April 9, 2013

ENGROSSED
SENATE BILL No. 279

DIGEST OF SB 279 (Updated April 8, 2013 4:19 pm - DI 107)

Citations Affected: IC 32-29.

Synopsis: Nonnamed parties in foreclosure actions. Eliminates a provision under which certain omitted parties (parties who have an interest in the property subject to a mortgage foreclosure action but who are not named in the foreclosure action) are bound by the court's judgment in the foreclosure action as if they had been parties to the foreclosure action. Limits the post-sale redemption rights of certain omitted parties.

Effective: July 1, 2013.

Zakas, Lanane, Tallian, Steele
(HOUSE SPONSOR — STEUERWALD)

January 8, 2013, read first time and referred to Committee on Civil Law.
February 12, 2013, reported favorably — Do Pass.
February 18, 2013, read second time, amended, ordered engrossed.
February 19, 2013, engrossed. Read third time, passed. Yeas 48, nays 1.
HOUSE ACTION
February 26, 2013, read first time and referred to Committee on Judiciary.
April 9, 2013, reported — Do Pass.

C o p y

April 9, 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.

C o p y

ENGROSSED
SENATE BILL No. 279

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

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

SECTION 1. IC 32-29-8-2, AS AMENDED BY P.L.130-2012, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. A person who

~~(1)~~ is assigned a mortgage and fails to have the assignment properly placed on the mortgage record ~~or~~

~~(2) has an interest described in section 1 of this chapter and is not made a party to the foreclosure action as required by section 1 of this chapter;~~

is bound by the court's judgment or decree as if the person were a party to the suit.

SECTION 2. IC 32-29-8-3, AS AMENDED BY P.L.130-2012, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 3. A person who:

(1) purchases a mortgaged premises or any part of a mortgaged premises under the court's judgment or decree at a judicial sale or who claims title to the mortgaged premises under the judgment or decree; and

(2) buys the mortgaged premises or any part of the mortgaged premises without actual notice of

~~(A)~~ an assignment that is not of record; ~~or~~

~~(B) the transfer of a note, the holder of which is not a party to the action;~~

holds the premises free and discharged of the lien. ~~However, any assignee or transferee may redeem the premises, like any other creditor, during the period of one (1) year after the sale or during another period ordered by the court in an action brought under section 4 of this chapter, but not exceeding ninety (90) days after the date of the court's decree in the action.~~

C o p y

COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Senate Bill No. 279, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 279 as introduced.)

ZAKAS, Chairperson

Committee Vote: Yeas 9, Nays 0.

SENATE MOTION

Madam President: I move that Senate Bill 279 be amended to read as follows:

Page 2, delete lines 12 through 42.
Delete page 3.
Page 4 delete lines 1 through 29.
Renumber all SECTIONS consecutively.

(Reference is to SB 279 as printed February 13, 2013.)

ZAKAS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 279, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

STEUERWALD, Chair

Committee Vote: yeas 9, nays 0.

C o p y