



Reprinted
April 21, 2011

ENGROSSED HOUSE BILL No. 1543

DIGEST OF HB 1543 (Updated April 20, 2011 11:23 pm - DI 73)

Citations Affected: IC 36-1.

Synopsis: Regulation of residential leases. Provides that the owner of a rental unit assessed any inspection, registration, or other fee by a political subdivision pertaining to the rental unit may: (1) notify the tenants of the rental unit of the assessment of the fee; and (2) require the tenants of the rental unit to reimburse the owner for the payment of the fee. Provides that tenants of a rental unit may not be required to reimburse the owner of a rental unit for fees assessed by a political subdivision relating to the construction of the rental unit, such as building permit fees. Requires the political subdivision to maintain the fees collected in a special non-reverting fund dedicated solely to reimbursing the costs reasonably related to services actually performed by the political subdivision that justified the imposition and amount of the fee.

Effective: Upon passage.

Speedy, Turner, Austin
(SENATE SPONSOR — HOLDMAN)

January 20, 2011, read first time and referred to Committee on Local Government.
February 17, 2011, amended, reported — Do Pass.
March 28, 2011, read second time, amended, ordered engrossed.
March 29, 2011, engrossed.
March 30, 2011, read third time, passed. Yeas 56, nays 42.

SENATE ACTION

March 31, 2011, read first time and referred to Committee on Local Government.
April 18, 2011, amended, reported favorably — Do Pass.
April 20, 2011, read second time, amended, ordered engrossed.

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EH 1543—LS 7505/DI 75+



First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1543

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

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

1 SECTION 1. IC 36-1-20 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:

4 **Chapter 20. Regulation of Residential Leases**

5 **Sec. 1. The definitions in IC 32-31-3 apply throughout this**
6 **chapter.**

7 **Sec. 2. (a) Except as provided in subsection (b), the owner of a**
8 **rental unit assessed any inspection, registration, or other fee by a**
9 **political subdivision pertaining to the rental unit may:**

10 (1) **notify the tenants of the rental unit of the assessment of the**
11 **fee; and**

12 (2) **require the tenants of the rental unit to reimburse the**
13 **owner for the payment of the fee.**

14 (b) **Tenants of a rental unit may not be required to reimburse**
15 **the owner of a rental unit for fees assessed by a political**
16 **subdivision relating to the construction of the rental unit, such as**
17 **building permit fees.**

EH 1543—LS 7505/DI 75+



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1 **Sec. 3. Any inspection, registration, or other fee assessed under**
2 **section 2 of this chapter and collected by a political subdivision**
3 **must be maintained in a special fund dedicated solely to**
4 **reimbursing the costs reasonably related to services actually**
5 **performed by the political subdivision that justified the imposition**
6 **and amount of the fee. Each fund shall be maintained as a separate**
7 **line item in the political subdivision’s budget. Money in the fund**
8 **may not at any time revert to the general fund or any other fund**
9 **of the political subdivision.**
10 **SECTION 2. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1543, 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, delete lines 27 through 29.

and when so amended that said bill do pass.

(Reference is to HB 1543 as introduced.)

NEESE, Chair

Committee Vote: yeas 5, nays 4.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1543 be amended to read as follows:

Replace the effective date in SECTION 1 with "[EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)]":

Page 1, line 5, after "Sec. 1." insert "(a)".

Page 1, line 6, delete "." and insert "after December 31, 2010".

Page 1, between lines 6 and 7, begin a new paragraph and insert:

"(b) This chapter does not prohibit a political subdivision from adopting a regulation after December 31, 2010, if the regulation is not inconsistent with this chapter."

Page 2, delete lines 2 through 3.

Page 2, line 4, delete "(b)" and insert "Sec. 4. (a)".

Page 2, line 6, delete "(c)" and insert "(b)".

Page 2, line 7, delete "(b)" and insert "(a)".

Page 2, line 19, delete "(d)" and insert "(c)".

Page 2, line 19, delete "(c)" and insert "(b)".

Page 2, line 26, delete "(c)(2)." and insert "(b)(2)."

Page 2, delete lines 27 through 40, begin a new paragraph and insert:

"Sec. 5. A regulation may not impose a fee for any of the following:

(1) Initial exterior inspections.

(2) Initial interior inspections:

(A) requested by an owner or a tenant; or

(B) under issuance of an inspection order.



(3) Initial annual inspections under a rental unit inspection program.

(4) Initial follow-up inspections if all building code violations identified to the owner by written notice or citation have been corrected."

Page 3, after line 6, begin a new paragraph and insert:
"SECTION 2. An emergency is declared for this act."

(Reference is to HB 1543 as printed February 18, 2011.)

SPEEDY

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COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred House Bill No. 1543, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective date in SECTION 1 with "[EFFECTIVE UPON PASSAGE]".

Page 1, delete lines 5 through 10.

Page 1, line 11, delete "2." and insert "1."

Page 1, delete lines 13 through 17, begin a new paragraph and insert:

"Sec. 2. The owner of a rental unit assessed any inspection, registration, or other fee by a political subdivision pertaining to the rental unit may notify the tenants of the rental unit of the assessment of the fee and may require its tenants to reimburse the owner for the payment of the fee by the due date.

Sec. 3. Any inspection, registration, or other fee assessed under section 2 of this chapter and collected by a political subdivision must be maintained in a special fund dedicated solely to reimbursing the costs reasonably related to services actually performed by the political subdivision that justified the imposition and amount of the fee. Each fund shall be maintained as a separate line item in the political subdivision's budget. Money in the fund may not at any time revert to the general fund or any other fund of the political subdivision."



Delete page 2.

Page 3, delete lines 1 through 6.

and when so amended that said bill do pass.

(Reference is to HB 1543 as reprinted March 29, 2011.)

LAWSON C, Chairperson

Committee Vote: Yeas 7, Nays 1.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1543 be amended to read as follows:

Page 1, delete lines 7 through 11, begin a new paragraph and insert:

"Sec. 2. (a) Except as provided in subsection (b), the owner of a rental unit assessed any inspection, registration, or other fee by a political subdivision pertaining to the rental unit may:

(1) notify the tenants of the rental unit of the assessment of the fee; and

(2) require the tenants of the rental unit to reimburse the owner for the payment of the fee.

(b) Tenants of a rental unit may not be required to reimburse the owner of a rental unit for fees assessed by a political subdivision relating to the construction of the rental unit, such as building permit fees."

(Reference is to EHB 1543 as printed April 19, 2011.)

HOLDMAN

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