

## SENATE BILL No. 558

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 32-31; IC 36-1-24; IC 36-7-2-11.

**Synopsis:** Leases and sales of real property. Amends the statute concerning landlord and tenant relations to provide that a unit may not regulate rental rates for privately owned real property, through a zoning ordinance or otherwise, unless the regulation is authorized by an act of the general assembly. (Current law provides that regulation of rental rates for such property must be authorized by an act of the general assembly.) Prohibits a political subdivision from imposing certain penalties against a tenant, an owner, or a landlord for a contact made to request law enforcement or other emergency assistance for one or more rental units if: (1) the contact is made by or on behalf of: (A) a victim or potential victim of abuse; (B) a victim or potential victim of a crime; or (C) an individual in an emergency; and (2) certain conditions apply. Specifies that a political subdivision is not prohibited from adopting an ordinance, a rule, or a regulation to impose a penalty for a request for law enforcement or other emergency assistance if the request is not made by or on behalf of: (1) a victim or potential victim of abuse; (2) a victim or potential victim of a crime; or (3) an individual in an emergency. Provides that if a political subdivision: (1) imposes a penalty under any such authorized ordinance, rule, or regulation; and (2) the prohibited request for law enforcement is made by a tenant in a rental unit; the penalty imposed must be assessed against the tenant and not against the landlord or owner of the rental unit. Provides that the residential landlord-tenant statute does not prohibit an owner or a landlord from refusing to rent a rental unit on the basis of a reasonable occupancy standard established by the owner or landlord. Provides that an occupancy standard that limits occupancy  
(Continued next page)

**Effective:** January 1, 2017 (retroactive); July 1, 2017.

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## Holdman

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January 18, 2017, read first time and referred to Committee on Civil Law.

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Digest Continued

to not more than: (1) two individuals per bedroom; plus (2) one infant who is less than 12 months of age; is considered reasonable. Prohibits a county or municipality from: (1) establishing the sales or lease price for real property or requiring that real property be designated for sale or lease to any particular class or group of residents, occupants, or owners; or (2) adopting or enforcing any: (A) land use regulation; (B) general or specific planning provision; or (C) condition of approval; that has the same effect. Voids any: (1) land use regulation; (2) general or specific planning provision; or (3) condition of approval; that is adopted by a county or municipality after December 31, 2016, and that violates these provisions.



Introduced

First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

## SENATE BILL No. 558

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

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

12 SECTION 2. IC 32-31-1-22 IS ADDED TO THE INDIANA CODE  
13 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2017]: **Sec. 22. (a) The definitions in IC 32-31-3 apply throughout**  
15 **this section.**

2017

IN 558—LS 7531/DI 101



1 (b) As used in this section, "penalty" refers to any of the  
2 following:

3 (1) The assessment of a penalty, fine, or fee.

4 (2) Actual or threatened eviction from a rental unit, or the  
5 causing of an actual or threatened eviction from a rental unit.

6 (c) As used in this section, "political subdivision" has the  
7 meaning set forth in IC 36-1-2-13.

8 (d) Except as provided in subsection (e), a political subdivision  
9 may not adopt or enforce any ordinance, rule, or regulation that  
10 imposes a penalty, or allows for the imposition of a penalty, against  
11 a tenant, an owner, or a landlord for a contact made to request law  
12 enforcement assistance or other emergency assistance for one (1)  
13 or more rental units if:

14 (1) the contact is made by or on behalf of:

15 (A) a victim or potential victim of abuse;

16 (B) a victim or potential victim of a crime; or

17 (C) an individual in an emergency; and

18 (2) either of the following applies:

19 (A) At the time the contact is made, the person making the  
20 contact reasonably believes that law enforcement  
21 assistance or other emergency assistance is necessary to  
22 prevent the perpetration or escalation of abuse, a crime, or  
23 an emergency.

24 (B) If abuse, a crime, or an emergency occurs, the law  
25 enforcement assistance or other emergency assistance was  
26 needed.

27 (e) Subject to subsection (f), this section does not prohibit a  
28 political subdivision from adopting or enforcing an ordinance, a  
29 rule, or a regulation that imposes a penalty for a contact that:

30 (1) is made to request law enforcement assistance or other  
31 emergency assistance; and

32 (2) is not made by or on behalf of:

33 (A) a victim or potential victim of abuse;

34 (B) a victim or potential victim of a crime; or

35 (C) an individual in an emergency.

36 (f) If a political subdivision:

37 (1) imposes a penalty under an ordinance, a rule, or a  
38 regulation authorized by subsection (e); and

39 (2) the prohibited contact to request law enforcement  
40 assistance or other emergency assistance is made by a tenant  
41 in a rental unit;

42 the penalty imposed must be assessed against the tenant of the



1 **rental unit and not against the landlord or owner of the rental unit.**

2 SECTION 3. IC 32-31-8-7 IS ADDED TO THE INDIANA CODE  
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
4 1, 2017]: **Sec. 7. (a) The residential landlord-tenant statute (as  
5 defined in IC 32-31-2.9-2) does not prohibit an owner or a landlord  
6 from refusing to rent a rental unit on the basis of a reasonable  
7 occupancy standard established by the owner or landlord.**

8 **(b) An occupancy standard that limits occupancy of a rental  
9 unit to include not more than:**

10 **(1) two (2) individuals per bedroom; plus**

11 **(2) one (1) infant who is less than twelve (12) months of age;  
12 is considered reasonable for purposes of this section.**

13 SECTION 4. IC 36-1-24 IS ADDED TO THE INDIANA CODE AS  
14 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
15 JANUARY 1, 2017 (RETROACTIVE)]:

16 **Chapter 24. Sales or Leases of Real Property; Prohibited  
17 Regulations**

18 **Sec. 1. Except as provided in section 2 of this chapter and  
19 subject to section 3 of this chapter, a county or municipality:**

20 **(1) may not:**

- 21 **(A) establish the sales or lease price for real property; or**  
22 **(B) require that real property be designated for sale or  
23 lease to any particular class or group of residents,  
24 occupants, or owners; and**

25 **(2) may not:**

- 26 **(A) adopt or enforce any land use regulation or general or  
27 specific planning provision; or**  
28 **(B) impose as a condition for approving a building or use  
29 permit a requirement or fee;**

30 **that has the effect of establishing the sales or lease price for  
31 real property or of requiring that real property be designated  
32 for sale or lease to any particular class or group of residents,  
33 occupants, or owners.**

34 **Sec. 2. This chapter does not abrogate or limit the authority of  
35 a county or municipality to adopt or enforce any:**

- 36 **(1) land use regulation;**  
37 **(2) general or specific planning provision; or**  
38 **(3) condition of approval;**

39 **that creates or implements an incentive, a density bonus, or  
40 another voluntary provision or condition designed to increase the  
41 supply of moderate or lower cost housing.**

42 **Sec. 3. Any:**



1           **(1) land use regulation;**  
2           **(2) general or specific planning provision; or**  
3           **(3) condition of approval;**  
4           **that is adopted by a county or municipality after December 31,**  
5           **2016, and that violates section 1 of this chapter is void.**  
6           SECTION 5. IC 36-7-2-11 IS ADDED TO THE INDIANA CODE  
7           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
8           JANUARY 1, 2017 (RETROACTIVE)]: **Sec. 11. Any:**  
9           **(1) land use regulation;**  
10          **(2) general or specific planning provision; or**  
11          **(3) condition of approval;**  
12          **that is adopted by a county or municipality after December 31,**  
13          **2016, and that violates IC 36-1-24-1 is void.**  
14          SECTION 6. An emergency is declared for this act.

