



February 18, 2009

# HOUSE BILL No. 1071

DIGEST OF HB 1071 (Updated February 17, 2009 12:55 pm - DI 107)

**Citations Affected:** IC 32-25.5; IC 32-28.

**Synopsis:** Homeowners associations. Applies the following provisions to a homeowners association (association) established after June 30, 2009, and allows an association established before July 1, 2009, to elect to be governed by the provisions: (1) Requires an association to maintain a current roster of all members of the association (members). (2) Requires an association to prepare an annual budget that must be approved by the members. (3) Requires the board of directors of an association (board) to address an item of business if more than 50% of the members petition the board to address the item. (4) Prohibits a board from entering into certain contracts without the approval of the affected members. (5) Prohibits a homeowners association from incurring certain amounts of indebtedness or liability on behalf of the homeowners association unless incurring the indebtedness or liability is approved by the affirmative vote of a majority of members of the homeowners association. (6) Provides that the governing documents of an association must include grievance resolution procedures that provide for the final and binding resolution of disputes. (7) Provides that the governing documents of an association must allow the termination of the association. (8) Specifies that an unpaid regular annual assessment imposed by a homeowners association on a member is enforceable as a lien on real property owned by the member only after the association has failed to collect the assessment by bringing a civil action in court and all other unpaid assessments are not enforceable as a lien on real property owned by a member. (9) Prohibits an association from suspending the voting rights of a member for nonpayment of annual assessments unless the assessments are delinquent for more than one year. (10) Provides certain defenses to a member if the association brings a civil action against the member involving an act in furtherance of the member's right of petition or free speech.

**Effective:** July 1, 2009.

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## Cheatham, Hinkle, Grubb

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January 7, 2009, read first time and referred to Committee on Judiciary.  
February 17, 2009, amended, reported — Do Pass.

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HB 1071—LS 6683/DI 69+



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February 18, 2009

First Regular Session 116th General Assembly (2009)

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 2008 Regular Session of the General Assembly.

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## HOUSE BILL No. 1071



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

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

- 1 SECTION 1. IC 32-25.5 IS ADDED TO THE INDIANA CODE AS
- 2 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
- 3 2009]:
- 4 **ARTICLE 25.5. HOMEOWNERS ASSOCIATIONS**
- 5 **Chapter 1. Applicability**
- 6 **Sec. 1. This article applies to the following:**
- 7 (1) **A homeowners association established after June 30, 2009.**
- 8 (2) **A homeowners association established before July 1, 2009:**
- 9 (A) **if a majority of the members of the homeowners**
- 10 **association elect to be governed by this article; or**
- 11 **(B) if the number of members required by the homeowners**
- 12 **association's governing documents elect to be governed by**
- 13 **this article if a different number of members other than**
- 14 **the number established in clause (A) is required by the**
- 15 **governing documents.**
- 16 **Chapter 2. Definitions**
- 17 **Sec. 1. The definitions in this chapter apply throughout this**

HB 1071—LS 6683/DI 69+



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article.

**Sec. 2. "Act in furtherance of a person's right of petition or free speech under the Constitution of the United States or the Constitution of the State of Indiana in connection with a public issue" has the meaning set forth in IC 34-7-7-2.**

**Sec. 3. "Board" refers to the board of directors of a homeowners association.**

**Sec. 4. "Governing documents" includes:**

- (1) the articles of incorporation and bylaws of a homeowners association and all adopted amendments to the articles of incorporation and bylaws; and**
- (2) any applicable declaration of plat.**

**Sec. 5. "Homeowners association" means a corporation or another entity that:**

- (1) is organized and operated exclusively for the benefit of two**
- (2) or more persons who each own a dwelling in fee simple;**
- (2) acts, in accordance with the articles, bylaws, or other documents governing the corporation or entity, to:**
  - (A) acquire, transfer, manage, repair, maintain, or engage in construction on or in the land and improvements on the land related to the use of the dwellings owned by the members of the corporation or entity;**
  - (B) purchase insurance to cover a casualty or an activity on or in the land and improvements on the land;**
  - (C) engage in an activity incidental to an activity described in clause (A) or (B); or**
  - (D) engage in more than one (1) of the activities described in clauses (A) through (C); and**
- (3) may be governed by a board that serves the purpose of setting policy and controlling or otherwise overseeing the activities or functional responsibilities of the corporation or entity.**

**Sec. 6. "Subdivision" means the division of a parcel of land into lots, parcels, tracts, units, or interests in the manner defined and prescribed by a subdivision control ordinance adopted by a legislative body under IC 36-7-4.**

**Chapter 3. Homeowners Associations**

**Sec. 1. (a) A homeowners association shall maintain:**

- (1) a current roster of all members of the association; and**
- (2) the mailing address and parcel identification for each member of the association.**

**(b) The homeowners association shall also maintain any**

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1 electronic mail addresses or facsimile (fax) numbers of those  
2 members who have consented to receive notice by electronic mail  
3 or facsimile (fax). Electronic mail addresses and facsimile (fax)  
4 numbers provided by a member to receive notice by electronic mail  
5 or facsimile (fax) shall be removed from the association's records  
6 when the member revokes consent to receive notice by electronic  
7 mail or facsimile (fax). However, the association is not liable for an  
8 erroneous disclosure of an electronic mail address or a facsimile  
9 (fax) number for receiving notices.

10 (c) The mailing addresses and parcel identifications maintained  
11 by a homeowners association under subsection (a):

- 12 (1) shall be made available to a member of the homeowners
- 13 association upon request;
- 14 (2) may be used by a member of the homeowners association
- 15 only for a purpose related to the operation of the homeowners
- 16 association; and
- 17 (3) may not be used by a member of the homeowners
- 18 association for personal reasons.

19 (d) Except as provided in subsection (c), a homeowners  
20 association may not sell, exchange, or otherwise transfer  
21 information maintained by the homeowners association under this  
22 section to any person.

23 **Sec. 2. If more than fifty percent (50%) of the members of a**  
24 **homeowners association petition the board to address an item of**  
25 **business, including the amendment of any governing documents,**  
26 **the board shall address the petitioned item on an agenda:**

- 27 (1) at its next regular board meeting or at a special meeting of
- 28 the board; and
- 29 (2) not later than sixty (60) days after the receipt of the
- 30 petition.

31 **Sec. 3. (a) A homeowners association shall prepare an annual**  
32 **budget.**

33 (b) The annual budget must reflect:

- 34 (1) the estimated revenues and expenses for the budget year;
- 35 and
- 36 (2) the estimated surplus or deficit as of the end of the current
- 37 budget year.

38 (c) The homeowners association shall provide each member of  
39 the homeowners association with:

- 40 (1) a copy of the proposed annual budget; or
- 41 (2) a written notice that a copy of the proposed annual budget
- 42 is available upon request at no charge to the member;

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before the homeowners association meeting held under subsection (d).

(d) Subject to subsection (e), a homeowners association budget must be approved at a meeting of the homeowners association members at which at least fifteen percent (15%) of the members of the homeowners association are in attendance.

(e) If at least fifteen percent (15%) of the members of the homeowners association do not attend a meeting held under subsection (d), the homeowners association budget may be approved at a second or subsequent meeting of the homeowners association members held under this section if at least ten percent (10%) of the members of the homeowners association are in attendance.

Sec. 4. (a) A board may not enter into any contract that would result in a new assessment or the increase in an existing assessment payable by the affected members of the homeowners association in the amount of more than five hundred dollars (\$500) per year for each member of the homeowners association unless:

- (1) the board holds at least two (2) homeowners association meetings concerning the contract; and
- (2) the contract is approved by the affirmative vote of at least two-thirds (2/3) of the affected members of the homeowners association.

(b) A board shall give notice of the first homeowners association meeting held under subsection (a):

- (1) to each member of the homeowners association; and
- (2) at least seven (7) calendar days before the date the meeting occurs.

Sec. 5. (a) A homeowners association may not incur indebtedness or liability during any calendar year on behalf of the homeowners association in an amount that exceeds the greater of:

- (1) five thousand dollars (\$5,000) during any calendar year; or
- (2) if the homeowners association operated under an annual budget in the previous calendar year, an amount equal to at least ten percent (10%) of the previous annual budget of the homeowners association;

unless incurring the indebtedness or liability is approved by the affirmative vote of a majority of the members of the homeowners association voting under this section.

(b) A person who owns a lot, parcel, tract, unit, or interest in land in a subdivision may cast only one (1) vote under this section

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regardless of the:

- (1) total number of lots, parcels, tracts, units, or interests in land the person owns in the subdivision; or
- (2) total number of people who reside on any lot, parcel, tract, unit, or interest in land the person owns in the subdivision.

However, the developer of the subdivision may cast one (1) vote under this section for each lot, parcel, tract, or unit in the subdivision that is owned by the developer.

(c) A vote held under this section must be conducted by paper ballot.

(d) A homeowners association shall distribute paper ballots to persons eligible to vote under this section at least thirty (30) days before the date the votes are to be opened and counted.

(e) Votes cast under this section shall be opened and counted at a public meeting held by the homeowners association.

Sec. 6. (a) The governing documents must include grievance resolution procedures that apply to all members of the homeowners association and the board.

(b) The procedures described in subsection (a) must provide for the final and binding resolution of disputes concerning the administration of the homeowners association and interpretation of the governing documents.

Sec. 7. (a) The governing documents must include provisions that allow the termination of the homeowners association:

- (1) if at least ninety percent (90%) of the members of the homeowners association agree to the termination; and
- (2) if at least forty percent (40%) of the lots, parcels, tracts, or units in the subdivision are subject to mortgage agreements, if one hundred percent (100%) of the mortgage lenders that hold mortgages on a lot, parcel, tract, or unit in the subdivision agree to the termination.

(b) The approval of a termination under subsection (a) must be evidenced by an agreement:

- (1) signed by:
  - (A) at least ninety percent (90%) of the members of a homeowners association; and
  - (B) if applicable, one hundred percent (100%) of the mortgage lenders that hold mortgages on a lot, parcel, tract, or unit in the subdivision; and
- (2) filed with the clerk of the circuit court that has jurisdiction in the county in which the real property governed by the homeowners association is located.

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1 (c) The provisions described in subsection (a) must provide that,  
2 after an agreement is filed with the clerk of the circuit court under  
3 subsection (b), the homeowners association remains in existence  
4 only:

- 5 (1) to wind up the association's affairs; and
- 6 (2) until all the liabilities and obligations of the association  
7 have been discharged.

8 **Sec. 8. (a) A regular annual assessment:**

- 9 (1) that is imposed by a homeowners association on a member  
10 of the homeowners association; and
- 11 (2) that is unpaid by the member;

12 is enforceable as a lien on real property owned by the member as  
13 provided in IC 32-28-14 only after the homeowners association has  
14 failed to collect the annual assessment in a civil action brought  
15 under section 9 of this chapter and IC 32-28-14-8.

16 (b) An assessment that is not described in subsection (a):

- 17 (1) that is imposed by a homeowners association on a member  
18 of the homeowners association; and
- 19 (2) that is unpaid by the member;

20 is not enforceable as a lien on real property owned by the member  
21 but may be enforced in a civil action brought under section 9 of  
22 this chapter.

23 **Sec. 9. (a) If an assessment described in section 8(a) or 8(b) of  
24 this chapter is unpaid by a member of the homeowners association  
25 and the homeowners association attempts to collect the assessment  
26 in a civil action, the homeowners association must bring the civil  
27 action in the name of the homeowners association as follows:**

28 (1) Before bringing the civil action, the homeowners  
29 association shall:

- 30 (A) provide the member with written notice of the intent of  
31 the homeowners association to bring the action; and
- 32 (B) provide the member with a reasonable time to pay the  
33 assessment.

34 (2) If the member fails to pay the assessment within the time  
35 period described in subdivision (1)(B), the homeowners  
36 association may bring the civil action as follows:

- 37 (A) The action shall be filed on the small claims docket of  
38 the circuit court or superior court that has jurisdiction in  
39 the county in which the member's real property is located  
40 if the amount of the assessment is within the jurisdiction of  
41 the small claims docket.

42 (B) If the amount of the assessment is not within the

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1 jurisdiction of the small claims docket, the action may be  
2 filed in any court that has jurisdiction.

3 (b) The procedures described in subsection (a) must be included  
4 in the governing documents.

5 Sec. 10. A homeowners association may not suspend the voting  
6 rights of a member for nonpayment of regular annual assessments  
7 unless:

- 8 (1) the governing documents provide for suspension; and
- 9 (2) the assessments are delinquent for more than one (1) year.

10 Sec. 11. (a) If a homeowners association brings a civil action  
11 against a member of the association involving an act in furtherance  
12 of the person's right of petition or free speech under the  
13 Constitution of the United States or the Constitution of the State of  
14 Indiana in connection with a public issue, the defense established  
15 by IC 34-7-7 is available to the member in that action.

16 (b) A homeowners association may not expend association  
17 money prosecuting a civil action described in subsection (a) against  
18 a member.

19 Sec. 12. If the governing documents contain a provision  
20 concerning the display of yard signs in a subdivision, the provision  
21 may not be more restrictive than any applicable local ordinance  
22 concerning the display of:

- 23 (1) politically related yard signs; or
- 24 (2) yard signs concerning the sale of real property.

25 SECTION 2. IC 32-28-14-8, AS ADDED BY P.L.135-2007,  
26 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2009]: Sec. 8. (a) A homeowners association may enforce  
28 a homeowners association lien under this chapter only after the  
29 homeowners association has failed to collect the unpaid common  
30 expenses by bringing a civil action:

- 31 (1) in any court with jurisdiction; or
- 32 (2) if applicable, under the procedures described in  
33 IC 32-25.5-3-9.

34 (b) A homeowners association may enforce a homeowners  
35 association lien by filing a complaint in the circuit or superior court of  
36 the county where the real estate that is the subject of the lien is located.  
37 The complaint must be filed not later than ~~one (1) year~~ **five (5) years**  
38 after the date the statement and notice of intention to hold a lien was  
39 recorded under section 6 of this chapter.

40 ~~(b)~~ (c) If a lien is not enforced within the time set forth in subsection  
41 ~~(a)~~; (b), the lien is void.

42 ~~(c)~~ (d) If a lien is foreclosed under this chapter, the court rendering

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1 judgment shall order a sale to be made of the real estate subject to the  
2 lien. The officers making the sale shall sell the real estate without any  
3 relief from valuation or appraisal laws.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1071, 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 1, delete lines 5 through 17, begin a new paragraph and insert:

**"Chapter 1. Applicability**

**Sec. 1. This article applies to the following:**

- (1) A homeowners association established after June 30, 2009.**
- (2) A homeowners association established before July 1, 2009:**
  - (A) if a majority of the members of the homeowners association elect to be governed by this article; or**
  - (B) if the number of members required by the homeowners association's governing documents elect to be governed by this article if a different number of members other than the number established in clause (A) is required by the governing documents.**

**Chapter 2. Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

**Sec. 2. "Act in furtherance of a person's right of petition or free speech under the Constitution of the United States or the Constitution of the State of Indiana in connection with a public issue" has the meaning set forth in IC 34-7-7-2.**

**Sec. 3. "Board" refers to the board of directors of a homeowners association.**

**Sec. 4. "Governing documents" includes:**

- (1) the articles of incorporation and bylaws of a homeowners association and all adopted amendments to the articles of incorporation and bylaws; and**
- (2) any applicable declaration of plat.**

**Sec. 5. "Homeowners association" means a corporation or another entity that:**

- (1) is organized and operated exclusively for the benefit of two**
- (2) or more persons who each own a dwelling in fee simple;**
- (2) acts, in accordance with the articles, bylaws, or other documents governing the corporation or entity, to:**
  - (A) acquire, transfer, manage, repair, maintain, or engage in construction on or in the land and improvements on the land related to the use of the dwellings owned by the members of the corporation or entity;**
  - (B) purchase insurance to cover a casualty or an activity**

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- on or in the land and improvements on the land;
  - (C) engage in an activity incidental to an activity described in clause (A) or (B); or
  - (D) engage in more than one (1) of the activities described in clauses (A) through (C); and
- (3) may be governed by a board that serves the purpose of setting policy and controlling or otherwise overseeing the activities or functional responsibilities of the corporation or entity.

Sec. 6. "Subdivision" means the division of a parcel of land into lots, parcels, tracts, units, or interests in the manner defined and prescribed by a subdivision control ordinance adopted by a legislative body under IC 36-7-4.

**Chapter 3. Homeowners Associations**

Sec. 1. (a) A homeowners association shall maintain:

- (1) a current roster of all members of the association; and
- (2) the mailing address and parcel identification for each member of the association.

(b) The homeowners association shall also maintain any electronic mail addresses or facsimile (fax) numbers of those members who have consented to receive notice by electronic mail or facsimile (fax). Electronic mail addresses and facsimile (fax) numbers provided by a member to receive notice by electronic mail or facsimile (fax) shall be removed from the association's records when the member revokes consent to receive notice by electronic mail or facsimile (fax). However, the association is not liable for an erroneous disclosure of an electronic mail address or a facsimile (fax) number for receiving notices.

(c) The mailing addresses and parcel identifications maintained by a homeowners association under subsection (a):

- (1) shall be made available to a member of the homeowners association upon request;
- (2) may be used by a member of the homeowners association only for a purpose related to the operation of the homeowners association; and
- (3) may not be used by a member of the homeowners association for personal reasons.

(d) Except as provided in subsection (c), a homeowners association may not sell, exchange, or otherwise transfer information maintained by the homeowners association under this section to any person.

Sec. 2. If more than fifty percent (50%) of the members of a

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homeowners association petition the board to address an item of business, including the amendment of any governing documents, the board shall address the petitioned item on an agenda:

- (1) at its next regular board meeting or at a special meeting of the board; and
- (2) not later than sixty (60) days after the receipt of the petition.

Sec. 3. (a) A homeowners association shall prepare an annual budget.

(b) The annual budget must reflect:

- (1) the estimated revenues and expenses for the budget year; and
- (2) the estimated surplus or deficit as of the end of the current budget year.

(c) The homeowners association shall provide each member of the homeowners association with:

- (1) a copy of the proposed annual budget; or
- (2) a written notice that a copy of the proposed annual budget is available upon request at no charge to the member;

before the homeowners association meeting held under subsection (d).

(d) Subject to subsection (e), a homeowners association budget must be approved at a meeting of the homeowners association members at which at least fifteen percent (15%) of the members of the homeowners association are in attendance.

(e) If at least fifteen percent (15%) of the members of the homeowners association do not attend a meeting held under subsection (d), the homeowners association budget may be approved at a second or subsequent meeting of the homeowners association members held under this section if at least ten percent (10%) of the members of the homeowners association are in attendance.

Sec. 4. (a) A board may not enter into any contract that would result in a new assessment or the increase in an existing assessment payable by the affected members of the homeowners association in the amount of more than five hundred dollars (\$500) per year for each member of the homeowners association unless:

- (1) the board holds at least two (2) homeowners association meetings concerning the contract; and
- (2) the contract is approved by the affirmative vote of at least two-thirds (2/3) of the affected members of the homeowners association.

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**(b) A board shall give notice of the first homeowners association meeting held under subsection (a):**

- (1) to each member of the homeowners association; and**
- (2) at least seven (7) calendar days before the date the meeting occurs."**

Page 2, delete lines 1 through 6.

Page 2, line 8, after "liability" insert "**during any calendar year**".

Page 2, line 9, delete "five thousand dollars (\$5,000) during" and insert "**the greater of:**

- (1) five thousand dollars (\$5,000) during any calendar year;**
- or**
- (2) if the homeowners association operated under an annual budget in the previous calendar year, an amount equal to at least ten percent (10%) of the previous annual budget of the homeowners association;"**

Page 2, line 10, delete "any calendar year".

Page 2, line 10, beginning with "unless" begin a new line blocked left.

Page 2, between lines 19 and 20, begin a new line blocked left and insert:

**"However, the developer of the subdivision may cast one (1) vote under this section for each lot, parcel, tract, or unit in the subdivision that is owned by the developer."**

Page 2, delete lines 27 through 42, begin a new paragraph and insert:

**"Sec. 6. (a) The governing documents must include grievance resolution procedures that apply to all members of the homeowners association and the board.**

**(b) The procedures described in subsection (a) must provide for the final and binding resolution of disputes concerning the administration of the homeowners association and interpretation of the governing documents.**

**Sec. 7. (a) The governing documents must include provisions that allow the termination of the homeowners association:**

- (1) if at least ninety percent (90%) of the members of the homeowners association agree to the termination; and**
- (2) if at least forty percent (40%) of the lots, parcels, tracts, or units in the subdivision are subject to mortgage agreements, if one hundred percent (100%) of the mortgage lenders that hold mortgages on a lot, parcel, tract, or unit in the subdivision agree to the termination.**

**(b) The approval of a termination under subsection (a) must be**

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evidenced by an agreement:

(1) signed by:

(A) at least ninety percent (90%) of the members of a homeowners association; and

(B) if applicable, one hundred percent (100%) of the mortgage lenders that hold mortgages on a lot, parcel, tract, or unit in the subdivision; and

(2) filed with the clerk of the circuit court that has jurisdiction in the county in which the real property governed by the homeowners association is located.

(c) The provisions described in subsection (a) must provide that, after an agreement is filed with the clerk of the circuit court under subsection (b), the homeowners association remains in existence only:

(1) to wind up the association's affairs; and

(2) until all the liabilities and obligations of the association have been discharged.

Sec. 8. (a) A regular annual assessment:

(1) that is imposed by a homeowners association on a member of the homeowners association; and

(2) that is unpaid by the member;

is enforceable as a lien on real property owned by the member as provided in IC 32-28-14 only after the homeowners association has failed to collect the annual assessment in a civil action brought under section 9 of this chapter and IC 32-28-14-8.

(b) An assessment that is not described in subsection (a):

(1) that is imposed by a homeowners association on a member of the homeowners association; and

(2) that is unpaid by the member;

is not enforceable as a lien on real property owned by the member but may be enforced in a civil action brought under section 9 of this chapter.

Sec. 9. (a) If an assessment described in section 8(a) or 8(b) of this chapter is unpaid by a member of the homeowners association and the homeowners association attempts to collect the assessment in a civil action, the homeowners association must bring the civil action in the name of the homeowners association as follows:

(1) Before bringing the civil action, the homeowners association shall:

(A) provide the member with written notice of the intent of the homeowners association to bring the action; and

(B) provide the member with a reasonable time to pay the

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assessment.

(2) If the member fails to pay the assessment within the time period described in subdivision (1)(B), the homeowners association may bring the civil action as follows:

(A) The action shall be filed on the small claims docket of the circuit court or superior court that has jurisdiction in the county in which the member's real property is located if the amount of the assessment is within the jurisdiction of the small claims docket.

(B) If the amount of the assessment is not within the jurisdiction of the small claims docket, the action may be filed in any court that has jurisdiction.

(b) The procedures described in subsection (a) must be included in the governing documents.

Sec. 10. A homeowners association may not suspend the voting rights of a member for nonpayment of regular annual assessments unless:

- (1) the governing documents provide for suspension; and
- (2) the assessments are delinquent for more than one (1) year.

Sec. 11. (a) If a homeowners association brings a civil action against a member of the association involving an act in furtherance of the person's right of petition or free speech under the Constitution of the United States or the Constitution of the State of Indiana in connection with a public issue, the defense established by IC 34-7-7 is available to the member in that action.

(b) A homeowners association may not expend association money prosecuting a civil action described in subsection (a) against a member.

Sec. 12. If the governing documents contain a provision concerning the display of yard signs in a subdivision, the provision may not be more restrictive than any applicable local ordinance concerning the display of:

- (1) politically related yard signs; or
- (2) yard signs concerning the sale of real property.

SECTION 2. IC 32-28-14-8, AS ADDED BY P.L.135-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) A homeowners association may enforce a homeowners association lien under this chapter only after the homeowners association has failed to collect the unpaid common expenses by bringing a civil action:

- (1) in any court with jurisdiction; or
- (2) if applicable, under the procedures described in

COPY



**IC 32-25.5-3-9.**

(b) A homeowners association may enforce a homeowners association lien by filing a complaint in the circuit or superior court of the county where the real estate that is the subject of the lien is located. The complaint must be filed not later than ~~one (1)~~ **year five (5) years** after the date the statement and notice of intention to hold a lien was recorded under section 6 of this chapter.

~~(b)~~ (c) If a lien is not enforced within the time set forth in subsection ~~(a)~~, (b), the lien is void.

~~(c)~~ (d) If a lien is foreclosed under this chapter, the court rendering judgment shall order a sale to be made of the real estate subject to the lien. The officers making the sale shall sell the real estate without any relief from valuation or appraisal laws."

Delete page 3.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1071 as introduced.)

LAWSON L, Chair

Committee Vote: yeas 8, nays 0.

**C  
O  
P  
Y**

