



January 23, 2024

HOUSE BILL No. 1320

DIGEST OF HB 1320 (Updated January 23, 2024 8:57 am - DI 140)

Citations Affected: IC 36-7.

Synopsis: Unsafe building law. Defines, for purposes of the unsafe building law, a "building or structure". Increases from \$10,000 to \$25,000 the estimated cost of work required by an order of a unit's enforcement authority which the unit's enforcement authority may perform using its own workers and equipment.

Effective: July 1, 2024.

Zimmerman, Meltzer

January 10, 2024, read first time and referred to Committee on Local Government.
January 23, 2024, reported — Do Pass.

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January 23, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

HOUSE BILL No. 1320

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 36-7-9-2, AS AMENDED BY P.L.66-2014,
2 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 2. As used in this chapter:

4 **"Building or structure" means anything:**

5 **(1) constructed or erected with a roof supported by columns**
6 **or walls;**

7 **(2) to serve as a shelter or enclosure; or**

8 **(3) the use of which requires location on or attachment to the**
9 **ground.**

10 **The term includes a manufactured home (as defined in**
11 **IC 22-12-1-16) and a mobile home (as defined in IC 16-41-27-4).**

12 "Community organization" means a citizen's group, neighborhood
13 association, neighborhood development corporation, or similar
14 organization that:

15 (1) has specific geographic boundaries defined in its bylaws or
16 articles of incorporation and contains at least forty (40)
17 households within those boundaries;

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- 1 (2) is a nonprofit corporation that is representative of at least
 2 twenty-five (25) households or twenty percent (20%) of the
 3 households in the community, whichever is less;
 4 (3) is operated primarily for the promotion of social welfare and
 5 general neighborhood improvement and enhancement;
 6 (4) has been incorporated for at least two (2) years; and
 7 (5) is exempt from taxation under Section 501(c)(3) or 501(c)(4)
 8 of the Internal Revenue Code.
- 9 "Continuous enforcement order" means an order that:
 10 (1) is issued for compliance or abatement and that remains in full
 11 force and effect on a property without further requirements to
 12 seek additional:
 13 (A) compliance and abatement authority; or
 14 (B) orders for the same or similar violations;
 15 (2) authorizes specific ongoing compliance and enforcement
 16 activities if a property requires reinspection or additional periodic
 17 abatement;
 18 (3) can be enforced, including assessment of fees and costs,
 19 without the need for additional notice or hearing; and
 20 (4) authorizes the enforcement authority to assess and collect
 21 ongoing costs for continuous enforcement order activities from
 22 any party that is subject to the enforcement authority's order.
- 23 "Department" refers to the executive department authorized by
 24 ordinance to administer this chapter. In a consolidated city, this
 25 department is the department of code enforcement subject to
 26 IC 36-3-4-23.
- 27 "Enforcement authority" refers to the chief administrative officer of
 28 the department, except in a consolidated city. In a consolidated city, the
 29 division of development services is the enforcement authority, subject
 30 to IC 36-3-4-23.
- 31 "Hearing authority" refers to a person or persons designated as such
 32 by the executive of a city or county, or by the legislative body of a
 33 town. However, in a consolidated city, the director of the department
 34 or a person designated by the director is the hearing authority. An
 35 employee of the enforcement authority may not be designated as the
 36 hearing authority.
- 37 "Known or recorded fee interest, life estate interest, or equitable
 38 interest of a contract purchaser" means any fee interest, life estate
 39 interest, or equitable interest of a contract purchaser held by a person
 40 whose identity and address may be determined from:
 41 (1) an instrument recorded in the recorder's office of the county
 42 where the unsafe premises is located;



1 (2) written information or actual knowledge received by the
 2 department (or, in the case of a consolidated city, the enforcement
 3 authority); or

4 (3) a review of department (or, in the case of a consolidated city,
 5 the enforcement authority) records that is sufficient to identify
 6 information that is reasonably ascertainable.

7 "Known or recorded substantial property interest" means any right
 8 in real property, including a fee interest, a life estate interest, a future
 9 interest, a mortgage interest, a lien as evidenced by a certificate of sale
 10 issued under IC 6-1.1-24, or an equitable interest of a contract
 11 purchaser, that:

12 (1) may be affected in a substantial way by actions authorized by
 13 this chapter; and

14 (2) is held by a person whose identity and address may be
 15 determined from:

16 (A) an instrument recorded in:

17 (i) the recorder's office of the county where the unsafe
 18 premises is located; or

19 (ii) the office of the county auditor of the county where the
 20 unsafe premises are located in the case of a lien evidenced
 21 by a certificate of sale issued under IC 6-1.1-24;

22 (B) written information or actual knowledge received by the
 23 department (or, in the case of a consolidated city, the
 24 enforcement authority); or

25 (C) a review of department (or, in the case of a consolidated
 26 city, the enforcement authority) records that is sufficient to
 27 identify information that is reasonably ascertainable.

28 "Substantial property interest" means any right in real property that
 29 may be affected in a substantial way by actions authorized by this
 30 chapter, including a fee interest, a life estate interest, a future interest,
 31 a mortgage interest, or an equitable interest of a contract purchaser.

32 SECTION 2. IC 36-7-9-11, AS AMENDED BY P.L.169-2006,
 33 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2024]: Sec. 11. (a) The work required by an order of the
 35 enforcement authority may be performed in the following manner:

36 (1) If the work is being performed under an order other than an
 37 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and
 38 if the cost of this work is estimated to be less than ~~ten thousand~~
 39 ~~dollars (\$10,000)~~, **twenty-five thousand dollars (\$25,000)**, the
 40 department, acting through the unit's enforcement authority or
 41 other agent, may perform the work by means of the unit's own
 42 workers and equipment owned or leased by the unit. Notice that



1 this work is to be performed must be given to all persons with a
 2 known or recorded substantial property interest, in the manner
 3 prescribed in subsection (c), at least ten (10) days before the date
 4 of performance of the work by the enforcement authority. This
 5 notice must include a statement that an amount representing a
 6 reasonable estimate of the cost incurred by the enforcement
 7 authority in processing the matter and performing the work may,
 8 if not paid, be recorded after a hearing as a lien against all persons
 9 having a fee interest, life estate interest, or equitable interest of a
 10 contract purchaser in the unsafe premises.

11 (2) If the work is being performed under an order other than an
 12 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and
 13 if the estimated cost of this work is ~~ten thousand dollars (\$10,000)~~
 14 **twenty-five thousand dollars (\$25,000)** or more, this work must
 15 be let at public bid to a contractor licensed and qualified under
 16 law. The obligation to pay costs imposed by section 12 of this
 17 chapter is based on the condition of the unsafe premises at the
 18 time the public bid was accepted. Changes occurring in the
 19 condition of the unsafe premises after the public bid was accepted
 20 do not eliminate or diminish this obligation.

21 (3) If the work is being performed under an order issued under
 22 section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, the work may
 23 be performed by a contractor who has been awarded a base bid
 24 contract to perform the work for the enforcement authority, or by
 25 the department, acting through the unit's enforcement authority or
 26 other governmental agency and using the unit's own workers and
 27 equipment owned or leased by the unit. Work performed under an
 28 order issued under section 5(a)(2), 5(a)(3), or 5(a)(4) of this
 29 chapter may be performed without further notice to the persons
 30 holding a fee interest, life estate interest, or equitable interest of
 31 a contract purchaser, and these persons are liable for the costs
 32 incurred by the enforcement authority in processing the matter
 33 and performing the work, as provided by section 12 of this
 34 chapter.

35 (b) Bids may be solicited and accepted for work on more than one
 36 (1) property if the bid reflects an allocation of the bid amount among
 37 the various unsafe premises in proportion to the work to be
 38 accomplished. The part of the bid amount attributable to each of the
 39 unsafe premises constitutes the basis for calculating the part of the
 40 costs described by section 12(a)(1) of this chapter.

41 (c) All persons who have a known or recorded substantial property
 42 interest in the unsafe premises and are subject to an order other than an



1 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter must be
2 notified about the public bid in the manner prescribed by section 25 of
3 this chapter, by means of a written statement including:

- 4 (1) the name of the person to whom the order was issued;
5 (2) a legal description or address of the unsafe premises that are
6 the subject of the order;
7 (3) a statement that a contract is to be let at public bid to a
8 licensed contractor to accomplish work to comply with the order;
9 (4) a description of work to be accomplished;
10 (5) a statement that both the bid price of the licensed contractor
11 who accomplishes the work and an amount representing a
12 reasonable estimate of the cost incurred by the enforcement
13 authority in processing the matter of the unsafe premises may, if
14 not paid, be recorded after a hearing as a lien against all persons
15 having a fee interest, life estate interest, or equitable interest of a
16 contract purchaser in the unsafe premises;
17 (6) the time of the bid opening;
18 (7) the place of the bid opening; and
19 (8) the name, address, and telephone number of the enforcement
20 authority.

21 (d) If the notice of the statement that public bids are to be let is
22 served by publication, the publication must include the information
23 required by subsection (c), except that it need only include a general
24 description of the work to be accomplished. The publication must also
25 state that a copy of the statement of public bid may be obtained from
26 the enforcement authority.

27 (e) Notice of the statement that public bids are to be let must be
28 given, at least ten (10) days before the date of the public bid, to all
29 persons who have a known or recorded substantial property interest in
30 the property and are subject to an order other than an order under
31 section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter.

32 (f) If action is being taken under this section on the basis of an order
33 that was served by publication, it is sufficient to serve the statement
34 that public bids are to be let by publication, unless the enforcement
35 authority has received information in writing that enables the unit to
36 make service under section 25 of this chapter by a method other than
37 publication.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1320, 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 1320 as introduced.)

MAY

Committee Vote: Yeas 11, Nays 0

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