

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7313
BILL NUMBER: SB 467

NOTE PREPARED: Jan 8, 2025
BILL AMENDED:

SUBJECT: Landlord-Tenant Matters.

FIRST AUTHOR: Sen. Niezgodski
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a landlord may not sell a residential rental property that is subject to an unexpired written lease unless the landlord gives written notice to the tenant not less than 60 days before the landlord lists the property for sale, unless certain exceptions apply. It requires a buyer of a residential rental property to honor an unexpired written lease between the previous owner and a tenant unless the buyer of the residential rental property: (1) gives to the tenant, not less than 30 days before the lease is terminated, written notice that the buyer intends to terminate the lease; and (2) pays the tenant an amount equal to one monthly rental payment plus the full security deposit.

The bill for purposes of a residential rental unit, defines: (1) "essential services" as certain utility services needed for the safe and habitable occupation by a tenant of the tenant's rental unit; and (2) "essential systems" as certain systems used to deliver essential services to a rental unit. It requires a landlord to repair or replace an essential system not later than 48 hours after being notified by a tenant that the tenant's rental unit is without essential services as a result of: (1) a malfunction in the essential system; or (2) the landlord's failure to maintain the system in good and safe working condition.

The bill provides that a tenant may enforce a statutory obligation of a landlord by: (1) providing 30 days notice to the landlord of the landlord's noncompliance with the obligation; and (2) if the landlord fails to make the repairs necessary to remedy the noncompliance, withholding from the next regular rental payment the estimated cost of the repairs and using the amount withheld to make the repairs. It provides that, during the pendency of a court action brought by a tenant to enforce a statutory obligation of a landlord, the court may order the tenant to make the regular rental payments otherwise due to the landlord under the rental agreement to: (1) the clerk of the court; or (2) an attorney trust account; to be held in trust for disbursement to the prevailing party, as ordered by the court.

Effective Date: July 1, 2025.

Explanation of State Expenditures:

Explanation of State Revenues: *Court Fee Revenue:* If additional civil cases occur and court fees are

collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Explanation of Local Expenditures: The proposed language may result in an increased administrative workload for county clerks since tenants whose claims are pending resolution may be ordered by the court to make regular rental payments to the clerk of the court, who shall hold the payments in trust for the parties.

Explanation of Local Revenues: *Court Fee Revenue:* If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

State Agencies Affected:

Local Agencies Affected: County clerks; Trial courts, city and town courts.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual.

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