



Reprinted
February 10, 2009

HOUSE BILL No. 1081

DIGEST OF HB 1081 (Updated February 9, 2009 2:03 pm - DI 107)

Citations Affected: IC 32-29.

Synopsis: Rental property foreclosure notices. Requires a plaintiff seeking foreclosure on certain rental property to notify the tenants if a foreclosure complaint is filed. Requires a plaintiff seeking foreclosure to notify the tenants if a judgment of foreclosure is entered. Provides that certain tenants may not be evicted for a certain period of time if a plaintiff seeking foreclosure fails to provide a notice of a foreclosure complaint or a notice that a judgment of foreclosure was entered. Provides that certain tenants who are evicted and who did not receive a notice of a foreclosure complaint or a notice that a judgment of foreclosure was entered may bring an action to enforce an obligation of a owner or landlord and may recover certain damages, fees, costs, and expenses.

Effective: July 1, 2009.

Day, Pryor

January 7, 2009, read first time and referred to Committee on Judiciary.
February 5, 2009, amended, reported — Do Pass.
February 9, 2009, read second time, amended, ordered engrossed.

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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. 1081

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 32-29-7-3.3 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]: **Sec. 3.3. (a) This section applies to rental agreements
4 entered into or renewed after June 30, 2009.**
5 **(b) This section applies to real property containing one (1), two
6 (2), three (3), or four (4) rental units that are the subject of a
7 foreclosure complaint under IC 32-30-10-5.**
8 **(c) This section does not apply if a receiver is appointed under
9 IC 32-30-5.**
10 **(d) Not later than ten (10) days after a foreclosure complaint on
11 real property described in subsection (b) is filed, the plaintiff
12 seeking foreclosure shall provide each tenant with written notice
13 of:**
14 **(1) the rights of tenants under this section; and**
15 **(2) the address and telephone number of the plaintiff seeking
16 foreclosure and the landlord for use in all communications
17 between the tenant and the landlord or the plaintiff seeking**

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1 foreclosure;
 2 by registered mail, certified mail, or personal delivery.
 3 (e) A tenant may file a petition or request to:
 4 (1) intervene in a foreclosure action under this section; and
 5 (2) allow rent payments to be deposited:
 6 (A) with the court; or
 7 (B) in an escrow account;
 8 until the parties agree on or the court determines the proper
 9 disposition of the rental payments.
 10 (f) A court that holds rental payments or allows rental payments
 11 to be deposited in an escrow account under subsection (e) may
 12 allow a portion of rental payments to be used to pay for expenses
 13 related to the real property described in subsection (b).
 14 (g) A tenant who does not receive a notice under subsection (d)
 15 may not be evicted from the tenant's rental unit until ninety (90)
 16 days after the tenant has received the notice described in section
 17 3.6(d) of this chapter, unless the tenant has failed to pay rent or
 18 comply with other obligations of the rental contract or agreement.
 19 SECTION 2. IC 32-29-7-3.6 IS ADDED TO THE INDIANA CODE
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 21 1, 2009]: **Sec. 3.6. (a) This section applies to rental agreements**
 22 **entered into or renewed after June 30, 2009.**
 23 **(b) This section applies to real property containing one (1) or**
 24 **more rental units that is the subject of a judgment of foreclosure**
 25 **under IC 32-30-10-5.**
 26 **(c) This section does not apply if a receiver is appointed under**
 27 **IC 32-30-5.**
 28 **(d) Not later than ten (10) days after the judgment of**
 29 **foreclosure on real property described in subsection (b) is entered,**
 30 **the plaintiff seeking foreclosure shall provide each tenant with**
 31 **written notice:**
 32 **(1) of the rights of tenants under this section;**
 33 **(2) of the address and telephone number of the plaintiff**
 34 **seeking foreclosure and the landlord for use in all**
 35 **communications between the tenant and the landlord or the**
 36 **plaintiff seeking foreclosure; and**
 37 **(3) that the plaintiff seeking foreclosure has foreclosed on the**
 38 **real property described in subsection (b);**
 39 **by registered mail, certified mail, or personal delivery.**
 40 **(e) A tenant may not be evicted from the tenant's rental unit**
 41 **until sixty (60) days after the tenant has received the notice**
 42 **described in subsection (d), unless the tenant has failed to pay rent**

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1 or comply with other obligations of the rental contract or
 2 agreement.
 3 SECTION 3. IC 32-29-7-3.8 IS ADDED TO THE INDIANA CODE
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 5 1, 2009]: **Sec. 3.8. (a) This section does not apply if a tenant is**
 6 **evicted from the tenant's rental unit because the tenant failed to**
 7 **pay rent or comply with other obligations of a rental contract or**
 8 **agreement.**
 9 **(b) If a tenant is evicted from the tenant's rental unit and did**
 10 **not receive a notice under section 3.3 or 3.6 of this chapter, the**
 11 **tenant may:**
 12 **(1) bring an action in any court having jurisdiction to enforce**
 13 **an obligation of an owner or landlord; and**
 14 **(2) recover:**
 15 **(A) actual damages;**
 16 **(B) reasonable attorney's fees and court costs; and**
 17 **(C) reasonable relocation expenses.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1081, 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 1 through 17.

Page 2, delete lines 1 through 15.

Page 2, line 16, delete "32-31-8-7" and insert "32-29-7-3.3".

Page 2, line 18, delete "7." and insert "3.3".

Page 2, line 20, delete "(1) or" and insert "**(1), two (2), three (3), or four (4)**".

Page 2, line 21, delete "more".

Page 2, line 21, delete "is" and insert "**are**".

Page 2, line 21, delete "judgment of".

Page 2, line 21, after "foreclosure" insert "**complaint**".

Page 2, delete lines 23 through 42, begin a new paragraph and insert:

"(c) This section does not apply if a receiver is appointed under IC 32-30-5.

(d) Not later than ten (10) days after a foreclosure complaint on real property described in subsection (b) is filed, the plaintiff seeking foreclosure shall provide each tenant with written notice of:

- (1) the rights of tenants under this section; and**
- (2) the address and telephone number of the plaintiff seeking foreclosure and the landlord for use in all communications between the tenant and the landlord or the plaintiff seeking foreclosure;**

by registered mail, certified mail, or personal delivery.

(e) A tenant may file a petition or request to:

- (1) intervene in a foreclosure action under this section; and**
- (2) allow rent payments to be deposited:**
 - (A) with the court; or**
 - (B) in an escrow account;**

until the parties agree on or the court determines the proper disposition of the rental payments.

(f) A court that holds rental payments or allows rental payments to be deposited in an escrow account under subsection (e) may allow a portion of rental payments to be used to pay for expenses related to the real property described in subsection (b).

(g) A tenant who does not receive a notice under subsection (d) may not be evicted from the tenant's rental unit until ninety (90)

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days after the tenant has received the notice described in section 3.6(d) of this chapter, unless the tenant has failed to pay rent or comply with other obligations of the rental contract or agreement.

SECTION 4. IC 32-29-7-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.6. (a) This section applies to rental agreements entered into or renewed after June 30, 2009.

(b) This section applies to real property containing one (1) or more rental units that is the subject of a judgment of foreclosure under IC 32-30-10-5.

(c) This section does not apply if a receiver is appointed under IC 32-30-5.

(d) Not later than ten (10) days after the judgment of foreclosure on real property described in subsection (b) is entered, the plaintiff seeking foreclosure shall provide each tenant with written notice:

- (1) of the rights of tenants under this section;
- (2) of the address and telephone number of the plaintiff seeking foreclosure and the landlord for use in all communications between the tenant and the landlord or the plaintiff seeking foreclosure; and
- (3) that the plaintiff seeking foreclosure has foreclosed on the real property described in subsection (b);

by registered mail, certified mail, or personal delivery.

(e) A tenant may not be evicted from the tenant's rental unit until sixty (60) days after the tenant has received the notice described in subsection (d), unless the tenant has failed to pay rent or comply with other obligations of the rental contract or agreement.

SECTION 5. IC 32-29-7-3.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.8. If a tenant is evicted from the tenant's rental unit and did not receive a notice under section 3.3 or 3.6 of this chapter, the tenant may:

- (1) bring an action in any court having jurisdiction to enforce an obligation of an owner or landlord; and
- (2) recover:
 - (A) actual damages;
 - (B) reasonable attorney's fees and court costs; and
 - (C) reasonable relocation expenses."

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Delete page 3.
Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.
(Reference is to HB 1081 as introduced.)

LAWSON L, Chair

Committee Vote: yeas 6, nays 4.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1081 be amended to read as follows:

Page 3, line 5, after "3.8." insert "**(a) This section does not apply if a tenant is evicted from the tenant's rental unit because the tenant failed to pay rent or comply with other obligations of a rental contract or agreement.**

(b)".

(Reference is to HB 1081 as printed February 6, 2009.)

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