



COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Judiciary, to which was referred House Bill No. 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 15, begin a new paragraph and insert:
2 "SECTION 1. IC 5-20-1-28.5 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2026]: **Sec. 28.5. (a) This section applies to a**
5 **local unit exercising planning and zoning powers under IC 36-7-4.**
6 **(b) As used in this section, "local unit" means a county, city, or**
7 **town.**
8 **(c) Beginning January 1, 2027, and January 1 of each year**
9 **thereafter, a local unit shall submit a housing progress report to:**
10 **(1) the authority; and**
11 **(2) the executive director of the legislative services agency, in**
12 **an electronic format under IC 5-14-6.**
13 **(d) The housing progress report must provide the following**
14 **information for the immediately preceding year:**
15 **(1) The total number of proposed residential housing units**
16 **submitted to the local unit.**
17 **(2) The total number of proposed residential housing units**
18 **that were approved by the local unit.**
19 **(3) The total number of proposed residential units that were**

- 1 denied by the local unit.
- 2 **(4) The total number of net new residential housing units**
- 3 **submitted to the local unit. The total number of net new**
- 4 **residential housing units is determined by subtracting the**
- 5 **number of residential housing units that the local unit lost in**
- 6 **the immediately preceding year through:**
- 7 **(A) demolition;**
- 8 **(B) conversion to non-residential use; or**
- 9 **(C) combining units;**
- 10 **from the total number of proposed residential units submitted**
- 11 **to the local unit under subdivision (1).**
- 12 **(5) The total number of new residential housing units that:**
- 13 **(A) are entitled;**
- 14 **(B) have been platted;**
- 15 **(C) have been issued a building permit; and**
- 16 **(D) have received a certificate of occupancy or completion**
- 17 **and compliance by the local unit.**
- 18 **(6) The calendar days spent by the local unit in processing**
- 19 **housing proposal applications.**
- 20 **(e) If the number of proposed residential housing units reported**
- 21 **under subsection (d)(1) does not equal the sum of the number of**
- 22 **proposed residential housing units reported under subsection (d)(2)**
- 23 **and (d)(3), information must be provided to explain the**
- 24 **discrepancy.**
- 25 SECTION 2. IC 5-20-1-29 IS ADDED TO THE INDIANA CODE
- 26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 27 1, 2026]: **Sec. 29. (a) As used in this section, "local unit" means a**
- 28 **county, city, or town.**
- 29 **(b) Beginning January 1, 2027, and January 1 of each year**
- 30 **thereafter, a local unit shall report the following information to the**
- 31 **authority and the executive director of the legislative services**
- 32 **agency, in an electronic format under IC 5-14-6, regarding the**
- 33 **status of housing in the local unit for the prior calendar year:**
- 34 **(1) The average and median home sale prices and the year**
- 35 **over year change.**
- 36 **(2) The median rent prices and year over year change.**
- 37 **(3) The number of residential dwelling units constructed and**
- 38 **occupied in total and by type.**

- 1 **(4) The percentage of new residential dwelling units**
- 2 **constructed that are listed at each of the following:**
- 3 **(A) Eighty percent (80%) or less of the local unit's median**
- 4 **income.**
- 5 **(B) Eighty-one percent (81%) to one hundred nineteen**
- 6 **percent (119%) of the local unit's median income.**
- 7 **(C) One hundred twenty percent (120%) or more of the**
- 8 **local unit's median income.**
- 9 **(5) Any provisions under IC 36-7-4-201.3, IC 36-7-4.1, or**
- 10 **IC 36-7-4.2 that the local unit opted out of by ordinance,**
- 11 **including the following:**
- 12 **(A) The date the local unit enacted the ordinance.**
- 13 **(B) The geographic scope of the opt out.**
- 14 **(C) The local unit's justification for opting out of the**
- 15 **statutory requirement.**
- 16 **(c) A local unit shall use applicable data and information from**
- 17 **the 2025 calendar year as a reference point for the information**
- 18 **required for the January 1, 2027, report under subsection (b).**
- 19 **(d) The authority must compile and publish on the authority's**
- 20 **website an annual report of the information reported by local units**
- 21 **under subsection (b) that includes at least the following:**
- 22 **(1) Regional comparisons of the information provided under**
- 23 **subsection (b).**
- 24 **(2) An evaluation of the outcomes of housing legislation**
- 25 **enacted during the 2026 legislative session.**
- 26 **SECTION 3. IC 13-14-1-19 IS ADDED TO THE INDIANA CODE**
- 27 **AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
- 28 **1, 2026]: Sec. 19. (a) Not later than December 1, 2026, the**
- 29 **department shall do the following:**
- 30 **(1) Conduct a review of the Indiana Storm Water Quality**
- 31 **Manual to determine whether:**
- 32 **(A) the recommendations in the Indiana Storm Water**
- 33 **Quality Manual are cost effective; and**
- 34 **(B) any new or revised recommendations are necessary.**
- 35 **(2) Submit a report of its findings and recommendations**
- 36 **under subdivision (1) to the legislative council in an electronic**
- 37 **format under IC 5-14-6.**
- 38 **(b) The Indiana Storm Water Quality Manual with respect to**

1 storm water management basins:

2 (1) may not require a pond bank ratio greater than three (3)
3 to one (1); and

4 (2) must require a ten (10) foot maintenance ledge or a ten
5 (10) foot safety ledge, but may not require both.

6 The department shall make changes to the Indiana Storm Water
7 Quality Manual to comply with this subsection not later than
8 December 1, 2026.

9 SECTION 4. IC 14-8-2-167.5 IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2026]: **Sec. 167.5. "Mitigation, for purposes
12 of IC 14-28-1-41, has the meaning set forth in IC 14-28-1-41.**

13 SECTION 5. IC 14-8-2-289, AS AMENDED BY P.L.35-2024,
14 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2026]: Sec. 289. "Unit of local government", for purposes of
16 IC 14-12-1, IC 14-15-14, and IC 14-22-10, and **IC 14-28-1-41**, means
17 a:

- 18 (1) county;
- 19 (2) city;
- 20 (3) town; or
- 21 (4) township;

22 located in Indiana.

23 SECTION 6. IC 14-28-1-41 IS ADDED TO THE INDIANA CODE
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
25 1, 2026]: **Sec. 41. (a) As used in this section, "mitigation" includes
26 artificial storage used to balance the loss of natural flood storage
27 capacity as a result of placing fill material within a flood plain.**

28 **(b) The state or a unit of local government may not require a
29 person who intends to fill land in a flood plain to provide
30 mitigation at a ratio greater than three (3) (mitigated land) to one
31 (1) (filled land).**

32 SECTION 7. IC 22-13-2-3.6 IS ADDED TO THE INDIANA CODE
33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
34 1, 2026]: **Sec. 3.6. (a) The following may not adopt rules requiring
35 the installation of an arc-fault circuit interrupter (AFCI) in a Class
36 2 structure or a structure classified as an R-2 building occupancy
37 classification under the Indiana building code constructed after
38 June 30, 2026:**

- 1 **(1) The commission.**
- 2 **(2) Another state agency.**
- 3 **(b) A political subdivision may not adopt an ordinance or other**
- 4 **regulation requiring the installation of an arc-fault circuit**
- 5 **interrupter (AFCI) in a Class 2 structure or a structure classified**
- 6 **as an R-2 building occupancy classification under the Indiana**
- 7 **building code constructed after June 30, 2026.**
- 8 **(c) A ordinance or other regulation adopted before July 1, 2026,**
- 9 **is void to the extent the ordinance or regulation conflicts with this**
- 10 **section.**
- 11 SECTION 8. IC 22-13-2-3.7 IS ADDED TO THE INDIANA CODE
- 12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 13 1, 2026]: **Sec. 3.7. (a) A state agency or a political subdivision (as**
- 14 **defined in IC 36-1-2-13) may not require an emergency responder**
- 15 **communications enhancement system (ERCES) or similar system**
- 16 **to be installed in:**
- 17 **(1) a new Class 1 structure constructed; or**
- 18 **(2) an existing Class 1 structure that is reconstructed,**
- 19 **remodeled, or renovated;**
- 20 **after June 30, 2026.**
- 21 **(b) An ordinance or other regulation adopted by a political**
- 22 **subdivision before July 1, 2026, is void to the extent the ordinance**
- 23 **or regulation conflicts with this section."**
- 24 Delete page 2.
- 25 Page 3, delete lines 1 through 7.
- 26 Page 9, line 28, delete "impact fee under IC 36-7-4-1300,".
- 27 Page 10, between lines 22 and 23, begin a new paragraph and insert:
- 28 "SECTION 18. IC 36-7-2.5-23.5 IS ADDED TO THE INDIANA
- 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 30 [EFFECTIVE JULY 1, 2026]: **Sec. 23.5. (a) If a unit fails to meet the**
- 31 **deadlines set forth in this chapter, the unit shall:**
- 32 **(1) forfeit any regulatory fee owed by the applicant; and**
- 33 **(2) refund any regulatory fee that has been paid by the**
- 34 **applicant;**
- 35 **to the unit.**
- 36 **(b) This section does not apply if a unit fails to meet a deadline**
- 37 **set forth in this chapter as a result of a delay described in section**
- 38 **23 of this chapter."**

1 Page 10, line 26, delete "section." and insert "**section, not later**
2 **than December 31, 2026.**".

3 Page 11, line 34, delete "section:" and insert "**section, not later**
4 **than December 31, 2026:**".

5 Page 11, after line 42, begin a new paragraph and insert:

6 "SECTION 20. IC 36-7-4-701.5 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2026]: **Sec. 701.5. (a) A legislative body may**
9 **not adopt a subdivision control ordinance, including an ordinance**
10 **for sliding scale subdivision, that allows an owner of property to**
11 **restrict any subdivision of all or a part of the owner's property for**
12 **a period of years by:**

13 (1) recording the subdivision restriction on the final plat and
14 incorporating the restriction as a recorded commitment on
15 any deed that conveys the parcel; or

16 (2) any other method.

17 (b) **This section does not affect any property to which section**
18 **1109 of this chapter applies, for which a complete application for**
19 **approval of a primary or secondary plat was filed before July 1,**
20 **2026.**".

21 Page 19, delete lines 33 through 42, begin a new paragraph and
22 insert:

23 "SECTION 26. IC 36-7-4-1316.5 IS ADDED TO THE INDIANA
24 CODE AS A NEW SECTION TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2026]: **Sec. 1316.5. (a) This section only**
26 **applies to an impact zone designated under section 1315 of this**
27 **chapter after June 30, 2026.**

28 (b) **Subject to subsection (c), a unit must include in an impact**
29 **zone the geographical area necessary to ensure that:**

30 (1) there is a functional relationship between the components
31 of the infrastructure type in the impact zone;

32 (2) the infrastructure type provides a reasonably uniform
33 benefit throughout the impact zone;

34 (3) all areas included in the impact zone are contiguous; and

35 (4) the impact zone is:

36 (A) contiguous to the new development;

37 (B) coterminous with a:

38 (i) utility service; or

- 1 (ii) distribution line of a type described in section 1309(1)
- 2 or 1309(5) of this chapter, that may be necessary for the
- 3 new development to interconnect with existing utility
- 4 infrastructure; or
- 5 (C) located not more than five (5) miles from the
- 6 infrastructure type described in section 1309(3) and
- 7 1309(4) of this chapter.

- 8 (c) If a unit:
- 9 (1) adopts an ordinance to adopt, renew, or amend an impact
- 10 fee; or
- 11 (2) has an existing impact fee ordinance that provides for an
- 12 increase in the amount of an impact fee after a period of time;

13 **Then before a unit may adopt an ordinance under subdivision (1),**
 14 **or collect the increased impact fee under subdivision (2), the unit**
 15 **must comply with subsection (d).**

16 (d) **The unit must hold a public hearing. Not less than forty-five**
 17 **(45) days before the date of the public hearing, the unit must do the**
 18 **following:**

- 19 (1) **If the unit has a website, post on the website:**
- 20 (A) **notice of the public hearing;**
- 21 (B) **a summary of the impact fee proposed for adoption,**
- 22 **renewal, amendment or subject to increase under an**
- 23 **existing ordinance; and**
- 24 (C) **the impact zone improvement plan.**

- 25 (2) **Publish notice of the public hearing under IC 5-3-1**
- 26 **providing:**
- 27 (A) **a summary of the impact fee proposed for adoption,**
- 28 **renewal, amendment or subject to increase under an**
- 29 **existing ordinance;**
- 30 (B) **the web address (if any) where the information posted**
- 31 **under subdivision (1) is located; and**
- 32 (C) **the location where the public may inspect and copy the**
- 33 **zone improvement plan.**

34 SECTION 27. IC 36-7-4.1 IS ADDED TO THE INDIANA CODE
 35 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2026]:

37 **Chapter 4.1. Parking, Lot Size, Density, Single Stair and**
 38 **Elevator Requirements**

1 **Sec. 1. The definitions in IC 36-7-1 and IC 36-1-2 apply**
 2 **throughout this chapter.**

3 **Sec. 2. This chapter does not apply to property within:**

4 **(1) a historic area or historic zoning district created under:**

5 **(A) IC 36-7-11;**

6 **(B) IC 36-7-11.1;**

7 **(C) IC 36-7-11.2; or**

8 **(D) IC 36-7-11.3;**

9 **(2) a flood plain (as defined in IC 14-8-2-99); or**

10 **(3) subject to a homeowner's association.**

11 **Sec. 3. As used in this chapter, "heavy industrial use" means a**
 12 **storage, processing, or manufacturing use:**

13 **(1) with processes using flammable or explosive materials;**

14 **(2) with hazardous conditions; or**

15 **(3) that is noxious or offensive from odors, smoke, noise,**
 16 **fumes, or vibrations.**

17 **Sec. 4. As used in this chapter, "mixed use residential" means a**
 18 **development project that provides within a shared building or**
 19 **development area:**

20 **(1) residential uses, including multiple dwelling units; and**

21 **(2) nonresidential uses that:**

22 **(A) comprise less than fifty percent (50%) of the total**
 23 **square footage of the development; and**

24 **(B) are restricted to the first floor of any building**
 25 **consisting of at least two (2) stories.**

26 **Sec. 5. As used in this chapter, "multi-family residential" means**
 27 **a building designed to contain at least five (5) dwelling units that:**

28 **(1) are separated from each other by ceilings or walls;**

29 **(2) may not have interior doors through which access can be**
 30 **made to other dwelling units; and**

31 **(3) may be accessible to each other through a common**
 32 **hallway.**

33 **The term includes apartments and condominiums. The term does**
 34 **not include a hotel, motel, or other transient lodging.**

35 **Sec. 6. As used in this chapter, "permitted use" means a use that**
 36 **is approved by a unit in a zoning district without the requirement**
 37 **of:**

38 **(1) a public hearing;**

- 1 (2) variance, special exception, contingent use, or conditional
- 2 use; or
- 3 (3) other discretionary zoning action, other than a
- 4 determination that a site plan conforms with applicable
- 5 zoning regulations.

6 **Sec. 7. (a) This subsection applies to a single family dwelling or**
 7 **duplex that is connected to water and sewer service. Except for a**
 8 **dwelling that is subject to section 9 or 10 of this chapter, a unit may**
 9 **not require:**

- 10 (1) a single family dwelling to be built on a lot or parcel that
- 11 exceeds five thousand four hundred forty-five (5,445) square
- 12 feet (one-eighth (1/8) acre); or
- 13 (2) a duplex to be built on a lot or parcel that exceeds one
- 14 thousand five hundred (1,500) square feet.

15 **If the single family dwelling or duplex is a permitted use under**
 16 **IC 36-7-4.2, this subsection does not apply to a unit that adopts an**
 17 **ordinance to opt out of this section not later than December 31,**
 18 **2026.**

19 **(b) A unit may not impose standards on a duplex requiring:**

- 20 (1) a setback on the side of the duplex that exceeds the lesser
- 21 of:
 - 22 (A) seven and five-tenths (7.5) feet; or
 - 23 (B) the width of a utility easement on the side of the
 - 24 duplex;
- 25 (2) combined minimum front and rear setbacks in excess of
- 26 fifteen (15) feet;
- 27 (3) any floor area ratio requirement on a development that
- 28 otherwise complies with lot coverage and height
- 29 requirements; or
- 30 (4) maximum lot or parcel coverage requirements of less than
- 31 eighty percent (80%), except as:
 - 32 (A) required by the design of the municipality's storm
 - 33 water system; or
 - 34 (B) otherwise provided in state or federal law or rule.

35 **If the single family dwelling or duplex is a permitted use under**
 36 **IC 36-7-4.2, this subsection does not apply to a unit that adopts an**
 37 **ordinance to opt out of this section not later than December 31,**
 38 **2026.**

1 **Sec. 8. A unit may not do any of the following with regard to a**
2 **single family dwelling or duplex:**

3 **(1) Require a lot or parcel to have:**

4 **(A) additional parking to accommodate an accessory**
5 **dwelling unit; or**

6 **(B) parking spaces:**

7 **(i) in excess of those allowed under section 12 of this**
8 **chapter; and**

9 **(ii) within a garage or other enclosed or covered area.**

10 **If the single family dwelling or duplex is a permitted use**
11 **under IC 36-7-4.2, this subdivision does not apply to a unit**
12 **that adopts an ordinance to opt out not later than December**
13 **31, 2026.**

14 **(2) Require an application fee that:**

15 **(A) exceeds a fee charged for a single family dwelling; or**

16 **(B) violates IC 36-7-2.3.**

17 **If the single family dwelling or duplex is a permitted use**
18 **under IC 36-7-4.2, this subdivision does not apply to a unit**
19 **that adopts an ordinance to opt out not later than December**
20 **31, 2026.**

21 **(3) Require improvements to public streets as a condition of**
22 **permitting, except as necessary to reconstruct or repair a**
23 **public street that is disturbed as a result of the construction**
24 **of the single family dwelling or duplex. If the single family**
25 **dwelling or duplex is a permitted use under IC 36-7-4.2, this**
26 **subdivision does not apply to a unit that adopts an ordinance**
27 **to opt out not later than December 31, 2026.**

28 **Sec. 9. (a) This section does not apply to a municipality that**
29 **adopts an ordinance to opt out of this section not later than**
30 **December 31, 2026.**

31 **(b) This section applies only to a tract of land that:**

32 **(1) is at least five (5) acres;**

33 **(2) has no recorded plat; and**

34 **(3) will be zoned only for single family dwellings.**

35 **(c) Unless a municipality adopts an ordinance to opt out of this**
36 **section not later than December 31, 2026. the municipality may not**
37 **adopt or enforce an ordinance that requires a lot or parcel:**

38 **(1) to exceed:**

- 1 **(A) one thousand four hundred (1,400) square feet;**
- 2 **(B) twenty (20) feet in width; or**
- 3 **(C) sixty (60) feet in depth;**
- 4 **in size; or**
- 5 **(2) to have a density ratio of less than thirty-one and one-tenth**
- 6 **(31.1) dwelling units per acre.**

7 **Sec. 10. (a) This section does not apply to a municipality that**
 8 **adopts an ordinance to opt out of this section not later than**
 9 **December 31, 2026.**

10 **(b) This section only applies to a lot or parcel that is not more**
 11 **than four thousand (4,000) square feet.**

12 **(c) In addition to the other requirements of this section, the**
 13 **following apply:**

- 14 **(1) A municipality may not require any of the following:**
 - 15 **(A) A building, waterway, plane, or other setback that is**
 16 **more than five (5) feet from the:**
 - 17 **(i) front or back of the property; or**
 - 18 **(ii) side of the property;**
 - 19 **unless a municipality adopts an ordinance to opt out of this**
 20 **clause not later than December 31, 2026.**
 - 21 **(B) More than thirty percent (30%) open space or**
 22 **permeable surface, unless a municipality adopts an**
 23 **ordinance to opt out of this clause not later than December**
 24 **31, 2026.**
 - 25 **(C) Fewer than three (3) full stories not exceeding ten (10)**
 26 **feet in height measured from the interior floor to ceiling,**
 27 **unless a municipality adopts an ordinance to opt out of this**
 28 **clause not later than December 31, 2026.**
 - 29 **(D) A maximum building bulk, unless a municipality**
 30 **adopts an ordinance to opt out of this clause not later than**
 31 **December 31, 2026.**
 - 32 **(E) Any other requirement that imposes restrictions**
 33 **inconsistent with this section, including restrictions**
 34 **imposed through contiguous zoning districts or uses or an**
 35 **overlapping zoning district, unless a municipality adopts**
 36 **an ordinance to opt out of this clause not later than**
 37 **December 31, 2026.**

38 **(2) A municipality may:**

- 1 **(A) require a lot to share a driveway with another lot;**
- 2 **(B) charge a permitting fee consistent with IC 36-7-2.3; or**
- 3 **(C) impose restrictions applicable to all similarly situated**
- 4 **lots, parcels, or subdivisions, including restrictions to fully**
- 5 **mitigate storm water runoff;**
- 6 **unless a municipality adopts an ordinance to opt out of any**
- 7 **clause not later than December 31, 2026.**

8 **Sec. 11. (a) This section applies only to the conversion of a**
 9 **building from nonresidential occupancy use to mixed use**
 10 **residential or multi-family residential use.**

11 **(b) Except for infrastructure identified in IC 36-7-4-1309(2), an**
 12 **impact fee may not be charged by the unit unless the land was**
 13 **subject to an impact fee before a building permit related**
 14 **conversion was filed with the unit. If the conversion is a permitted**
 15 **use under IC 36-7-4.2, this subsection does not apply to a unit that**
 16 **adopts an ordinance to opt out not later than December 31, 2026.**

17 **(c) The impact fee for infrastructure identified in**
 18 **IC 36-7-4-1309(2) shall not exceed fifty percent (50%) of the**
 19 **impact fee rate charged for a single family dwelling. If the**
 20 **conversion is a permitted use under IC 36-7-4.2, this subsection**
 21 **does not apply to a unit that adopts an ordinance to opt out not**
 22 **later than December 31, 2026.**

- 23 **(d) If:**
- 24 **(1) the building was constructed at least five (5) years before**
 - 25 **the proposed date of the conversion; and**
 - 26 **(2) the conversion involves:**
 - 27 **(A) at least sixty-five percent (65%) of a building; and**
 - 28 **(B) each floor of the building that is fit for residential**
 - 29 **occupancy;**

30 **the unit may not impose the requirements in subsection (d). If the**
 31 **conversion is a permitted use under IC 36-7-4.2, this subsection**
 32 **does not apply to a unit that adopts an ordinance to opt out not**
 33 **later than December 31, 2026.**

34 **(e) The unit may not require any of the following for a building**
 35 **conversion described in subsection (c):**

- 36 **(1) A traffic impact analysis or study relating to the proposed**
- 37 **converted building's effect on traffic or traffic operations.**
- 38 **(2) Construction of improvements or payment of a fee to**

- 1 mitigate traffic effects related to the proposed converted
- 2 building.
- 3 (3) Any additional parking spaces.
- 4 (4) Extension, upgrade, replacement, or oversizing of a utility
- 5 facility except as necessary to provide the minimum capacity
- 6 required for the proposed converted building.
- 7 (5) A design requirement:
- 8 (A) more restrictive than the applicable minimum
- 9 standard under IC 22-12-2.5; or
- 10 (B) prohibited under IC 36-7-4-201.3.

11 If the conversion is a permitted use under IC 36-7-4.2, this
 12 subsection does not apply to a unit that adopts an ordinance to opt
 13 out not later than December 31, 2026.

14 Sec. 12. (a) This section does not apply to a unit that opts out of
 15 this section by adopting an ordinance not later than December 31,
 16 2026.

17 (b) Unless a unit adopts an ordinance to opt out of this section
 18 not later than December 31, 2026, this section applies to an
 19 application submitted to a local authority after December 31, 2028,
 20 for:

- 21 (1) a permit; or
- 22 (2) an approval:
 - 23 (A) of a land use; or
 - 24 (B) for the construction of a development, a building, or
 - 25 another structure.

26 (c) This section does not apply to the following:

- 27 (1) Any part of a unit located not more than one (1) mile from
- 28 a commercial airport that has at least nine million (9,000,000)
- 29 annual enplanements.
- 30 (2) Parking for a religious institution.
- 31 (3) Parking requirements for carpools.
- 32 (4) Temporary or time-restricted parking.
- 33 (5) The minimum number of parking spaces required to
- 34 comply with the Americans with Disabilities Act (42 U.S.C.
- 35 12101 et seq.) that are permanently marked for the exclusive
- 36 use of individuals with disabilities.

37 (d) As used in this section, "local authority" has the meaning set
 38 forth in IC 36-7-4-1109.

- 1 **(e) A unit may require not more than:**
- 2 **(1) one (1) parking space for each multi-family residence;**
- 3 **(2) one (1) parking space for each single family home; or**
- 4 **(3) two (2) parking spaces for each one thousand (1,000)**
- 5 **square feet of commercial space.**
- 6 **(f) Unless a unit adopts an ordinance to opt out of this section**
- 7 **not later than December 31, 2026, a unit may not establish any**
- 8 **minimum parking space requirements for the following:**
- 9 **(1) A dwelling that is not more than one thousand two**
- 10 **hundred (1,200) square feet.**
- 11 **(2) A commercial space that is less than three thousand**
- 12 **(3,000) square feet.**
- 13 **(3) Affordable housing.**
- 14 **(4) A senior housing property.**
- 15 **(5) A child care center licensed under IC 12-17.2-4.**
- 16 **(6) A ground level nonresidential space in a mixed use**
- 17 **building.**
- 18 **(7) A building, including a vacant building, undergoing a**
- 19 **change of use:**
- 20 **(A) from a nonresidential to a residential use; or**
- 21 **(B) for a commercial use.**
- 22 **(g) Unless a unit adopts an ordinance to opt out of this section**
- 23 **not later than December 31, 2026, a unit may not adopt or enforce**
- 24 **any ordinance, rule, or regulation that limits the maximum number**
- 25 **of parking spaces for any residential type, including single family**
- 26 **dwelling units, duplexes, triplexes, fourplexes, townhouses, accessory**
- 27 **dwelling units, multi-family residential dwellings, or any**
- 28 **commercial or mixed use development.**
- 29 **(h) A unit may request a variance from the requirements of this**
- 30 **section by submitting a request to the fire prevention and building**
- 31 **safety commission, if the unit can show that compliance with this**
- 32 **section would be hazardous to the life, health, and safety of**
- 33 **residents. A unit's variance request must be supported with the**
- 34 **written opinion of a building official or fire chief.**
- 35 **(i) A unit may request a variance to require additional parking**
- 36 **spaces permanently marked for the exclusive use of individuals**
- 37 **with disabilities in a number that exceeds the minimum required**
- 38 **for compliance with the Americans with Disabilities Act (42 U.S.C.**

1 12101 et seq.) based upon on the planned or likely population,
2 location, or safety of a building, using objective standards.

3 Sec. 13. This section applies to structure classified as an R-2
4 building occupancy classification under the Indiana building code
5 adopted by the fire prevention and building safety commission. A
6 structure that is not more than:

- 7 (1) three (3) stories; and
 - 8 (2) twenty-four (24) total units;
- 9 shall be permitted to have a passenger elevator not larger than an
10 elevator that accommodates a wheelchair.

11 Sec. 14. Notwithstanding section 14 of this chapter, nothing in
12 this chapter:

- 13 (1) affects a unit's regulation of short term rentals as under
14 IC 36-1-24;
- 15 (2) prohibits property owners from enforcing rules or deed
16 restrictions imposed by a homeowners association or by other
17 private agreement, including restrictions relating to an
18 accessory dwelling unit;
- 19 (3) supersedes applicable building codes, fire codes, or public
20 health and safety laws;
- 21 (4) relieves a person from obtaining a required permit;
- 22 (5) prohibits a unit from taking enforcement actions, imposing
23 fines, penalties, or requiring project modifications to bring a
24 development into compliance; or
- 25 (6) affects a restrictive covenant or regulation of a
26 condominium association or homeowners' association.

27 Sec. 15. A zoning ordinance adopted before January 1, 2027, is
28 void and unenforceable to the extent that the ordinance conflicts
29 with this chapter.

30 Sec. 16. A person adversely affected or aggrieved by a violation
31 of this chapter may bring an action against the unit for:

- 32 (1) declaratory and injunctive relief; and
- 33 (2) costs and reasonable attorney's fees.

34 SECTION 28. IC 36-7-4.2 IS ADDED TO THE INDIANA CODE
35 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2026]:

37 **Chapter 4.2. Permitted Uses**

38 **Sec. 1. The definitions in IC 36-7-1, IC 36-1-2, and IC 36-7-4.1**

- 1 apply throughout this chapter.
- 2 **Sec. 2. This chapter only applies to property that on January 1,**
- 3 **2026, is located:**
 - 4 (1) not more than one-quarter (1/4) of a mile from a public
 - 5 transit route;
 - 6 (2) in the boundaries of a riverfront development project
 - 7 under IC 7.1-3-20-16.1; or
 - 8 (3) in:
 - 9 (A) an area zoned residential or commercial; and
 - 10 (B) an allocation area of a redevelopment commission.
- 11 **Sec. 3. This chapter does not apply to property within:**
 - 12 (1) a historic area or historic zoning district created under:
 - 13 (A) IC 36-7-11;
 - 14 (B) IC 36-7-11.1;
 - 15 (C) IC 36-7-11.2; or
 - 16 (D) IC 36-7-11.3;
 - 17 (2) a flood plain (as defined in IC 14-8-2-99); or
 - 18 (3) subject to a homeowner's association.
- 19 **Sec. 4. If an area is zoned for residential use, any one (1) of the**
- 20 **following is a permitted use on each lot or parcel:**
 - 21 (1) At least two (2) single family dwellings.
 - 22 (2) At least one (1) duplex. However, a unit may require a
 - 23 will-serve letter for a duplex.
- 24 **Sec. 5. (a) This section only applies to an accessory dwelling unit**
- 25 **located within the corporate boundaries of a municipality.**
 - 26 (b) Unless a unit adopts an ordinance to opt out of this section
 - 27 not later than December 31, 2026, an accessory dwelling unit is a
 - 28 permitted use on a lot within an area that is zoned residential if:
 - 29 (1) Only one (1) accessory dwelling unit is located on the lot.
 - 30 (2) The property owner permanently resides in the principal
 - 31 dwelling unit or the accessory dwelling unit.
- 32 **Sec. 6. (a) This section only applies to an accessory dwelling unit**
- 33 **that located outside the corporate boundaries of a municipality.**
 - 34 (b) Unless a unit adopts an ordinance to opt out of this section
 - 35 not later than December 31, 2026, an accessory dwelling unit is a
 - 36 permitted use in any zoning classification, if the accessory dwelling
 - 37 unit is on a lot or parcel that contains a single family dwelling. If:
 - 38 (1) the lot or parcel is:

- 1 (A) located within the boundaries of a sewer district; or
- 2 (B) is otherwise eligible for connection to a public sewer
- 3 system;
- 4 unless a unit adopts an ordinance to opt out of this subdivision
- 5 not later than December 31, 2026, the unit may require a
- 6 will-serve letter from the applicable utility; or
- 7 (2) the lot or parcel is not located within a sewer district and
- 8 will be served by an on-site sewage system, unless a unit
- 9 adopts an ordinance to opt out of this subdivision not later
- 10 than December 31, 2026, the unit may require a:
- 11 (A) a new or modified septic construction permit issued by
- 12 the local health department; or
- 13 (B) written verification from the local health department
- 14 that the existing on-site sewage system has sufficient
- 15 capacity to serve the accessory dwelling unit.
- 16 Sec. 7. (a) Unless a unit adopts an ordinance to opt out of this
- 17 subsection not later than December 31, 2026, the unit may require
- 18 a unit may not require a familial, marital, or employment
- 19 relationship between the occupants of a single family dwelling and
- 20 the occupants of the accessory dwelling unit.
- 21 (b) Unless a unit adopts an ordinance to opt out of this
- 22 subsection not later than December 31, 2026, a unit may charge an
- 23 application fee for an accessory dwelling unit of not more than two
- 24 hundred fifty dollars (\$250) in addition to any other fees charged
- 25 by the municipality for single family residential construction.
- 26 (c) Except for infrastructure identified in IC 36-7-4-1309(2),
- 27 unless a unit adopts an ordinance to opt out of this subsection not
- 28 later than December 31, 2026, a unit may not charge an impact fee
- 29 for an accessory dwelling unit.
- 30 (d) Unless a unit adopts an ordinance to opt out of this
- 31 subsection not later than December 31, 2026, the impact fee for
- 32 infrastructure identified in IC 36-7-4-1309(2) shall not exceed fifty
- 33 percent (50%) of the impact fee rate charged for a single family
- 34 dwelling.
- 35 Sec. 8. (a) This section does not apply to any of the following:
- 36 (1) A zoning classification that allows heavy industrial use.
- 37 (2) Land that is located:
- 38 (A) not more than one thousand (1,000) feet from an

- 1 existing heavy industrial use or development site; or
- 2 (B) not more than three thousand (3,000) feet from an
- 3 airport or military base.
- 4 (3) An area designated by a unit as a clear zone under:
- 5 (A) standards adopted by the Indiana department of
- 6 transportation; or
- 7 (B) air installations compatible use zones standards
- 8 established by the United States Department of War.
- 9 (b) A mixed use residential or multi-family residential
- 10 development is a permitted use within any area zoned for
- 11 commercial use that allows office, commercial, retail, warehouse,
- 12 or mixed use development.
- 13 (c) A unit may not adopt or enforce a restriction on a mixed use
- 14 residential or multi-family residential development that is a
- 15 permitted use under this chapter that does any of the following:
- 16 (1) Imposes the following:
- 17 (A) A limit on density that is more restrictive than the
- 18 greater of:
- 19 (i) the highest residential density allowed in the unit; or
- 20 (ii) thirty-six (36) units per acre;
- 21 unless a unit adopts an ordinance to opt out of this clause
- 22 not later than December 31, 2026.
- 23 (B) A limit on building height that is more restrictive than
- 24 the greater of:
- 25 (i) the highest height that would apply to an office,
- 26 commercial, retail, or warehouse development
- 27 constructed on the site; or
- 28 (ii) sixty (60) feet;
- 29 unless a unit adopts an ordinance to opt out of this clause
- 30 not later than December 31, 2026.
- 31 (C) A setback or buffer requirement that is more
- 32 restrictive than the lesser of:
- 33 (i) a setback or buffer requirement that would apply to
- 34 an office, commercial, retail, or warehouse development
- 35 constructed on the site; or
- 36 (ii) twenty-five (25) feet;
- 37 unless a unit adopts an ordinance to opt out of this clause
- 38 not later than December 31, 2026.

1 **(2) Requires a multi-level parking structure, unless a unit**
2 **adopts an ordinance to opt out of this subdivision not later**
3 **than December 31, 2026.**

4 **(3) A mixed use residential or multi-family residential**
5 **development is subject to the parking requirements in**
6 **IC 36-7-4.1, unless a unit adopts an ordinance to opt out of**
7 **this subdivision not later than December 31, 2026.**

8 **(4) Restricts the ratio of the total building floor area of a**
9 **mixed use residential or multi-family residential development**
10 **in relation to the lot area of the development, unless a unit**
11 **adopts an ordinance to opt out of this subdivision not later**
12 **than December 31, 2026.**

13 **(5) Requires a multi-family residential development that is not**
14 **located in an area zoned for mixed use residential use to**
15 **contain nonresidential uses, unless a unit adopts an ordinance**
16 **to opt out of this subdivision not later than December 31,**
17 **2026.**

18 **(d) Unless a unit adopts an ordinance to opt out of this**
19 **subdivision not later than December 31, 2026, a unit may require:**

- 20 **(1) a will-serve letter; and**
- 21 **(2) an application fee, subject to IC 36-7-2.3.**

22 **Sec. 9. This chapter applies to property located in:**

- 23 **(1) an economic improvement district under IC 36-7-22;**
- 24 **(2) the economic enhancement district under IC 36-7-40; or**
- 25 **(3) similar improvement district.**

26 **Sec. 10. Unless a unit adopts an ordinance to opt out of this**
27 **section not later than December 31, 2026, the conversion of a**
28 **commercial property to a multi-family or mixed-use development**
29 **is a permitted use.**

30 SECTION 29. IC 36-7-4.3 IS ADDED TO THE INDIANA CODE
31 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
32 1, 2026]:

33 **Chapter 4.3. Increasing Housing Development**

34 **Sec. 1. This chapter does not apply to a unit that does not opt**
35 **out of the provisions that are applicable to the unit under**
36 **IC 36-7-4-201.3, IC 36-7-4.1, or IC 36-7-4.2.**

37 **Sec. 2. As used in this chapter, "unit" means a county, city, or**
38 **town.**

1 **Sec. 3. As used in this chapter, "UDO" means a unified**
2 **development ordinance.**

3 **Sec. 4. Not later than January 1, 2027, a unit conduct a public**
4 **hearing to review the UDO and any zoning regulations and land**
5 **development rules, with the goal of increasing housing**
6 **development by using the following factors:**

7 **(1) Providing for higher density development of duplexes,**
8 **triplexes, and fourplexes in areas designated for single family**
9 **homes.**

10 **(2) Constructing other housing types including accessory**
11 **dwelling units and manufactured and modular housing.**

12 **(3) Adaptive reuse of commercial buildings for residential use**
13 **such as allowing multifamily development in retail, office, and**
14 **light manufacturing zones.**

15 **(4) Increasing the allowable floor area ratio in multifamily**
16 **housing areas.**

17 **(5) Waiving or eliminating regulations such as requirements**
18 **for:**

19 **(A) garage size and placement;**

20 **(B) steeper roof pitch;**

21 **(C) minimum lot size and square footage;**

22 **(D) greater setbacks;**

23 **(E) off-street parking;**

24 **(F) design standards that restrict or prohibit the use of**
25 **code compliant products; or**

26 **(G) property height limitations.**

27 **(6) Reviewing impact fee zones with zone advisory committee**
28 **for improvements.**

29 **(7) Streamlining or shortening the permitting processes and**
30 **timelines, including through one stop and parallel process**
31 **permitting by fifteen (15) days or more.**

32 **(8) Using property tax abatements to enable higher density**
33 **and mixed income communities.**

34 **(9) Donating vacant land for affordable housing development.**

35 **Sec. 5. Not later than January 1, 2027, the unit shall submit a**
36 **report to the executive director of legislative services agency by**
37 **electronic means under IC 5-14-6 that contains the following:**

38 **(1) If the unit:**

- 1 **(A) invested in a housing study in 2021, 2022, 2023, 2024,**
- 2 **or 2025; or**
- 3 **(B) had a housing study performed by a region's local**
- 4 **economic development organization;**
- 5 **a copy of the housing study.**
- 6 **(2) The minutes from the public hearing conducted under**
- 7 **section 4 of this chapter.**
- 8 **(3) Any newly developed or amended UDO as a result of the**
- 9 **review under section 4 of this chapter. The unit must provide**
- 10 **a written description of the ways in which the UDO was**
- 11 **changed to support increased housing development by using**
- 12 **some or all of the factors set forth in section 4 of this chapter.**

13 SECTION 30. IC 36-7-14-53, AS AMENDED BY P.L.204-2023,
 14 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2026]: Sec. 53. (a) A commission may establish a residential
 16 housing development program by resolution for the construction of new
 17 residential housing or the renovation of existing residential housing in
 18 an area within the jurisdiction of the commission.

19 (b) The program, which may include any relevant elements the
 20 commission considers appropriate, may be adopted as part of a
 21 redevelopment plan or amendment to a redevelopment plan, and must
 22 establish an allocation area for purposes of sections 39 and 56 of this
 23 chapter for the accomplishment of the program. The program must be
 24 approved by the municipal legislative body or county executive as
 25 specified in section 17 of this chapter.

26 (c) The notice and hearing provisions of sections 17 and 17.5 of this
 27 chapter, including notice under section 17(c) of this chapter to a taxing
 28 unit that is wholly or partly located within an allocation area, apply to
 29 the resolution adopted under subsection (b). Judicial review of the
 30 resolution may be made under section 18 of this chapter.

31 (d) Before formal submission of any residential housing
 32 development program to the commission, the department of
 33 redevelopment shall:

- 34 (1) consult with persons interested in or affected by the proposed
- 35 program, including the superintendents and governing body
- 36 presidents of all school corporations located within the proposed
- 37 allocation area;
- 38 (2) provide the affected neighborhood associations, residents, and

1 township assessors with an adequate opportunity to participate in
 2 an advisory role in planning, implementing, and evaluating the
 3 proposed program; and
 4 (3) hold at least one (1) public meeting to obtain the views of
 5 neighborhood associations and residents of the affected
 6 neighborhood. The department of redevelopment shall send notice
 7 thirty (30) days prior to the public meeting to the fiscal officer of
 8 all affected taxing units and to the superintendents and governing
 9 body presidents of all school corporations located within the
 10 proposed allocation area.

11 (e) A residential housing development program established under
 12 this section must terminate not later than **the earlier of:**

13 **(1) ~~twenty (20)~~ twenty-five (25) years** after the date on which the
 14 first obligation was incurred to pay principal and interest on
 15 bonds or lease rentals on leases payable from tax increment
 16 revenues from the program; **or**

17 **(2) the date on which the bond obligations or lease rentals**
 18 **described in subdivision (1) are satisfied.**

19 (f) A county or municipality may request from the department of
 20 local government finance a report, if it exists, describing the effect of
 21 current assessed value allocated to tax increment financing allocation
 22 areas on the amount of the tax levy or proceeds and the credit for
 23 excessive property taxes under IC 6-1.1-20.6 for the taxing units within
 24 the boundaries of the residential housing development program.

25 SECTION 31. IC 36-7-14-53.1 IS REPEALED [EFFECTIVE JULY
 26 1, 2026]. See: 53-1. (a) Section 53 of this chapter as amended by the
 27 general assembly in the 2023 session or subsequent session expires
 28 June 30, 2027.

29 (b) This section applies beginning July 1, 2027, and is intended to
 30 reinstate section 53 of this chapter as it was in effect on January 1,
 31 2023.

32 (c) Subject to subsection (i), a commission may establish a
 33 residential housing development program by resolution for the
 34 construction of new residential housing or the renovation of existing
 35 residential housing in an area within the jurisdiction of the commission
 36 if:

37 (1) for a commission established by a county, the average of new,
 38 single family residential houses constructed within the township

1 in which the area is located during the preceding three (3)
 2 calendar years is less than one percent (1%) of the total number
 3 of single family residential houses within that township on
 4 January 1 of the year in which the resolution is adopted; or
 5 (2) for a commission established by a municipality; the average
 6 of new, single family residential houses constructed within the
 7 municipal boundaries during the preceding three (3) calendar
 8 years is less than one percent (1%) of the total number of single
 9 family residential houses within the boundaries of the
 10 municipality on January 1 of the year in which the resolution is
 11 adopted.

12 However, the calculations described in subdivisions (1) and (2) and the
 13 provisions of subsection (h) do not apply for purposes of establishing
 14 a residential housing development program within an economic
 15 development target area designated under IC 6-1.1-12.1-7.

16 (d) The program; which may include any relevant elements the
 17 commission considers appropriate; may be adopted as part of a
 18 redevelopment plan or amendment to a redevelopment plan; and must
 19 establish an allocation area for purposes of sections 39 and 56 of this
 20 chapter for the accomplishment of the program. The program must be
 21 approved by the municipal legislative body or county executive as
 22 specified in section 17 of this chapter.

23 (e) The notice and hearing provisions of sections 17 and 17.5 of this
 24 chapter, including notice under section 17(c) of this chapter to a taxing
 25 unit that is wholly or partly located within an allocation area; apply to
 26 the resolution adopted under subsection (d). Judicial review of the
 27 resolution may be made under section 18 of this chapter.

28 (f) Before formal submission of any residential housing
 29 development program to the commission; the department of
 30 redevelopment shall:

31 (1) consult with persons interested in or affected by the proposed
 32 program; including the superintendents and governing body
 33 presidents of all school corporations located within the proposed
 34 allocation area;

35 (2) provide the affected neighborhood associations; residents; and
 36 township assessors with an adequate opportunity to participate in
 37 an advisory role in planning; implementing; and evaluating the
 38 proposed program; and

1 (3) hold at least one (1) public meeting to obtain the views of
2 neighborhood associations and residents of the affected
3 neighborhood. The department of redevelopment shall send notice
4 thirty (30) days prior to the public meeting to the fiscal officer of
5 all affected taxing units and to the superintendents and governing
6 body presidents of all school corporations located within the
7 proposed allocation area.

8 (g) A residential housing development program established under
9 this section must terminate not later than twenty-five (25) years after
10 the date on which the first obligation was incurred to pay principal and
11 interest on bonds or lease rentals on leases payable from tax increment
12 revenues from the program.

13 (h) The department of local government finance in cooperation with
14 either the appropriate county agency or the appropriate municipal
15 agency, or both, shall determine whether a county or municipality
16 meets the threshold requirements under subsection (c). In making the
17 determination, the department of local government finance may request
18 information necessary to make the determination. A county or
19 municipality may request from the department of local government
20 finance a report, if it exists, describing the effect of current assessed
21 value allocated to tax increment financing allocation areas on the
22 amount of the tax levy or proceeds and the credit for excessive property
23 taxes under IC 6-1.1-20.6 for the taxing units within the boundaries of
24 the residential housing development program.

25 (i) A program established under subsection (c) may not take effect
26 until the governing body of each school corporation affected by the
27 program passes a resolution approving the program.

28 SECTION 32. [EFFECTIVE UPON PASSAGE] (a) **The legislative**
29 **council is urged to assign to the appropriate interim study**
30 **committee the task of studying the topic of making residential**
31 **affordable housing a permitted use in an area zoned for residential**
32 **or commercial use if:**

- 33 (1) **a religious institution is the developer of the property or a**
34 **developer working on behalf of a religious institution;**
 - 35 (2) **the development is located on property owned by the**
36 **religious institution; and**
 - 37 (3) **the development exclusively contains affordable housing.**
- 38 (b) **This section expires December 31, 2026."**

1 Delete pages 20 through 28.

2 Page 29, delete lines 1 through 39, begin a new paragraph and
3 insert:

4 "SECTION 1. IC 36-7-18-16 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) A housing
6 authority may:

7 (1) prepare, carry out, acquire, lease, and operate housing
8 projects; and

9 (2) provide for the construction, reconstruction, improvement,
10 alteration, or repair of all or part of a housing project.

11 (b) Notwithstanding subsection (a), a housing project may not be
12 built if the average construction cost, exclusive of the cost of land,
13 demolition, and nondwelling facilities, is more than:

14 (1) ~~two four~~ thousand dollars (~~\$2,000~~) **(\$4,000)** per room;

15 (2) ~~ten fifteen~~ thousand dollars (~~\$10,000~~) **(\$15,000)** per room, if
16 the accommodations are designed specifically for persons of low
17 income who:

18 (A) have attained the age at which they may elect to receive
19 old age benefits under Title 2 of the Social Security Act (42
20 U.S.C. 401-433); or

21 (B) are under disability (as defined in Section 223 of that Act
22 (42 U.S.C. 423)); or

23 (3) any greater amount established by the federal government as
24 the basis for computing any of its annual contributions.

25 (c) Notwithstanding subsection (b), if the housing authority finds
26 that:

27 (1) compliance with the cost limitations in subsection (b) would
28 require the sacrifice of sound standards of construction, design,
29 and livability in a project; and

30 (2) there is an acute need for the proposed housing;
31 it may exceed the cost limitation that would otherwise be applicable
32 under subsection (b) by not more than ~~seven hundred fifty dollars~~
33 ~~(\$750) per room: an amount necessary to make the project~~
34 **financially feasible.**

35 SECTION 2. IC 36-7-18-31, AS AMENDED BY P.L.230-2025,
36 SECTION 144, IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE JULY 1, 2026]: Sec. 31. (a) Issues of bonds, notes, or
38 warrants of a housing authority must be approved by the fiscal body of

1 the unit after a public hearing, with notice of the time, place, and
 2 purpose of the hearing given by publication in accordance with
 3 IC 5-3-1. The bonds, notes, or warrants must then be authorized by
 4 resolution of the authority.

5 (b) After the bonds, notes, or warrants have been approved under
 6 subsection (a), they may be issued in one (1) or more series, with the:

- 7 (1) dates;
- 8 (2) maturities;
- 9 (3) denominations;
- 10 (4) form, either coupon or registered;
- 11 (5) conversion or registration privileges;
- 12 (6) rank or priority;
- 13 (7) manner of execution;
- 14 (8) medium of payment;
- 15 (9) places of payment; and
- 16 (10) terms of redemption, with or without premium;

17 provided by the resolution or its trust indenture or mortgage.

18 (c) **Except as provided in subsection (g)**, the bonds, notes, or
 19 warrants shall be sold at a public sale under IC 5-1-11, for not less than
 20 par value, after notice published in accordance with IC 5-3-1. However,
 21 they may be sold at not less than par value to the federal government:

- 22 (1) at private sale without any public advertisement; or
- 23 (2) alternatively, at a negotiated sale.

24 (d) If any of the commissioners or officers of the housing authority
 25 whose signatures appear on any bonds, notes, or warrants or coupons
 26 cease to be commissioners or officers before the delivery, exchange, or
 27 substitution of the bonds, notes, or warrants, their signatures remain
 28 valid and sufficient for all purposes, as if they had remained in office
 29 until the delivery, exchange, or substitution.

30 (e) Subject to provision for registration and notwithstanding any
 31 other law, any bonds, notes, or warrants issued under this chapter are
 32 fully negotiable.

33 (f) In any proceedings involving the validity or enforceability of any
 34 bond, note, or warrant of a housing authority or of its security, if the
 35 instrument states that it has been issued by the authority to aid in
 36 financing a housing project to provide dwelling accommodations for
 37 persons of low income, it shall be conclusively presumed to have been
 38 issued for that purpose and the project shall be conclusively presumed

1 to have been planned, located, and constructed in accordance with this
2 chapter.

3 **(g) Notwithstanding subsection (c), the bonds, notes, or**
4 **warrants of a housing authority may be sold at a negotiated sale**
5 **and may be sold at less than par value at a negotiated sale."**

6 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as reprinted January 23, 2026.)

and when so amended that said bill do pass.

Committee Vote: Yeas 6, Nays 5.

Carrasco

Chairperson