
SENATE BILL No. 277

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-30-5-1; IC 32-31.

Synopsis: Residential landlord-tenant matters. Provides that the court may appoint a receiver upon request by a county, city, or town when the property owner of a multifamily residential property with more than four dwelling units has failed to pay damages, costs, or attorney's fees that have been incurred by the multifamily residential property in a nuisance action brought by the county, city, or town. Allows a city, county, or town to bring a nuisance action against a tenant or other person responsible for a nuisance. Defines "essential services" as certain services needed for the safe and habitable occupation by a tenant of the tenant's rental unit. Defines "essential systems" as certain systems used to deliver essential services to a rental unit. Requires a landlord to provide and maintain a rental premises that is free from the following: (1) Pests, including rodents and invasive insects. (2) Mold. (3) Rot. Sets forth a procedure for a tenant to use to initiate a request for repairs. Requires a landlord to repair or replace an essential system not later than 72 hours after being notified by a tenant that the tenant's rental unit is without essential services under certain circumstances. Allows for certain remedies to the tenant for the landlord's noncompliance, including a procedure for the deposit of rent that is due with the clerk of the court if the landlord fails or refuses to make repairs or take remedial action. Provides that, during the pendency of a court action brought by a tenant, the court may order the tenant to make the regular rental payments otherwise due under the rental agreement to the clerk of the court or an attorney trust account, to be held in trust for disbursement to the prevailing party, as ordered by the court. Provides that a landlord may apply for release of rent deposits.

(Continued next page)

Effective: July 1, 2024.

Walker G

January 16, 2024, read first time and referred to Committee on Local Government.



Digest Continued

Provides that, after June 30, 2024, a landlord may not manage a rental property in Indiana unless the landlord: (1) is authorized to do business in Indiana; (2) maintains an office at one or more physical locations in Indiana; or (3) appoints an Indiana licensed real estate broker or broker company to manage the rental property. Makes conforming changes.



Introduced

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.

SENATE BILL No. 277



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 32-30-5-1, AS AMENDED BY P.L.5-2023,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 1. (a) As used in this section, "utility" means a
4 utility, however organized, that:
5 (1) provides electric, gas, water, or wastewater retail utility
6 service to customers in Indiana; or
7 (2) is owned, operated, or held in trust by a consolidated city.
8 (b) A receiver may be appointed by the court in the following cases:
9 (1) In an action by a vendor to vacate a fraudulent purchase of
10 property or by a creditor to subject any property or fund to the
11 creditor's claim.
12 (2) In actions between partners or persons jointly interested in any
13 property or fund.
14 (3) In all actions when it is shown that the property, fund or rent,
15 and profits in controversy are in danger of being lost, removed, or



- 1 materially injured.
- 2 (4) In actions in which a mortgagee seeks to foreclose a mortgage.
- 3 However, upon motion by the mortgagee, the court shall appoint
- 4 a receiver if, at the time the motion is filed, the property is not
- 5 occupied by the owner as the owner's principal residence and:
- 6 (A) it appears that the property is in danger of being lost,
- 7 removed, or materially injured;
- 8 (B) it appears that the property may not be sufficient to
- 9 discharge the mortgaged debt;
- 10 (C) either the mortgagor or the owner of the property has
- 11 agreed in the mortgage or in some other writing to the
- 12 appointment of a receiver;
- 13 (D) a person not personally liable for the debt secured by the
- 14 mortgage has, or is entitled to, possession of all or a portion of
- 15 the property;
- 16 (E) the owner of the property is not personally liable for the
- 17 debt secured by the mortgage; or
- 18 (F) all or any portion of the property is being, or is intended to
- 19 be, leased for any purpose.
- 20 (5) When a corporation, professional corporation, nonprofit
- 21 corporation, limited liability company, partnership, or another
- 22 legal entity described in IC 23:
- 23 (A) has been dissolved;
- 24 (B) is insolvent;
- 25 (C) is in imminent danger of insolvency; or
- 26 (D) has forfeited its corporate rights.
- 27 (6) To protect or preserve, during the time allowed for
- 28 redemption, any real estate or interest in real estate sold on
- 29 execution or order of sale, and to secure rents and profits to the
- 30 person entitled to the rents and profits.
- 31 (7) Upon request by a utility providing utility service to a
- 32 multifamily residential property with more than four (4) dwelling
- 33 units when the property owner has failed to pay:
- 34 (A) invoiced utility bills for a period greater than ninety (90)
- 35 days from the due date of the initial outstanding invoice; or
- 36 (B) amounts due under a curative payment plan for a period of
- 37 at least sixty (60) days from the initial due date prescribed
- 38 under the payment plan;
- 39 notwithstanding any other right the utility has to secure payment.
- 40 **(8) Upon request by a county, city, or town when the property**
- 41 **owner of a multifamily residential property with more than**
- 42 **four (4) dwelling units has failed to pay:**



1 **(A) damages;**
 2 **(B) costs; or**
 3 **(C) attorney's fees**
 4 **that the multifamily residential property has incurred in a**
 5 **nuisance action brought under IC 32-30-6-7 by the county,**
 6 **city, or town.**
 7 ~~(8)~~ **(9)** In other cases as may be provided by law or where, in the
 8 discretion of the court, it may be necessary to secure ample justice
 9 to the parties.
 10 SECTION 2. IC 32-31-1-22, AS AMENDED BY P.L.86-2018,
 11 SECTION 227, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2024]: Sec. 22. (a) The definitions in
 13 IC 32-31-3 apply throughout this section.
 14 (b) As used in this section, "penalty" refers to any of the following:
 15 (1) The assessment of a penalty, fine, or fee.
 16 (2) Actual or threatened eviction from a rental unit, or the causing
 17 of an actual or threatened eviction from a rental unit.
 18 (c) As used in this section, "political subdivision" has the meaning
 19 set forth in IC 36-1-2-13.
 20 (d) Except as provided in subsection (e), a political subdivision may
 21 not adopt or enforce any ordinance, rule, or regulation that imposes a
 22 penalty, or allows for the imposition of a penalty, against a tenant, an
 23 owner, or a landlord for a contact made to request law enforcement
 24 assistance or other emergency assistance for one (1) or more rental
 25 units if:
 26 (1) the contact is made by or on behalf of:
 27 (A) a victim or potential victim of abuse;
 28 (B) a victim or potential victim of a crime; or
 29 (C) an individual in an emergency; and
 30 (2) either of the following applies:
 31 (A) At the time the contact is made, the person making the
 32 contact reasonably believes that law enforcement assistance or
 33 other emergency assistance is necessary to prevent the
 34 perpetration or escalation of abuse, a crime, or an emergency.
 35 (B) If abuse, a crime, or an emergency occurs, the law
 36 enforcement assistance or other emergency assistance was
 37 needed.
 38 (e) Subject to subsections (f) and (g), this section does not prohibit
 39 a political subdivision from adopting or enforcing an ordinance, a rule,
 40 or a regulation that imposes a penalty for a contact that:
 41 (1) is made to request law enforcement assistance or other
 42 emergency assistance; and



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

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

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

4 (C) an individual in an emergency.

5 (f) If:

6 (1) a political subdivision imposes a penalty under an ordinance,
7 a rule, or a regulation authorized by subsection (e); and

8 (2) the prohibited contact to request law enforcement assistance
9 or other emergency assistance is made by a tenant in a rental unit;
10 the penalty imposed must be assessed against the tenant of the rental
11 unit and not against the landlord or owner of the rental unit.

12 (g) Any penalty that is assessed under an ordinance, a rule, or a
13 regulation authorized by subsection (e) may not exceed two hundred
14 fifty dollars (\$250).

15 (h) Nothing in this section shall be construed to prevent a housing
16 authority established under IC 36-7-18 from enforcing rights or
17 remedies established by contract or federal law against a landlord or
18 owner of a rental unit.

19 (i) Nothing in this section shall be construed to prevent an attorney
20 representing a city, county, or town from:

21 (1) bringing a nuisance action described under IC 32-30-6-7(b)
22 against a landlord, **tenant**, or owner of a rental unit, **or other**
23 **person responsible for the nuisance; or**

24 (2) **recovering damages, fees, and costs that are permitted**
25 **under IC 32-30-6-7 and IC 32-30-6-8.**

26 SECTION 3. IC 32-31-8-5 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 5. (a) **As used in this**
28 **section, "essential services" means:**

29 (1) **electricity;**

30 (2) **gas;**

31 (3) **heat;**

32 (4) **water; or**

33 (5) **doors and windows that lock securely;**

34 **needed for the safe and habitable occupation by a tenant of the**
35 **tenant's rental unit.**

36 (b) **As used in this section, "essential system" means a system,**
37 **or one (1) or more parts or components of a system, that is:**

38 (1) **used for; or**

39 (2) **necessary to;**

40 **the delivery of one (1) or more essential services to a rental unit.**

41 (c) A landlord shall do the following:

42 (1) Deliver the rental premises to a tenant in compliance with the



1 rental agreement, and in a safe, clean, and habitable condition.

2 (2) Comply with all health and housing codes applicable to the
3 rental premises.

4 (3) Make all reasonable efforts to keep common areas of a rental
5 premises in a clean and proper condition.

6 **(4) Provide and maintain all essential systems.**

7 ~~(4)~~ **(5)** Provide and maintain the following items in a rental
8 premises in good and safe working condition, if provided on the
9 premises at the time the rental agreement is entered into:

10 (A) Electrical systems.

11 (B) Plumbing systems sufficient to accommodate a reasonable
12 supply of hot and cold running water at all times.

13 (C) Sanitary systems.

14 (D) Heating, ventilating, and air conditioning systems. A
15 heating system must be sufficient to adequately supply heat at
16 all times.

17 (E) Elevators, if provided.

18 (F) Appliances supplied as an inducement to the rental
19 agreement.

20 **(6) Provide and maintain a rental premises that is free from
21 the following:**

22 **(A) Pests, including rodents and invasive insects.**

23 **(B) Mold.**

24 **(C) Rot.**

25 **(d) Subsection (c)(4) does not:**

26 **(1) prohibit a landlord from interrupting, shutting off, or
27 terminating one (1) or more essential services to a rental unit
28 as needed:**

29 **(A) in an emergency;**

30 **(B) to make good faith repairs; or**

31 **(C) for construction; or**

32 **(2) require a landlord to pay for one (1) or more essential
33 services provided to a rental unit if the landlord has not
34 agreed to do so under the rental agreement.**

35 **(e) To initiate a request for a repair of an essential system, an
36 essential service, or a repair under subsection (c), a tenant shall use
37 the procedure set forth in this subsection. A tenant shall first make
38 a written or electronic repair request to a landlord. Upon receipt
39 of a tenant's repair request under this subsection, a landlord shall
40 provide a written or electronic acknowledgment of the request
41 within twenty-four (24) hours of the receipt of the request. A
42 tenant's written or electronic request for a repair and a landlord's**



1 written or electronic acknowledgment of a repair request may
 2 include a text message, email, certified mail, or another written
 3 communication that allows for verification of delivery.

4 (f) Subject to subsection (g), a landlord shall repair or replace
 5 an essential system not later than seventy-two (72) hours after
 6 being notified by a tenant in accordance with subsection (e) that
 7 the tenant's rental unit is without one (1) or more essential services
 8 as a result of:

9 (1) a malfunction in the essential system; or

10 (2) the landlord's failure to otherwise maintain the essential
 11 system in good and safe working condition.

12 (g) The seventy-two (72) hour period set forth in subsection (f)
 13 does not apply if:

14 (1) the tenant's rental unit is without one (1) or more essential
 15 services because of a malfunction in an essential system, and
 16 the malfunction is the direct result of the tenant's commission
 17 of waste to the essential system or the rental unit; or

18 (2) the landlord makes a good faith attempt within the
 19 seventy-two (72) hour period set forth in subsection (f) to
 20 undertake the needed repairs to, or the replacement of, an
 21 essential system through:

22 (A) the landlord's own efforts; or

23 (B) the services of:

24 (i) a contractor; or

25 (ii) an employee or agent of the landlord;

26 and the landlord or person described in clause (B) is unable to
 27 begin or complete the needed repairs or replacement within
 28 the seventy-two (72) hour period set forth in subsection (f).

29 (h) To demonstrate a good faith attempt to address a tenant's
 30 repair request under subsection (e) or for purposes of subsection
 31 (g)(2), a landlord shall provide proof of intention to repair within
 32 seventy-two (72) hours of the tenant's repair request. Proof of
 33 intention to repair may include a quote, confirmation of scheduled
 34 maintenance from a vendor, or confirmation of scheduled
 35 maintenance from the landlord if the landlord performs the repair.

36 (i) A landlord that knowingly or intentionally violates this
 37 section commits a deceptive act that is subject to the remedies and
 38 penalties under IC 24-5-0.5.

39 SECTION 4. IC 32-31-8-5.5 IS ADDED TO THE INDIANA CODE
 40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 41 1, 2024]: Sec. 5.5. (a) To use the procedure established by this
 42 section, a tenant must:



- 1 **(1) be current on rent payments and have a history of on-time**
 2 **payments on the same rental premises for the last six (6)**
 3 **months; or**
 4 **(2) have a history of on-time payments since the beginning of**
 5 **the lease if the tenant has rented for less than six (6) months.**
 6 **(b) In addition to, or instead of, bringing an action under section**
 7 **6 of this chapter, a tenant may enforce an obligation of a landlord**
 8 **under this chapter by doing the following:**
 9 **(1) Notify the landlord, in writing or electronically, after a**
 10 **seventy-two (72) hour waiting period that:**
 11 **(A) the landlord has failed to make necessary repairs**
 12 **under this chapter; and**
 13 **(B) if the landlord fails to make the necessary repairs**
 14 **before the tenant's next regular rental payment is due**
 15 **under the rental agreement, the tenant may petition the**
 16 **court to deposit rental payments with the clerk of the**
 17 **court.**
 18 **The court shall notify the landlord not later than thirty (30)**
 19 **days after the date the tenant's petition is approved or before**
 20 **the date that the next rental payment is due, whichever is**
 21 **earlier.**
 22 **(2) Subject to subsection (c), deposit all rent that is due with**
 23 **the clerk of the court having jurisdiction in the county where**
 24 **the rental premises is located if the landlord fails or refuses**
 25 **to:**
 26 **(A) make the repairs; or**
 27 **(B) take the actions necessary to remedy the condition**
 28 **described in the tenant's notice under subdivision (1);**
 29 **before the due date of the tenant's next regular rental**
 30 **payment following delivery of the notice under subdivision**
 31 **(1).**
 32 **(3) Apply to the court for an order that directs the landlord to**
 33 **remedy the condition.**
 34 **(4) Terminate the rental agreement.**
 35 **(c) A tenant may not take any action described in subsection**
 36 **(b)(2), (b)(3), or (b)(4) if the:**
 37 **(1) tenant does not satisfy the condition required by**
 38 **subsection (a);**
 39 **(2) tenant prevents the landlord from having reasonable**
 40 **access to the rental premises to make any repairs or take any**
 41 **action necessary to remedy the condition described in the**
 42 **tenant's notice before the due date of the tenant's next regular**



1 rental payment following delivery of the notice under
2 subsection (a)(1); or

3 (3) landlord:

4 (A) owns not more than four (4) single family houses at one
5 (1) time; or

6 (B) occupies one (1) of the living quarters of the rental
7 premises in a dwelling containing living quarters that are
8 intended to be occupied by not more than four (4) families
9 living independently of each other.

10 (d) A proceeding under this section does not preclude the tenant
11 or the landlord from enforcing any obligations listed in the rental
12 agreement.

13 SECTION 5. IC 32-31-8-6.5 IS ADDED TO THE INDIANA CODE
14 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2024]: Sec. 6.5. (a) This section applies to an action that is filed
16 under section 6 of this chapter after June 30, 2024.

17 (b) During the pendency of an action to which this section
18 applies, if the tenant continues to occupy the rental unit upon
19 which the action is based, the court may issue a provisional order
20 that requires the tenant to make regular rental payments otherwise
21 due to the landlord under the rental agreement to:

22 (1) the clerk of the court, who shall hold the payments in trust
23 for the parties; or

24 (2) an attorney trust account;

25 as directed by the court. The funds held by the clerk or in an
26 attorney trust account under this subsection may not be disbursed
27 unless the court issues an order for their disbursement.

28 (c) Subject to subsection (e), if the tenant is the prevailing party
29 in the action under section 6 of this chapter, the tenant is entitled
30 to a refund of payments made under an order issued by the court
31 under subsection (b). The amount of the refund:

32 (1) shall be determined by the court after taking into
33 consideration:

34 (A) the estimated cost of any repairs or other action
35 necessary to remedy the condition that was the basis of the
36 tenant's action under section 6 of this chapter;

37 (B) efforts undertaken by the landlord before or after the
38 filing of the tenant's action under section 6 of this chapter
39 to remedy the condition that was the basis of the tenant's
40 action under section 6 of this chapter; and

41 (C) any other factors that justice may require; and

42 (2) shall be disbursed to the tenant upon order of the court.



1 (d) Subject to subsection (e), if the tenant is not the prevailing
 2 party in the action under section 6 of this chapter, the tenant is not
 3 entitled to a refund of any rental payments made under an order
 4 issued by the court under subsection (b), and any amounts held in
 5 trust by the clerk of the court or in an attorney trust account shall,
 6 upon order of the court, be disbursed to the landlord and credited
 7 against the amount of the regular rental payments due to the
 8 landlord under the rental agreement during the pendency of the
 9 action.

10 (e) The court may reduce the amount to be disbursed to a
 11 landlord in an order under subsection (d), if the court determines
 12 that the landlord's failure to comply with one (1) or more of the
 13 requirements of this chapter contributed in any way to the
 14 necessity of repairs or other action needed to remedy the condition
 15 that was the basis of the tenant's action under section 6 of this
 16 chapter as justice may require.

17 SECTION 6. IC 32-31-8-8 IS ADDED TO THE INDIANA CODE
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 19 1, 2024]: **Sec. 8. (a) If rent is being deposited with the clerk of the**
 20 **court under section 5.5 or 6.5 of this chapter, the landlord may**
 21 **apply for the release of rent deposits to the:**

22 **(1) clerk of the court on the basis that the condition contained**
 23 **in the notice is remedied; or**

24 **(2) court on the basis that the:**

25 **(A) tenant:**

26 **(i) did not comply with the notice requirement in section**
 27 **5.5 of this chapter; or**

28 **(ii) was not current on rent payments under the rental**
 29 **agreement at the time the tenant initiated the rent**
 30 **deposits with the clerk of the court, as required by**
 31 **section 5.5(a) of this chapter; or**

32 **(B) landlord:**

33 **(i) did not violate an obligation under this chapter;**

34 **(ii) does not own more than four (4) single family houses**
 35 **at any one (1) time; or**

36 **(iii) occupies one (1) of the living quarters of the rental**
 37 **premises in a dwelling containing living quarters that are**
 38 **intended to be occupied by not more than four (4)**
 39 **families living independently of each other.**

40 **(b) The landlord shall name the tenant as a party to an**
 41 **application filed under this section.**

42 **(c) The court shall hold a hearing not more than sixty (60) days**



1 after the application is filed unless, for good cause shown, the court
2 continues the hearing.

3 (d) If the court continues a hearing under this section, the court
4 may, upon the landlord's request, order a release of partial rent
5 deposits for the following operating costs arising from the rental
6 premises that is the subject of a proceeding under this chapter:

- 7 (1) Mortgage payments, including periodic interest payments
- 8 on the mortgage.
- 9 (2) Insurance premiums.
- 10 (3) Real estate taxes.
- 11 (4) Utility services.
- 12 (5) Repairs.

13 (e) If the court finds in the landlord's favor after a hearing
14 under this section, the court shall order the full release of rent
15 deposits, minus costs, to the landlord.

16 (f) If the court finds after a hearing under this section that the:

- 17 (1) tenant's act or omission caused the condition; or
- 18 (2) tenant intentionally acted in bad faith;

19 the tenant is liable for damages caused to the landlord and costs,
20 including reasonable attorney's fees.

21 SECTION 7. IC 32-31-9-8, AS ADDED BY P.L.22-2007,
22 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2024]: Sec. 8. (a) A landlord may not terminate a lease, refuse
24 to renew a lease, refuse to enter into a lease, or retaliate against a tenant
25 solely because:

- 26 (1) a tenant;
 - 27 (2) an applicant; or
 - 28 (3) an individual who is a member of the tenant's or applicant's
29 household;
- 30 is a protected individual.

31 (b) A landlord may not refuse to enter into a lease with an applicant
32 or retaliate against a tenant solely because:

- 33 (1) the tenant;
- 34 (2) the applicant; or
- 35 (3) an individual who is a member of the tenant's or applicant's
36 household;

37 has terminated a rental agreement as a protected individual under
38 section 12 of this chapter.

39 (c) Except as otherwise provided in subsection (b), evidence that
40 a tenant engaged in a protected activity not more than six (6)
41 months before the landlord's alleged retaliatory conduct creates a
42 rebuttable presumption that the purpose of the landlord's conduct



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

was retaliation.

(d) A presumption does not arise under subsection (c) if the tenant engaged in a protected activity after the landlord gave the tenant notice of the landlord's intent to:

- (1) increase the rent or fees;**
- (2) decrease services, increase the tenant's obligations, impose different rules on, or selectively enforce the landlord's rules against, the tenant or the tenant's immediate family member, or otherwise materially alter the terms of the lease;**
- (3) bring an action for possession on a ground other than nonpayment of rent;**
- (4) refuse to renew a tenancy for a fixed term under a lease containing a renewal option that is exercisable by the tenant without negotiation with the landlord, for any period after the lease would otherwise terminate; or**
- (5) terminate a periodic tenancy.**

(e) A landlord may rebut a presumption under subsection (c) by a preponderance of evidence showing that the landlord:

- (1) had sufficient justification for engaging in the conduct that created the presumption; and**
- (2) would have engaged in the conduct in the same manner and at the same time whether or not the tenant engaged in a protected activity.**

SECTION 8. IC 32-31-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

Chapter 12. Landlord's Required Nexus

Sec. 1. As used in this chapter, "landlord" has the meaning set forth in IC 32-31-3-3.

Sec. 2. After June 30, 2024, a landlord may not manage a rental property in Indiana unless one (1) or more of the following apply:

- (1) The landlord is authorized to do business in Indiana.**
- (2) The landlord maintains an office at one (1) or more physical locations in Indiana.**
- (3) The landlord appoints an Indiana licensed real estate broker or broker company to manage the rental property.**

