

HOUSE BILL No. 1541

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-31-1-20; IC 32-31-8.5.

Synopsis: Landlord-tenant relations. Prohibits a unit of local government from regulating certain aspects of the landlord-tenant relationship with respect to privately owned real property, unless the regulation is authorized by an act of the general assembly. Prohibits landlords from committing retaliatory acts against tenants engaged in protected activities. Prohibits a unit of local government from adopting or enforcing any ordinance or regulation regarding retaliatory acts by landlords.

Effective: Upon passage.

Manning

January 14, 2021, read first time and referred to Committee on Judiciary.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1541

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 32-31-1-20, AS AMENDED BY P.L.266-2017,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 20. (a) Subject to IC 36-1-3-8.5, this section
4 does not apply to privately owned real property for which government
5 funds or benefits have been allocated from the United States
6 government, the state, or a political subdivision for the express purpose
7 of providing reduced rents to low or moderate income tenants.

8 (b) A unit (as defined in IC 36-1-2-23) may not regulate rental rates
9 for privately owned real property, through a zoning ordinance or
10 otherwise, unless the regulation is authorized by an act of the general
11 assembly.

12 (c) **A unit (as defined in IC 36-1-2-23) may not regulate, through**
13 **an ordinance or otherwise, any of the following aspects of a**
14 **landlord-tenant relationship with respect to privately owned real**
15 **property located in the unit unless the regulation is authorized by**
16 **an act of the general assembly:**

17 (1) **The screening process used by a landlord in approving**



1 tenants to lease privately owned real property.

2 (2) Security deposits.

3 (3) Lease applications.

4 (4) Leasing terms and conditions.

5 (5) Disclosures concerning the:

6 (A) property;

7 (B) lease; or

8 (C) rights and responsibilities of the parties;
9 involved in a landlord-tenant relationship.

10 (6) The rights of the parties to a lease.

11 (7) Any fees charged by a landlord.

12 Any ordinance or regulation that violates this subsection is void
13 and unenforceable.

14 SECTION 2. IC 32-31-8.5 IS ADDED TO THE INDIANA CODE
15 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
16 UPON PASSAGE]:

17 **Chapter 8.5. Retaliatory Acts by Landlords**

18 **Sec. 1. The definitions in IC 32-31-3 apply throughout this
19 chapter.**

20 **Sec. 2. As used in this chapter, "protected activity" means any
21 of the following actions taken by a tenant:**

22 (1) Complaining to a governmental entity responsible for
23 enforcing an applicable building or housing code about a
24 violation with respect to the rental premises that materially
25 affects health or safety.

26 (2) Complaining to a landlord in writing concerning the
27 landlord's violation of IC 32-31-5-6 or IC 32-31-8-5.

28 (3) Bringing an action against the landlord under IC 32-31-6
29 or IC 32-31-8.

30 (4) Organizing or becoming a member of a tenant's
31 organization.

32 (5) Testifying in a court proceeding or an administrative
33 hearing against the landlord.

34 **Sec. 3. As used in this chapter, "rental premises" has the
35 meaning set forth in IC 32-31-7-3.**

36 **Sec. 4. As used in this chapter, "retaliatory act" means any of
37 the following actions taken by a landlord in response to a tenant's
38 engaging in a protected activity:**

39 (1) Increasing the amount of the tenant's rent.

40 (2) Decreasing, terminating, or interfering with services
41 provided to the rental premises.

42 (3) Bringing or threatening to bring an action for possession



1 of the rental premises.

2 **(4) Bringing or threatening to bring an action to:**

3 **(A) evict the tenant from the rental premises; or**

4 **(B) otherwise terminate the tenant's rental agreement**
 5 **before the expiration of the term of the rental agreement.**

6 **Sec. 5. (a) Subject to subsection (b), and except as provided in**
 7 **subsection (c), a landlord may not engage in a retaliatory act in**
 8 **response to a tenant's engaging in one (1) or more protected**
 9 **activities.**

10 **(b) Subsection (a) does not prohibit a landlord from doing any**
 11 **of the following:**

12 **(1) Declining to renew a rental agreement at the conclusion of**
 13 **the term of the rental agreement.**

14 **(2) Increasing a tenant's rent to that which is charged for**
 15 **comparable market rentals, regardless of whether the**
 16 **increase is effective:**

17 **(A) at the conclusion of the term of the rental agreement;**
 18 **or**

19 **(B) if provided for in the rental agreement, during the term**
 20 **of the rental agreement.**

21 **(3) Subject to applicable law, decreasing or terminating one**
 22 **(1) or more services provided to the rental premises, if those**
 23 **services are decreased or terminated to all tenants on an equal**
 24 **basis.**

25 **(c) A landlord may bring an action described in section 4(3) or**
 26 **4(4) of this chapter (including as a petition for an emergency**
 27 **possessory order under IC 32-31-6) under the following**
 28 **circumstances, or as otherwise authorized by law:**

29 **(1) A violation described in section 2(1) of this chapter is**
 30 **caused primarily by the intentional or negligent acts of, or a**
 31 **lack of reasonable care by:**

32 **(A) the tenant;**

33 **(B) an authorized occupant of the rental premises; or**

34 **(C) a guest or invitee of the tenant.**

35 **(2) The tenant is in default with respect to rent due and has**
 36 **failed to cure the default within the time set forth in:**

37 **(A) IC 32-31-1-6; or**

38 **(B) the rental agreement.**

39 **(3) Compliance with an applicable building or housing code**
 40 **requires alteration, remodeling, or demolition of the rental**
 41 **premises, such that the tenant would be effectively deprived**
 42 **of use of the rental premises.**



- 1 **(4) The tenant is in noncompliance with a provision of the**
- 2 **rental agreement, and the noncompliance materially affects**
- 3 **the health or safety of the tenant or others.**
- 4 **(5) The tenant's rental agreement is for a definite term, and**
- 5 **the tenant holds over after expiration of the term.**
- 6 **(6) The landlord's action for possession of the rental premises**
- 7 **is made:**
- 8 **(A) in good faith; and**
- 9 **(B) before the tenant engages in a protected activity.**
- 10 **(7) The landlord seeks in good faith to take possession of the**
- 11 **rental premises at the end of the term of the tenant's rental**
- 12 **agreement in order to:**
- 13 **(A) use the rental premises as the landlord's own abode;**
- 14 **(B) alter, remodel, or demolish the rental premises in a**
- 15 **manner that requires the complete displacement of the**
- 16 **tenant's household; or**
- 17 **(C) terminate for a period of at least six (6) months the use**
- 18 **of the property as a rental unit.**
- 19 **Sec. 6. A unit (as defined in IC 36-1-2-23) may not adopt or**
- 20 **enforce any:**
- 21 **(1) ordinance; or**
- 22 **(2) regulation;**
- 23 **concerning retaliatory acts by landlords. Any ordinance or**
- 24 **regulation that violates this subsection is void and unenforceable.**
- 25 **SECTION 3. An emergency is declared for this act.**

