

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.

HOUSE ENROLLED ACT No. 1058

AN ACT to amend the Indiana Code concerning property.

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

SECTION 1. IC 32-25.5-1-1, AS ADDED BY P.L.167-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. **(a)** 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.

(b) IC 32-25.5-3-8 applies to all homeowners associations.

SECTION 2. IC 32-25.5-3-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. **(a) The attorney general may bring an action against a board or an individual member of a board of a homeowners association if the attorney general finds that:**

- (1) the association's funds have been knowingly or intentionally misappropriated or diverted by a board member; or**
- (2) a board member has knowingly or intentionally used the**

C
O
P
Y

HEA 1058+



board member's position on the board to commit fraud or a criminal act against the association or the association's members.

(b) A court in which an action is brought under this section may do the following:

- (1) Issue an injunction.**
- (2) Order the board member to make restitution to the homeowners association or to a member.**
- (3) Order a board member to be removed from the board.**
- (4) Order a board member to reimburse the state for the reasonable costs of the attorney general's investigation and prosecution of the violation.**

**C
o
p
y**



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

C
O
P
Y

HEA 1058+

