



Reprinted  
March 29, 2011

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## HOUSE BILL No. 1543

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DIGEST OF HB 1543 (Updated March 28, 2011 5:40 pm - DI 75)

**Citations Affected:** IC 36-1.

**Synopsis:** Regulation of residential leases. Imposes certain procedural requirements on the adoption by a political subdivision of a regulation of landlord and tenant relations, residential leases, or inspection of real property subject to a residential lease. Provides that such a regulation may not impose a fee for certain inspections. Provides that such a regulation may not authorize investigation or inspection of a rental unit without probable cause. Provides that these requirements apply to a regulation adopted after December 31, 2010.

**Effective:** January 1, 2011 (retroactive).

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**Speedy, Turner, Austin**

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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.

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HB 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.

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## HOUSE BILL No. 1543

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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  
3 JANUARY 1, 2011 (RETROACTIVE)]:

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

5 **Sec. 1. (a) In addition to any other procedures required by this**  
6 **title, this chapter applies to the adoption of a regulation after**  
7 **December 31, 2010.**

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

11 **Sec. 2. The definitions in IC 32-31-3 apply throughout this**  
12 **chapter.**

13 **Sec. 3. (a) As used in this chapter, "regulation" refers to a**  
14 **regulation of any of the following by a political subdivision:**

- 15 (1) **Landlord and tenant relations.**  
16 (2) **Residential leases.**  
17 (3) **Inspection of real property subject to a residential lease.**

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1 (b) The term does not include an ordinance, code, or other  
2 regulation that is applicable:

- 3 (1) uniformly to all persons; or
- 4 (2) to a class of persons or subjects that is not defined in  
5 reference to matters described in subsection (a).

6 Sec. 4. (a) Before adopting a regulation, the legislative body  
7 must hold a public hearing, the subject of which is adoption of the  
8 regulation.

9 (b) In addition to the notice requirements of IC 5-3, notice of the  
10 public hearing required by subsection (a) must be given to the  
11 owners of rental units that will be subject to the regulation. Notice  
12 under this subsection is sufficient if notice is given:

- 13 (1) on any web site maintained by the political subdivision;
- 14 and
- 15 (2) to all:
  - 16 (A) owners of rental units that have notified the political
  - 17 subdivision that they want to receive notice under this
  - 18 chapter; and
  - 19 (B) associations of owners of rental units that have notified
  - 20 the political subdivision that they want to receive notice
  - 21 under this chapter.

22 (c) Notice under subsection (b) must be given:

- 23 (1) on any web site maintained by the political subdivision,
- 24 beginning not later than fourteen (14) days before the date of
- 25 the public hearing and through the date of the public hearing;
- 26 and
- 27 (2) by first class mail, mailed not later than twenty (20) days
- 28 before the date of the hearing to persons described in
- 29 subsection (b)(2).

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

- 32 (1) Initial exterior inspections.
- 33 (2) Initial interior inspections:
  - 34 (A) requested by an owner or a tenant; or
  - 35 (B) under issuance of an inspection order.
- 36 (3) Initial annual inspections under a rental unit inspection  
37 program.
- 38 (4) Initial follow-up inspections if all building code violations  
39 identified to the owner by written notice or citation have been  
40 corrected.

41 Sec. 6. (a) A regulation may not authorize, or be construed to  
42 authorize, investigations or inspections of a rental unit unless there

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1 is probable cause to believe there is or has been a violation of an  
2 applicable regulation.

3 (b) A condition that:

4 (1) is in plain view; and

5 (2) appears to violate an applicable regulation;

6 may form the basis for probable cause under this section.

7 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.)

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