

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 ENROLLED ACT No. 1387

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AN ACT to amend the Indiana Code concerning state and local administration.

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

SECTION 1. IC 5-1.2-15.5-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 4.5. As used in this chapter, "political subdivision" has the meaning set forth in IC 5-1.2-2-57.**

SECTION 2. IC 5-1.2-15.5-10, AS ADDED BY P.L.204-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 10. Loans from the fund must be allocated and made available to participants as follows:

- (1) Seventy percent (70%) of the money in the fund must be used for housing infrastructure ~~in municipalities~~ **benefitting political subdivisions** with a population of less than fifty thousand (50,000).
- (2) Thirty percent (30%) of the money in the fund must be used for housing infrastructure in all other political subdivisions not described in subdivision (1).

SECTION 3. IC 5-1.2-15.5-14, AS ADDED BY P.L.204-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 14. (a) The authority shall develop and use a priority ranking system in making loans from the fund.

(b) The ranking system must prioritize making loans for eligible projects to participants that:

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- (1) have:
- (A) invested in a housing study within the last five (5) years;
  - (B) had a housing study performed by a region's local economic development organization; or
  - (C) demonstrated the need for housing inventory as indicated by the Indiana state housing dashboard;
- (2) have voluntarily revised unified development ordinances, zoning regulations, or other land development rules to allow for:
- (A) higher density development;
  - (B) construction of other housing types including accessory dwelling units and manufactured and modular housing;
  - (C) adaptive reuse of commercial buildings for residential use;
- or
- (D) waiver or elimination of regulations such as requirements for:
    - (i) garage size and placement;
    - (ii) steeper roof pitch;
    - (iii) minimum lot size and square footage;
    - (iv) greater setbacks;
    - (v) off-street parking; or
    - (vi) design standards that restrict or prohibit the use of code compliant products;
- (3) do not have impact fee ordinances;
- (4) have secured private, local, state, or federal funds to contribute to the eligible project;
- (5) have secured a letter of support from an employer stipulating that the public infrastructure will support residential housing that is in reasonable proximity to employment; or
- (6) assist
- ~~(A)~~ homeowners to age in place through restoration or renovation of existing homes. ~~or~~
  - ~~(B)~~ communities in preparing for shovel ready housing.

SECTION 4. IC 36-7-11.9-3, AS AMENDED BY P.L.131-2008, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 3. ~~(a)~~ "Economic development facilities" includes land; interests in land; site improvements; infrastructure improvements; buildings; structures; rehabilitation, renovation, and enlargement of buildings and structures; economic improvement projects under IC 36-7-22; machinery; equipment; and furnishings for the following:

- (1) Facilities for manufacturing, warehousing, distribution, or processing of tangible or intangible property.
- (2) Facilities for commercial, business, health care, or recreational

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activities (whether for profit or not-for-profit), except for any of the following:

- (A) Private or commercial golf course.
- (B) Country club.
- (C) Massage parlor.
- (D) Tennis club.
- (E) Skating facility (including roller skating, skateboarding, or ice skating).
- (F) Racquet sports facility (including any handball or racquetball court).
- (G) Hot tub facility.
- (H) Suntan facility.
- (I) Racetrack.
- (J) Airplane.
- (K) Skybox or other private luxury box.
- (L) Health club.
- (M) Any facility primarily used for gambling.
- (N) Any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

**(3) Facilities for housing under either or both of the following statutes:**

- (A) IC 36-7-14-52.**
- (B) IC 36-7-14-56.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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