



April 5, 2013

# ENGROSSED HOUSE BILL No. 1313

DIGEST OF HB 1313 (Updated April 4, 2013 8:34 am - DI 87)

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

**Synopsis:** Regulation of residential landlords, builders, and remodelers. Provides that a political subdivision may not adopt a regulation after February 28, 2013 and before July 1, 2014 relating to landlord and tenant relations, rental agreements, or real property subject to a rental agreement that: (1) requires an owner or landlord to be licensed or to obtain a permit from the political subdivision to lease a rental unit; (2) requires an owner or landlord to enroll or participate in a class or government program as a condition for leasing a rental unit; or (3) imposes or increases a fee or other assessment for inspection of a rental unit, registration of an owner, landlord, or rental unit, or for any other purpose relating to landlord and tenant relations, rental agreements, or real property subject to a rental agreement. Provides that a political subdivision is not prohibited from: (1) imposing or increasing a fee relating to the construction of a rental unit, such as a building permit fee; or (2) establishing a rental unit inspection program. Prohibits a political subdivision from adopting an  
(Continued next page)

**Effective:** March 1, 2013 (retroactive); July 1, 2013.

## Speedy, Turner, Austin, VanNatter

(SENATE SPONSOR — HOLDMAN)

January 14, 2013, read first time and referred to Committee on Local Government.  
January 28, 2013, reassigned to Committee on Government and Regulatory Reform.  
February 19, 2013, amended, reported — Do Pass.  
February 21, 2013, read second time, ordered engrossed.  
February 22, 2013, engrossed.  
February 25, 2013, read third time; recommitted to Committee of One, amended, passed.  
Yeas 60, nays 33.  
February 26, 2013, re-engrossed.

### SENATE ACTION

February 27, 2013, read first time and referred to Committee on Local Government.  
April 4, 2013, amended, reported favorably — Do Pass.

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ordinance or other requirement after February 28, 2013, and before July 1, 2015, that would require a builder or remodeler to be licensed, certified, permitted, registered, or listed by the political subdivision as a condition to the builder or remodeler constructing or remodeling a residential dwelling. Provides that a political subdivision is not prohibited from licensing, permitting, or registering specific trades or issuing permits and approvals that regulate the use, planning, and development of property. Urges the legislative council to assign the topic of regulation of residential leases by political subdivisions to a study committee during the 2013 legislative interim.

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April 5, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1313

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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 36-1-20-4 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 MARCH 1, 2013 (RETROACTIVE)]: **Sec. 4. (a) As used in this**  
4 **section, "regulation" refers to an ordinance, rule, or other**  
5 **enactment by a political subdivision relating to any of the**  
6 **following:**  
7 (1) **Landlord and tenant relations.**  
8 (2) **Rental agreements.**  
9 (3) **Real property subject to a rental agreement.**  
10 (b) **A regulation that does any of the following may not be**  
11 **adopted after February 28, 2013:**  
12 (1) **Requires an owner or landlord to be licensed or to obtain**  
13 **a permit from the political subdivision to lease a rental unit.**  
14 (2) **Requires an owner or landlord to enroll or participate in**  
15 **a class or government program as a condition for leasing a**  
16 **rental unit.**  
17 (3) **Imposes or increases a fee or other assessment for any of**

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1 the following:

2 (A) Inspection of a rental unit.

3 (B) Registration of an owner, landlord, or rental unit.

4 (C) Any other purpose related to the purposes listed in  
5 subsection (a).

6 (c) This chapter does not prohibit a political subdivision from:

7 (1) establishing a rental unit inspection program; or

8 (2) imposing or increasing a fee relating to the construction of  
9 a rental unit, such as a building permit fee.

10 (d) This section expires July 1, 2014.

11 SECTION 2. [EFFECTIVE JULY 1, 2013] (a) As used in this  
12 SECTION, "legislative council" refers to the legislative council  
13 established by IC 2-5-1.1-1.

14 (b) As used in this SECTION, "study committee" means either  
15 of the following:

16 (1) A statutory committee established under IC 2-5.

17 (2) An interim study committee.

18 (c) The legislative council is urged to assign the topic of  
19 regulation of residential leases by political subdivisions to a study  
20 committee during the 2013 legislative interim.

21 (d) If the topic described in subsection (c) is assigned to a study  
22 committee, the study committee shall issue a final report to the  
23 legislative council containing the study committee's findings and  
24 recommendations, including any recommended legislation  
25 concerning the topic, in an electronic format under IC 5-14-6 not  
26 later than November 1, 2013.

27 (e) This SECTION expires December 31, 2013.

28 SECTION 3. [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]

29 (a) As used in this SECTION, "builder" means a person engaged  
30 in constructing new homes.

31 (b) As used in this SECTION, "person" means an individual,  
32 firm, limited liability company, corporation, association, or other  
33 legal entity.

34 (c) As used in this SECTION, "remodeler" means a person  
35 engaged in altering, repairing, restoring, maintaining, or modifying  
36 an existing residential dwelling.

37 (d) As used in this SECTION, "residential dwelling" means a  
38 building or part of a building occupied by or intended for the  
39 occupancy of one (1) or more individuals. The term does not  
40 include a residential dwelling that is owned by the political  
41 subdivision.

42 (e) After February 28, 2013, a political subdivision may not

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1 adopt an ordinance, rule, policy, or other requirement providing  
 2 that a builder or remodeler must be licensed, certified, permitted,  
 3 registered, or listed by the political subdivision as a condition to the  
 4 builder or remodeler:  
 5 (1) constructing a new residential dwelling; or  
 6 (2) remodeling an existing residential dwelling.  
 7 (f) This SECTION does not do any of the following:  
 8 (1) Void an ordinance, rule, policy, or other requirement of a  
 9 political subdivision adopted before March 1, 2013.  
 10 (2) Prohibit a political subdivision from doing any of the  
 11 following:  
 12 (A) Requiring a person who engages in a specific building  
 13 or construction trade, including an electrician, a plumber,  
 14 a tile layer, a landscaper, or a practitioner of another  
 15 specific trade, to be licensed, permitted, registered, or  
 16 listed by the political subdivision before engaging in the  
 17 specific building or construction trade.  
 18 (B) Issuing building permits, septic system permits,  
 19 certificates of appropriateness, zoning approvals, plat  
 20 approvals, and other permits and approvals that regulate  
 21 the use, planning, and development of property.  
 22 (g) This SECTION expires July 1, 2015.  
 23 SECTION 4. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1313, 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, begin a new paragraph and insert:

"SECTION 1. IC 36-1-20-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]: **Sec. 4. (a) As used in this section, "regulation" refers to an ordinance, rule, or other enactment by a political subdivision.**

**(b) A regulation that does any of the following may not be adopted after February 28, 2013:**

- (1) Requires an owner or landlord to be licensed or to obtain a permit from the political subdivision to lease a rental unit.**
- (2) Requires an owner or landlord to enroll or participate in a class or government program as a condition for leasing a rental unit.**
- (3) Imposes a fee or other assessment for any of the following:**
  - (A) Inspection of a rental unit.**
  - (B) Registration of an owner, landlord, or rental unit.**
  - (C) Any other purpose. However, this clause does not prohibit imposition of a fee relating to the construction of a rental unit, such as a building permit fee.**

**(c) This section expires July 1, 2014.**

SECTION 2. [EFFECTIVE JULY 1, 2013] **(a) As used in this SECTION, "legislative council" refers to the legislative council established by IC 2-5-1.1-1.**

**(b) As used in this SECTION, "study committee" means either of the following:**

- (1) A statutory committee established under IC 2-5.**
- (2) An interim study committee.**

**(c) The legislative council is urged to assign the topic of regulation of residential leases by political subdivisions to a study committee during the 2013 legislative interim.**

**(d) If the topic described in subsection (c) is assigned to a study committee, the study committee shall issue a final report to the legislative council containing the study committee's findings and recommendations, including any recommended legislation concerning the topic, in an electronic format under IC 5-14-6 not later than November 1, 2013.**

**(e) This SECTION expires December 31, 2013.**

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**SECTION 3. An emergency is declared for this act."**

Delete page 2.

and when so amended that said bill do pass.

(Reference is to HB 1313 as introduced.)

MAHAN, Chair

Committee Vote: yeas 12, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1313 be recommitted to a Committee of One, its author, with specific instructions to amend as follows:

Page 1, line 5, delete "." and insert "**relating to any of the following:**

- (1) Landlord and tenant relations.**
- (2) Rental agreements.**
- (3) Real property subject to a rental agreement."**

(Reference is to HB 1313 as printed February 19, 2013.)

SPEEDY

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COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred House Bill 1313, begs leave to report that said bill has been amended as directed.

SPEEDY

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## COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred House Bill No. 1313, 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:

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

"SECTION 1. IC 36-1-20-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]: **Sec. 4. (a) As used in this section, "regulation" refers to an ordinance, rule, or other enactment by a political subdivision relating to any of the following:**

- (1) Landlord and tenant relations.
- (2) Rental agreements.
- (3) Real property subject to a rental agreement.

**(b) A regulation that does any of the following may not be adopted after February 28, 2013:**

- (1) Requires an owner or landlord to be licensed or to obtain a permit from the political subdivision to lease a rental unit.
- (2) Requires an owner or landlord to enroll or participate in a class or government program as a condition for leasing a rental unit.
- (3) Imposes or increases a fee or other assessment for any of the following:

- (A) Inspection of a rental unit.
- (B) Registration of an owner, landlord, or rental unit.
- (C) Any other purpose related to the purposes listed in subsection (a).

**(c) This chapter does not prohibit a political subdivision from:**

- (1) establishing a rental unit inspection program; or
- (2) imposing or increasing a fee relating to the construction of a rental unit, such as a building permit fee.

**(d) This section expires July 1, 2014."**

Page 2, delete lines 1 through 6.

Page 2, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE MARCH 1, 2013 (RETROACTIVE)]

**(a) As used in this SECTION, "builder" means a person engaged in constructing new homes.**

**(b) As used in this SECTION, "person" means an individual, firm, limited liability company, corporation, association, or other legal entity.**

**(c) As used in this SECTION, "remodeler" means a person**



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engaged in altering, repairing, restoring, maintaining, or modifying an existing residential dwelling.

(d) As used in this SECTION, "residential dwelling" means a building or part of a building occupied by or intended for the occupancy of one (1) or more individuals. The term does not include a residential dwelling that is owned by the political subdivision.

(e) After February 28, 2013, a political subdivision may not adopt an ordinance, rule, policy, or other requirement providing that a builder or remodeler must be licensed, certified, permitted, registered, or listed by the political subdivision as a condition to the builder or remodeler:

- (1) constructing a new residential dwelling; or
- (2) remodeling an existing residential dwelling.

(f) This SECTION does not do any of the following:

- (1) Void an ordinance, rule, policy, or other requirement of a political subdivision adopted before March 1, 2013.
- (2) Prohibit a political subdivision from doing any of the following:

(A) Requiring a person who engages in a specific building or construction trade, including an electrician, a plumber, a tile layer, a landscaper, or a practitioner of another specific trade, to be licensed, permitted, registered, or listed by the political subdivision before engaging in the specific building or construction trade.

(B) Issuing building permits, septic system permits, certificates of appropriateness, zoning approvals, plat approvals, and other permits and approvals that regulate the use, planning, and development of property.

(g) This SECTION expires July 1, 2015."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1313 as reprinted February 26, 2013.)

HEAD, Chairperson

Committee Vote: Yeas 5, Nays 3.

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