

March 1, 2022

ENGROSSED HOUSE BILL No. 1048

DIGEST OF HB 1048 (Updated February 28, 2022 2:39 pm - DI 120)

Citations Affected: IC 32-29.

Synopsis: Sheriff's sale in mortgage foreclosure action. Allows the sheriff to conduct a public auction electronically. Prohibits certain persons and entities from purchasing a tract at a sheriff's sale. Requires each person bidding at a sheriff's sale to sign a statement containing a notice of the law and certain affirmations. Raises the amount that a sheriff can charge for administrative fees from \$200 to \$300. Makes a conforming amendment. Makes a technical correction.

Effective: July 1, 2022.

Eberhart, Gore, Engleman, Moed

(SENATE SPONSORS — MISHLER, NIEZGODSKI, BECKER, RANDOLPH LONNIE M)

January 4, 2022, read first time and referred to Committee on Local Government.
January 20, 2022, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
January 24, 2022, amended, reported — Do Pass.
January 26, 2022, read second time, ordered engrossed. Engrossed. Re-read second time, amended, ordered engrossed.
January 27, 2022, re-engrossed. Read third time, passed. Yeas 87, nays 3.

SENATE ACTION

February 7, 2022, read first time and referred to Committee on Local Government. February 14, 2022, amended, reported favorably — Do Pass; reassigned to Committee on Tax and Fiscal Policy.
February 22, 2022, reported favorably — Do Pass.
February 28, 2022, read second time, amended, ordered engrossed.



Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1048

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

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

1	SECTION 1. IC 32-29-7-3, AS AMENDED BY THE TECHNICAL
2	CORRECTIONS BILL OF THE 2022 GENERAL ASSEMBLY, IS
3	AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:
4	Sec. 3. (a) In a proceeding for the foreclosure of a mortgage executed
5	on real estate, process may not issue for the execution of a judgment or
6	decree of sale for a period of three (3) months after the filing of a
7	complaint in the proceeding. However:
8	(1) the period is:
9	(A) twelve (12) months in a proceeding for the foreclosure of
10	a mortgage executed before January 1, 1958; and
11	(B) six (6) months in a proceeding for the foreclosure of a
12	mortgage executed after December 31, 1957, but before July
13	1, 1975; and
14	(2) if the court finds under IC 32-30-10.6 that the mortgaged real
15	estate has been abandoned, a judgment or decree of sale may be
16	executed on the date the judgment of foreclosure or decree of sale
17	is entered, regardless of the date the mortgage is executed.



1	(b) A judgment and decree in a proceeding to foreclose a mortgage
2	that is entered by a court having jurisdiction may be filed with the clerk
3	in any county as provided in IC 33-32-3-2. After the period set forth in
4	subsection (a) expires, a person who may enforce the judgment and
5	decree may file a praecipe with the clerk in any county where the
6	judgment and decree is filed, and the clerk shall promptly issue and
7	certify to the sheriff of that county a copy of the judgment and decree
8	under the seal of the court. However, if:
9	(1) a praecipe is not filed with the clerk within one hundred eighty
10	(180) days after the later of the dates on which:
11	(A) the period specified in subsection (a) expires; or
12	(B) the judgment and decree is filed; and
13	(2) the sale is not:
14	(A) otherwise prohibited by law;
15	(B) subject to a voluntary statewide foreclosure moratorium;
16	or
17	(C) subject to a written agreement that:
18	(i) provides for a delay in the sale of the mortgaged real
19	estate; and
20	(ii) is executed by and between the owner of the mortgaged
21	real estate and a party entitled to enforce the judgment and
22	decree;
23	an enforcement authority that has issued an abatement order under
24	IC 36-7-36-9 with respect to the mortgaged real estate may file a
25	praecipe with the clerk in any county where the judgment and decree
26	is filed. If an enforcement authority files a praecipe under this
27	subsection, the clerk of the county in which the praecipe is filed shall
28	promptly issue and certify to the sheriff of that county a copy of the
29	judgment and decree under the seal of the court.
30	(c) Upon receiving a certified judgment under subsection (b), the
31	sheriff shall, subject to section 4 of this chapter, sell the mortgaged
32	premises or as much of the mortgaged premises as necessary to satisfy
33	the judgment, interest, and costs. The sale may be conducted
34	electronically under subsection (d), at public auction at the office of
35	the sheriff, or at another location that is reasonably likely to attract
36	higher competitive bids. The sheriff shall schedule the date and time of
37	the sheriff's sale for:
38	(1) a date not later than:
39	(A) sixty (60) days after the date on which a judgment and
40	decree under IC 32-30-10.6-5; and
41	(B) one hundred twenty (120) days after the date on which a
42	judgment and decree in all other cases;
	, ,



1	under seal of the court is certified to the sheriff by the clerk; and
2	(2) a time certain between the hours of 10 a.m. and 4 p.m. on any
3	day of the week except Sunday.
4	(d) The county sheriff may conduct the public auction required
5	under subsection (c) electronically. The electronic sale must
6	comply with the other requirements in this section. If the public
7	auction is conducted electronically, the county sheriff may receive
8	electronic payments and establish procedures necessary to secure
9	the payments by the time of the sale. The auction provider may not
10	add an additional cost for conducting the sale electronically.
11	(d) (e) Before selling mortgaged property, the sheriff must advertise
12	the sale by publication once each week for three (3) successive weeks:
13	(1) with each publication of notice in a daily or weekly newspaper
14	of general circulation in at least one (1) newspaper published and
15	circulated in each county where the real estate is situated; or
16	(2) with the first publication of notice in a newspaper described
17	in subdivision (1) and the two (2) subsequent publications of
18	notice:
19	(A) in accordance with IC 5-3-5; and
20	(B) on the official web site of each county where the real
21	estate is located.
22	The first publication shall be made at least thirty (30) days before the
23	date of sale. At the time of placing the first advertisement by
24	publication, the sheriff shall also serve a copy of the written or printed
25	notice of sale upon each owner of the real estate. Service of the written
26	notice shall be made as provided in the Indiana Rules of Trial
27	Procedure governing service of process upon a person.
28	(e) (f) The sheriff shall charge a fee of ten dollars (\$10) to one (1)
29	owner and three dollars (\$3) to each additional owner for service of
30	written notice under this subsection (d). (e). The fee is:
31	(1) a cost of the proceeding;
32	(2) to be collected as other costs of the proceeding are collected;
33	and
34	(3) to be deposited in the county general fund for appropriation
35	for operating expenses of the sheriff's department.
36	(f) (g) The sheriff also shall post written or printed notices of the
37	sale at the door of the courthouse of each county in which the real
38	estate is located.
39	(g) (h) If the sheriff is unable to procure the publication of a notice

within the county, the sheriff may dispense with publication. The

sheriff shall state that the sheriff was not able to procure the

publication and explain the reason why publication was not possible.



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1	(h) (i) Notices under subsections (d), (e), (f), (g), and (j) (k) must
2	contain a statement, for informational purposes only, of the location of
3	each property by street address, if any, or other common description of
4	the property other than legal description. A misstatement in the
5	informational statement under this subsection does not invalidate an
6	otherwise valid sale.
7	(i) (j) The sheriff may charge an administrative fee of not more than
8	two three hundred dollars (\$200) (\$300) with respect to a proceeding
9	referred to in subsection (b) for actual costs directly attributable to the
10	administration of the sale under subsection (c). The fee is:
11	(1) payable by the person seeking to enforce the judgment and
12	decree; and
13	(2) due at the time of filing of the praccipe;
14	under subsection (b).
15	(i) (k) If a sale of mortgaged property scheduled under this section
16	is canceled, the sheriff shall provide written notice of the cancellation
17	to each owner of the real estate. Service of the written notice shall be
18	made as provided in the Indiana Rules of Trial Procedure governing
19	service of process upon a person. The sheriff shall charge a fee of ten
20	dollars (\$10) for notice to one (1) owner and three dollars (\$3) for
21	notice to each additional owner for service of written notice under this
22	subsection. The fee:
23	(1) is a cost of the proceeding;
24	(2) shall be collected as other costs of the proceeding are
25	collected; and
26	(3) shall be deposited in the county general fund for appropriation
27	for operating expenses of the sheriff's department.
28	The fee for service under this subsection shall be paid by the person
29	who caused the sale to be canceled.
30	SECTION 2. IC 32-29-7-4.5 IS ADDED TO THE INDIANA CODE
31	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
32	1, 2022]: Sec. 4.5. (a) This section does not apply to a party
33	foreclosing on a mortgage executed on a tract offered for sale
34	under this chapter.
35	(b) This section applies to the following:
36	(1) A person who:
37	(A) owns a fee interest, a life estate interest, or the
38	equitable interest of a contract purchaser in an unsafe
39	building or unsafe premises; and
40	(B) is subject to an order issued under IC 36-7-9-5(a)(2),

IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5)

regarding which the conditions set forth in



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IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(A) owns a fee interest, a life estate interest, or the

equitable interest of a contract purchaser in an unsafe

(2) A person who:

ed under IC 36-7-9-5(a), under IC 36-7-9-5(a)(2), (4), or IC 36-7-9-5(a)(5), ditions set forth in 6-7-9-10(b)(4) exist. in a court action brought C 36-7-9-20, IC 36-7-9-21, a judgment in favor of the nat caused the action to be llowing relationships to a or legal entity described in
(4), or IC 36-7-9-5(a)(5), ditions set forth in 6-7-9-10(b)(4) exist. in a court action brought C 36-7-9-20, IC 36-7-9-21, a judgment in favor of the nat caused the action to be llowing relationships to a
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llowing relationships to a
or legal entity described in
ity company.
ajority stockholder of a
lirects the activities or has
gal entity other than a
a prior tax sale;
l property listed under
st, a life estate interest, or
purchaser in a vacant or
enforcement order under
, or IC 36-7-9, or a court
person described in this
of any personal property



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1	taxes; or
2	(B) is subject to an existing personal property tax
3	judgment;
4	under IC 6-1.1-22-9.
5	(c) A person subject to this section may not bid on or purchase
6	a tract offered for sale under section 4 of this chapter.
7	(d) A business entity may not bid on or purchase a tract offered
8	for sale under section 4 of this chapter if:
9	(1) a person subject to this section:
10	(A) formed the business entity;
11	(B) joined with another person or party to form the
12	business entity; or
13	(C) joined the business entity as a proprietor, incorporator,
14	partner, shareholder, director, employee, or member; or
15	(2) a person subject to this section:
16	(A) becomes an agent, employee, or board member of the
17	business entity; or
18	(B) is not an attorney at law and represents the business
19	entity in a legal matter.
20	SECTION 3. IC 32-29-7-4.6 IS ADDED TO THE INDIANA CODE
21	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
22	1, 2022]: Sec. 4.6. The sheriff shall require each person who will be
23	bidding at the sheriff's sale to sign a statement in a form
24	substantially similar to the following:
25	"Indiana law prohibits a person who owes delinquent taxes,
26	special assessments, penalties, interest, or costs directly
27	attributable to real property under IC 6-1.1 from bidding on
28	or purchasing property at a sheriff's sale. I hereby affirm
29	under the penalties for perjury that I am not prohibited from
30	bidding under IC 32-29-7-4.5 and that I do not owe delinquent
31	taxes, special assessments, penalties, interest, costs directly
32	attributable to real property under IC 6-1.1, amounts from a
33	final adjudication in favor of a political subdivision, any civil
34	penalties imposed for the violation of a building code or
35	county ordinance, or any civil penalties imposed by a county
36	health department. I also affirm that I am not purchasing
37	property on behalf of or as an agent for a person who is
38	prohibited from bidding under IC 32-29-7-4.5. I further
39	acknowledge that a person who knowingly or intentionally
40	provides false information on this affidavit commits perjury,
41	a Level 6 felony."
42	SECTION 4. IC 32-29-7-4.7 IS ADDED TO THE INDIANA CODE



1	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2	1, 2022]: Sec. 4.7. (a) This section does not apply to a party
3	foreclosing on a mortgage executed on a tract offered for sale
4	under this chapter.
5	(b) As used in this section, "foreign business association" means
6	a corporation, professional corporation, nonprofit corporation,
7	limited liability company, partnership, or limited partnership that
8	is organized under the laws of another state or country.
9	(c) A foreign business association that:
10	(1) has not obtained a certificate of authority from, or
11	registered with, the secretary of state in accordance with the
12	procedures described in IC 23, as applicable; or
13	(2) has obtained a certificate of authority from, or registered
14	with, the secretary of state in accordance with the procedures
15	described in IC 23, as applicable, but is not in good standing
16	in Indiana as determined by the secretary of state;
17	may not purchase a tract offered for sale under section 4 of this
18	chapter.
19	SECTION 5. IC 32-29-8-4, AS AMENDED BY P.L.13-2013,
20	SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21	JULY 1, 2022]: Sec. 4. (a) As used in this section, "interested person",
22	with respect to an action to foreclose a mortgage on an interest in real
23	property in Indiana, means:
24	(1) the holder of the evidence of debt secured by the mortgage
25	being foreclosed;
26	(2) a person:
27	(A) who purchases the property at a judicial sale after a
28	judgment and decree of sale is entered in the action; and
29	(B) to whom a deed is executed and delivered by the sheriff
30	under IC 32-29-7-10; or
31	(3) any person claiming by, through, or under a person described
32	in subdivision (1) or (2).
33	(b) As used in this section, "omitted party", with respect to an action
34	to foreclose a mortgage on an interest in real property in Indiana,
35	means a person who:
36	(1) before the commencement of the action has acquired in the
37	property an interest that:
38	(A) is junior or subordinate to the mortgage being foreclosed;
39	and
40	(B) would otherwise be extinguished by the foreclosure; and
41	(2) is either:
42	(A) not named as a party defendant in the action or, if named



1	as a party defendant, is not served with process; or
2	(B) not served with a notice of sale under IC 32-29-7-3(d)
3	IC 32-29-7-3(e) after a judgment and decree of sale is entered
4	in the action.
5	The term includes any person claiming by, through, or under a person
6	described in this subsection.
7	(c) At any time after a judgment and decree of sale is entered in an
8	action to foreclose a mortgage on an interest in real property in Indiana,
9	an interested person or an omitted party may bring a civil action to:
10	(1) determine the extent of; and
11	(2) terminate;
12	the interest of an omitted party in the property subject to the sale.
13	(d) Except as provided in subsection (e) and subject to subsections
14	(f) and (g), upon the filing of an action described in subsection (c), the
15	court shall determine the extent of the omitted party's interest in the
16	property and issue a decree terminating that interest, subject to the right
17	of the omitted party to redeem the property on terms as the court
18	considers equitable under the circumstances after considering the
19	factors set forth in subsection (f), if the omitted party would have had
20	redemption rights:
21	(1) before the sale under IC 32-29-7-7; or
22	(2) after the sale, as described in IC 34-55-4-8(a)(2).
23	(e) If the omitted party proves that the omitted party has a right to
24	receive proceeds actually paid at the judicial sale, the omitted party's
25	interest in the property is not subject to termination by an action
26	brought under this section unless the proceeds that the omitted party
27	would have received at the judicial sale are paid to the omitted party.
28	(f) In an action brought under this section, if the court determines
29	that the omitted party is entitled to redemption under subsection (d),
30	the court shall consider the following in deciding the terms of the
31	redemption:
32	(1) Whether the omitted party:
33	(A) was given or had actual notice or knowledge of the
34	foreclosure; and
35	(B) had opportunity to intervene in the foreclosure action or
36	otherwise exercise any right to redeem the property.
37	(2) Whether any interested person in good faith has made
38	valuable improvements to the property and, if so, the value of all
39	lasting improvements made to the property before the
40	commencement of the action under this section.
41	(3) The amount of any taxes and assessments, along with any

related interest payments, related to the property and paid by an



1	interested person or by any person under whose title to the
2	property an interested person claims.
3	(g) If the court determines that the omitted party is entitled to
4	redemption under subsection (d), and after considering the factors set
5	forth in subsection (f), the court shall grant redemption rights to the
6	omitted party that the court considers equitable under the
7	circumstances, subject to the following:
8	(1) The amount to be paid for redemption may not be less than the
9	sale price resulting from the foreclosure of the interested person's
10	senior lien, plus interest at the statutory judgment rate.
11	(2) The time allowed for payment of the redemption amount may
12	not exceed ninety (90) days after the date of the court's decree
13	under subsection (d).
14	(h) The senior lien upon which the foreclosure action was based is
15	not extinguished by merger with the title to the property conveyed to
16	a purchaser through a sheriff's deed executed and delivered under
17	IC 32-29-7-10 until the interest of any omitted party has been
18	terminated:
19	(1) through an action brought under this section; or
	(1) through an action brought under this section; or(2) by operation of law.
19 20 21	•
19 20 21 22	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed
19 20 21 22 23	(2) by operation of law. Until an omitted party's interest is terminated as described in this
19 20 21 22 23 24	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the
19 20 21 22 23 24 25	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all
19 20 21 22 23 24 25 26	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the
19 20 21 22 23 24 25 26 27	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's
19 20 21 22 23 24 25 26 27 28	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale.
19 20 21 22 23 24 25 26 27 28 29	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's
19 20 21 22 23 24 25 26 27 28 29 30	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except
19 20 21 22 23 24 25 26 27 28 29 30 31	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's rights under this section may not be denied because the interested person:
19 20 21 22 23 24 25 26 27 28 29 30 31 32	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's rights under this section may not be denied because the interested person: (1) had actual or constructive notice of the omitted party's interest
19 20 21 22 23 24 25 26 27 28 29 30 31 32 33	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's rights under this section may not be denied because the interested person: (1) had actual or constructive notice of the omitted party's interest in the property;
19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's rights under this section may not be denied because the interested person: (1) had actual or constructive notice of the omitted party's interest in the property; (2) was negligent in examining county records;
19 20 21 22 23 24 25 26 27 28 29 30 31 32 33	(2) by operation of law. Until an omitted party's interest is terminated as described in this subsection, any owner of the property as a holder of a sheriff's deed executed and delivered under IC 32-29-7-10, or any person claiming by, through, or under such an owner, is the equitable owner of the senior lien upon which the foreclosure action was based and has all rights against an omitted party as existed before the judicial sale. (i) An interested person may not terminate an omitted party's interest in real property that is the subject of a foreclosure action except through an action brought under this section. An interested person's rights under this section may not be denied because the interested person: (1) had actual or constructive notice of the omitted party's interest in the property;



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policy.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1048, 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.

(Reference is to HB 1048 as introduced.)

MAY

Committee Vote: Yeas 10, Nays 1

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1048, 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 4, line 8, delete "five" and insert "three".

Page 4, line 8, after "hundred" insert "fifty".

Page 4, line 8, delete "(\$500)" and insert "(\$350)".

and when so amended that said bill do pass.

(Reference is to HB 1048 as printed January 20, 2022.)

BROWN T

Committee Vote: yeas 14, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1048 be returned to the second reading calendar forthwith for the purpose of amendment.

EBERHART



HOUSE MOTION

Mr. Speaker: I move that House Bill 1048 be amended to read as follows:

Page 4, between lines 30 and 31, begin a new paragraph and insert: "SECTION 2. IC 32-29-7-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 4.5. (a) This section applies to the following:**

(1) A person who:

- (A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and
- (B) is subject to an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5) regarding which the conditions set forth in IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(2) A person who:

- (A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and
- (B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.
- (3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.
- (4) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivision (1), (2), (3), or (5):
 - (A) A partner of a partnership.
 - (B) A member of a limited liability company.
 - (C) An officer, director, or majority stockholder of a corporation.
 - (D) The person who controls or directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.
- (5) A person who owes:



- (A) delinquent taxes;
- (B) special assessments;
- (C) penalties;
- (D) interest; or
- (E) costs directly attributable to a prior tax sale;
- on a tract or an item of real property listed under IC 6-1.1-24-1.
- (6) A person who owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in a vacant or abandoned structure subject to an enforcement order under IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9, or a court order under IC 36-7-37.
- (7) A person who is an agent of a person described in this subsection.
- (8) A person who:
 - (A) is delinquent in the payment of any personal property taxes; or
 - (B) is subject to an existing personal property tax judgment;

under IC 6-1.1-22-9.

- (b) A person subject to this section may not bid on or purchase a tract offered for sale under section 4 of this chapter.
- (c) A business entity may not bid on or purchase a tract offered for sale under section 4 of this chapter if:
 - (1) a person subject to this section:
 - (A) formed the business entity;
 - (B) joined with another person or party to form the business entity; or
 - (C) joined the business entity as a proprietor, incorporator, partner, shareholder, director, employee, or member; or
 - (2) a person subject to this section:
 - (A) becomes an agent, employee, or board member of the business entity; or
 - (B) is not an attorney at law and represents the business entity in a legal matter.

SECTION 3. IC 32-29-7-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4.7. (a) As used in this section, "foreign business association" means a corporation, professional corporation, nonprofit corporation, limited liability company, partnership, or limited partnership that is organized under the laws of another state or country.



- (b) A foreign business association that:
 - (1) has not obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or
 - (2) has obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable, but is not in good standing in Indiana as determined by the secretary of state;

may not purchase a tract offered for sale under section 4 of this chapter.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1048 as printed January 24, 2022.)

MOED

COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred House Bill No. 1048, 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 4, line 8, delete "fifty".

Page 4, line 8, delete "(\$350)" and insert "(\$300)".

Page 4, line 33, after "(a)" insert "This section does not apply to a party foreclosing on a mortgage executed on a tract offered for sale under this chapter.

(b)".

Page 6, line 3, delete "(b)" and insert "(c)".

Page 6, line 5, delete "(c)" and insert "(d)".

Page 6, between lines 17 and 18, begin a new paragraph and insert:

- "(e) If a person purchases real property that the person was not eligible to purchase under this section, the sale of the real property is rendered null and void if the following occurs:
 - (1) A person who is:
 - (A) a political subdivision in which the tract of real property is located;
 - (B) a person who bid on the tract of real property; or
 - (C) an owner of real property that is contiguous to the tract of real property;

files a petition with the court having jurisdiction in the county where the tract of real property is located not later than



forty-five (45) business days after the date of the sale.

- (2) Notice of the petition filing is given to each owner of the tract of real property and any person holding a substantial interest of record in the tract of real property by certified mail, return receipt requested.
- (3) The court holds a hearing on the petition not later than thirty (30) days following the date that notice is sent under subdivision (2).
- (4) The court finds that the purchaser was ineligible. If the court finds that the purchaser was ineligible, the court shall issue an order that does the following:
 - (A) Declares the purchaser ineligible at the time of sale.
 - (B) Orders the tract of real property eligible for sale again at sheriff's sale.
 - (C) Orders a refund to the purchaser of the amount paid by the purchaser for the tract of real property. However any administrative fees related to the sale or compensation for improvements made by the purchaser to the property are nonrefundable.
- (f) If a petition is not filed within forty-five (45) business days after the date of the sale as provided in subsection (e)(1), the person is considered to be an eligible purchaser for the sale of that tract of real property."

and when so amended that said bill do pass and be reassigned to the Senate Committee on Tax and Fiscal Policy.

(Reference is to HB 1048 as reprinted January 27, 2022.)

BUCK, Chairperson

Committee Vote: Yeas 10, Nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill No. 1048, 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 to EHB 1048 as printed February 15, 2022.)



Committee Vote: Yeas 13, Nays 0

SENATE MOTION

Madam President: I move that Engrossed House Bill 1048 be amended to read as follows:

Page 3, line 9, delete "in a timely fashion." and insert "by the time of the sale.".

Page 6, delete lines 20 through 42.

Page 7, delete lines 1 through 11.

Page 7, between lines 11 and 12, begin a new paragraph and insert: "SECTION 3. IC 32-29-7-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4.6. The sheriff shall require each person who will be bidding at the sheriff's sale to sign a statement in a form substantially similar to the following:

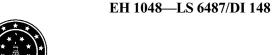
"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to real property under IC 6-1.1 from bidding on or purchasing property at a sheriff's sale. I hereby affirm under the penalties for perjury that I am not prohibited from bidding under IC 32-29-7-4.5 and that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to real property under IC 6-1.1, amounts from a final adjudication in favor of a political subdivision, any civil penalties imposed for the violation of a building code or county ordinance, or any civil penalties imposed by a county health department. I also affirm that I am not purchasing property on behalf of or as an agent for a person who is prohibited from bidding under IC 32-29-7-4.5. I further acknowledge that a person who knowingly or intentionally provides false information on this affidavit commits perjury, a Level 6 felony."".

Page 7, line 14, after "(a)" insert "This section does not apply to a party foreclosing on a mortgage executed on a tract offered for sale under this chapter.

(b)".

Page 7, line 19, delete "(b)" and insert "(c)".

Renumber all SECTIONS consecutively.





(Reference is to EHB 1048 as printed February 23, 2022.)

MISHLER

