township's specific situation and to be connected with legal professionals who can evaluate your exposure, prepare your petition evidence, or guide your merger or reorganization process.

VII. The Most Important Decision: Choosing Your Merger Partner

For designated townships on Track 1, the statute requires merger with "at least one other township that is contiguous" and that has fewer than four points, using the process established in IC 36-6-1.5. What the statute does not do is tell the designated township which contiguous neighbor to merge with. That is a choice. And it may be the most consequential decision a township trustee ever makes.

Most designated townships will border multiple non-designated townships. Each potential merger partner represents a fundamentally different future for the designated township's residents, employees, and service obligations. Choosing the wrong partner can create operational problems that persist for decades. Choosing the right partner can produce an entity that is stronger, more efficient, and more resilient than either township was alone.

The Variables That Determine Compatibility

Merger selection is not a simple geographic question. The following factors should drive the analysis:

Financial compatibility. What are the levy rates, fund balances, and debt obligations of each potential partner? The statute caps the merged entity's 2029 levy at the combined 2028 levies multiplied by the maximum levy growth quotient, so the financial math determines the new entity's fiscal capacity from Day One. A designated township with a \$75,000 budget merging with a \$2 million neighbor creates a very different entity than merging with another small township running \$150,000.

Fire territory alignment. This is likely the most complex factor. Fire territories do not follow township boundaries. A designated township might share a fire territory with its western neighbor but not its eastern neighbor. Merging within an existing fire territory keeps the funding and governance structure intact. Merging across fire territory lines creates a combined township that straddles two territories, producing funding, governance, and service delivery complications that can take years to resolve.

Township assistance caseload. The recipient township inherits the obligation to serve the designated township's population. What is the poverty rate and assistance demand profile in the designated township's territory? What volume of applications should the recipient anticipate? A recipient that is already stretched thin on assistance resources may be poorly positioned to absorb a high-need neighbor.

Cemetery obligations. Townships manage cemeteries, and the merged entity inherits all cemetery management obligations from both predecessor townships. How many cemeteries does each potential partner manage? What condition are they in? Are there perpetual care funds? Cemetery obligations are long-tail liabilities that most trustees will not consider until after the merger is complete.

Governance stability. What is the potential partner's point score? A township at zero points is a strong, stable partner. A township at three points is one compliance failure from designation itself. Merging with a borderline partner could put the combined entity at risk in any future evaluation the legislature conducts.

Existing relationships and agreements. Do the townships already share interlocal agreements, mutual aid arrangements, or joint purchasing? Merging with a township you already have working relationships with is operationally smoother than merging with a neighbor you have never collaborated with.

Geographic coherence. Does the combined territory form a compact, logical service area? Or does the merger create an oddly shaped entity that is difficult to administer? Maps matter, both for service delivery and for community identity.

The Recipient's Perspective

This analysis is not limited to designated townships. Every non-designated township that borders a designated neighbor needs to be asking the same questions from the other direction: "What happens to MY township if I am selected as the recipient?"

Being a recipient is not optional if the county commissioners designate you. A well-run township at zero points could find itself absorbing a struggling neighbor's operations, fund deficits, deferred cemetery maintenance, and under-documented assistance caseloads. The time to evaluate that exposure is now, not after the commissioners have made their determination.

Smart recipients should be conducting their own compatibility analysis and, where possible, approaching the commissioners proactively with a preferred merger plan rather than waiting to have one imposed.

What TownWorks Offers

TownWorks provides bespoke **Merger Compatibility Analyses** for both designated townships and their potential merger partners. Using publicly available data from DLGF Gateway, SBOA filing records, GIS boundary data, fire territory maps, and census demographics, TownWorks produces a comprehensive report evaluating every eligible merger partner across all relevant factors.

The deliverable is a ranked compatibility assessment: which merger partner produces the strongest combined entity, which creates the fewest operational complications, and what the specific financial, service delivery, and governance implications are for each option. For designated townships, this is a roadmap for the most important negotiation of their existence. For non-designated recipients, this is a defensive analysis that protects their community's interests.

County commissioners who must produce the required impact report by January 1, 2028 will also find this analysis valuable, as it addresses the exact factors the statute requires the report to cover: fire protection, EMS coverage, geographic boundaries, and projected cost impacts.

VIII. Next Steps: Assess Your Risk

Every township in Indiana should take the following steps **now**, not after the DLGF list is published:

1. Know Your Score

Review the ten criteria in Section II against your township's records. Calculate your projected point total. If you are at three points or above, you are either designated or one compliance failure away from designation.

2. Take Immediate Action on Actionable Criteria

Fill any vacant trustee or board positions before July 1, 2026. Verify that your election history records accurately reflect timely vacancy fills after the 2018 and 2022 elections.

3. Build Your Evidentiary Record

If you believe any criterion was scored incorrectly (particularly the fire protection classification under Criterion 2), begin assembling documentation now. You will have until March 31, 2027 to file a petition, but the evidence should be gathered while it is fresh and accessible.

4. Invest in Compliance Infrastructure

The SEA 270 point system measures compliance with obligations your township already has. Whether or not your township is designated this round, the legislature has demonstrated its willingness to evaluate township performance on quantifiable metrics. Compliance infrastructure is no longer optional.

Check Your Township's SEA 270 Exposure

TownWorks offers a free SEA 270 Scorecard Assessment for Indiana townships.

Visit townworks.io or contact us at sales@townworks.io

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