
HOUSE BILL No. 1001

AM100102 has been incorporated into introduced printing.

Synopsis: Housing matters.

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Introduced

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

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HOUSE BILL No. 1001

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

- 1 SECTION 1. IC 5-20-1-28 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2026]: **Sec. 28. (a) This section applies to a unit exercising**
- 4 **planning and zoning powers under IC 36-7-4.**
- 5 **(b) As used in this section, "unit" means a county, city, or**
- 6 **town.**
- 7 **(c) Beginning January 1, 2027, and January 1 of each year**
- 8 **thereafter, a unit shall submit a housing progress report to:**
- 9 **(1) the authority; and**
- 10 **(2) the executive director of the legislative services agency, in**
- 11 **an electronic format under IC 5-14-6.**
- 12 **(d) The housing progress report must report:**
- 13 **(1) the number of housing proposals that were submitted to**
- 14 **the unit;**
- 15 **(2) the number of housing proposals that were approved by**

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- 1 **the unit;**
- 2 **(3) the number of housing proposals that were denied by the**
- 3 **unit; and**
- 4 **(4) the calendar days spent by the unit in processing housing**
- 5 **proposal applications;**
- 6 **during the immediately preceding year.**

7 **(e) If the number of housing proposals reported under**
 8 **subsection (d)(1) does not equal the sum of the number of housing**
 9 **proposals reported under subsection (d)(2) and (d)(3), information**
 10 **must be provided to explain the discrepancy.**

11 SECTION 2. IC 36-2-4-8, AS AMENDED BY P.L.22-2021,
 12 SECTION 5, AND AS AMENDED BY P.L.152-2021, SECTION 39,
 13 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) An ordinance, order, or
 15 resolution is considered adopted when it is signed by the presiding
 16 officer. If required, an adopted ordinance, order, or resolution must be
 17 promulgated or published according to statute before it takes effect.

18 (b) An ordinance prescribing a penalty or forfeiture for a violation
 19 must, before it takes effect, be published once each week for two (2)
 20 consecutive weeks, according to IC 5-3-1:

21 (1) *with each publication of notice in a newspaper in*
 22 *accordance with IC 5-3-1; or*

23 (2) *with the first publication of notice in a newspaper described*
 24 *in subdivision (1) and the second publication of notice:*

25 (A) *in accordance with IC 5-3-5; and*

26 (B) *on the official web site website of the county.*

27 *However, if such an ordinance is adopted by the legislative body of a*
 28 *county subject to IC 36-2-3.5 and there is an urgent necessity*
 29 *requiring its immediate effectiveness, it need not be published if:*

30 (1) *the county executive proclaims the urgent necessity; and*

31 (2) *copies of the ordinance are posted in three (3) public places*
 32 *in each of the districts of the county before it takes effect.*

33 (c) The following apply in addition to the other requirements of
 34 this section:

35 (1) *An ordinance or resolution passed by the legislative body of*
 36 *a county subject to IC 36-2-3.5 is considered adopted only if it*
 37 *is:*

38 (A) *approved by signature of a majority of the county*
 39 *executive (in the case of a county subject to IC 36-2-3.5);*

40 (B) *neither approved nor vetoed by a majority of the*
 41 *executive (in the case of a county subject to IC 36-2-3.5)*
 42 *within ten (10) days after passage by the legislative body;*

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or
(C) passed over the veto of the executive by a two-thirds (2/3) vote of the legislative body, within sixty (60) days after presentation of the ordinance or resolution to the executive.

~~(2)~~ (1) Subject to subsection ~~(g)~~, (f), the legislative body of a county shall:

(A) subject to subdivision ~~(3)~~, (2), give written notice to the department of environmental management not later than sixty (60) days before amendment or repeal of an environmental restrictive ordinance; and

(B) give written notice to the department of environmental management not later than thirty (30) days after passage, amendment, or repeal of an environmental restrictive ordinance.

~~(3)~~ (2) Upon written request by the legislative body, the department of environmental management may waive the notice requirement of subdivision ~~(2)(A)~~: (1)(A).

~~(4)~~ (3) An environmental restrictive ordinance passed or amended after 2009 by the legislative body must state the notice requirements of subdivision ~~(2)~~: (1).

~~(5)~~ (4) The failure of an environmental restrictive ordinance to comply with subdivision ~~(4)~~ (3) does not void the ordinance.

(d) After an ordinance or resolution passed by the legislative body of a county subject to IC 36-2-3.5 has been signed by the presiding officer, the county auditor shall present it to the county executive, and record the time of the presentation. Within ten ~~(10)~~ days after an ordinance or resolution is presented to it, the executive shall:

(1) approve the ordinance or resolution, by signature of a majority of the executive (in the case of a county subject to IC 36-2-3.5), and send the legislative body a message announcing its approval; or

(2) veto the ordinance or resolution, by returning it to the legislative body with a message announcing its veto and stating its reasons for the veto.

~~(e)~~ (d) This section (other than subsection ~~(e)(2)~~ (c)(1)) does not apply to a zoning ordinance or amendment to a zoning ordinance, or a resolution approving a comprehensive plan, that is adopted under IC 36-7.

~~(f)~~ (e) An ordinance increasing a building permit fee on new development must:

(1) be published:

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- 1 (A) one (1) time in accordance with IC 5-3-1; and
 2 (B) not later than thirty (30) days after the ordinance is
 3 adopted by the legislative body in accordance with IC 5-3-1;
 4 and
 5 (2) delay the implementation of the fee increase for ~~ninety (90)~~
 6 **one hundred eighty (180)** days after the date the ordinance is
 7 published under subdivision (1).
 8 ~~(g)~~ (f) The notice requirements of subsection ~~(e)(2)~~ (c)(1) apply
 9 only if the municipal corporation received under IC 13-25-5-8.5(f)
 10 written notice that the department is relying on the environmental
 11 restrictive ordinance referred to in subsection ~~(e)(2)~~ (c)(1) as part of a
 12 risk based remediation proposal:
 13 (1) approved by the department; and
 14 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
 15 or IC 13-25-5.
 16 SECTION 3. IC 36-4-6-14, AS AMENDED BY P.L.159-2011,
 17 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2026]: Sec. 14. (a) An ordinance, order, or resolution passed
 19 by the legislative body is considered adopted when it is:
 20 (1) signed by the presiding officer; and
 21 (2) either approved by the city executive or passed over the
 22 executive's veto by the legislative body, under section 16 of this
 23 chapter.
 24 If required by statute, an adopted ordinance, order, or resolution must
 25 be promulgated or published before it takes effect.
 26 (b) An ordinance prescribing a penalty or forfeiture for a violation
 27 must, before it takes effect, be published in the manner prescribed by
 28 IC 5-3-1, unless:
 29 (1) it is published under subsection (c); or
 30 (2) there is an urgent necessity requiring its immediate
 31 effectiveness, the city executive proclaims the urgent necessity,
 32 and copies of the ordinance are posted in three (3) public places
 33 in each of the districts from which members are elected to the
 34 legislative body.
 35 (c) Except as provided in subsection (e), if a city publishes any of
 36 its ordinances in book or pamphlet form, no other publication is
 37 required. If an ordinance prescribing a penalty or forfeiture for a
 38 violation is published under this subsection, it takes effect two (2)
 39 weeks after the publication of the book or pamphlet. Publication under
 40 this subsection, if authorized by the legislative body, constitutes
 41 presumptive evidence:
 42 (1) of the ordinances in the book or pamphlet;

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- 1 (2) of the date of adoption of the ordinances; and
- 2 (3) that the ordinances have been properly signed, attested,
- 3 recorded, and approved.
- 4 (d) This section (other than subsection (f)) does not apply to a
- 5 zoning ordinance or amendment to a zoning ordinance, or a resolution
- 6 approving a comprehensive plan, that is adopted under IC 36-7.
- 7 (e) An ordinance increasing a building permit fee on new
- 8 development must:
- 9 (1) be published:
- 10 (A) one (1) time in accordance with IC 5-3-1; and
- 11 (B) not later than thirty (30) days after the ordinance is
- 12 adopted by the legislative body in accordance with IC 5-3-1;
- 13 and
- 14 (2) delay the implementation of the fee increase for ~~ninety (90)~~
- 15 **one hundred eighty (180)** days after the date the ordinance is
- 16 published under subdivision (1).
- 17 (f) Subject to subsection (j), the legislative body shall:
- 18 (1) subject to subsection (g), give written notice to the
- 19 department of environmental management not later than sixty
- 20 (60) days before amendment or repeal of an environmental
- 21 restrictive ordinance; and
- 22 (2) give written notice to the department of environmental
- 23 management not later than thirty (30) days after passage,
- 24 amendment, or repeal of an environmental restrictive ordinance.
- 25 (g) Upon written request by the legislative body, the department
- 26 of environmental management may waive the notice requirement of
- 27 subsection (f)(1).
- 28 (h) An environmental restrictive ordinance passed or amended
- 29 after 2009 by the legislative body must state the notice requirements of
- 30 subsection (f).
- 31 (i) The failure of an environmental restrictive ordinance to comply
- 32 with subsection (h) does not void the ordinance.
- 33 (j) The notice requirements of subsection (f) apply only if the
- 34 municipal corporation received under IC 13-25-5-8.5(f) written notice
- 35 that the department is relying on the environmental restrictive
- 36 ordinance referred to in subsection (f) as part of a risk based
- 37 remediation proposal:
- 38 (1) approved by the department; and
- 39 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
- 40 or IC 13-25-5.
- 41 SECTION 4. IC 36-5-2-10, AS AMENDED BY P.L.105-2013,
- 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2026]: Sec. 10. (a) An ordinance, order, or resolution passed
 2 by the legislative body is considered adopted when it is signed by the
 3 executive. If required by statute, an adopted ordinance, order, or
 4 resolution must be promulgated or published before it takes effect.

5 (b) An ordinance prescribing a penalty or forfeiture for a violation
 6 must, before it takes effect, be published in the manner prescribed by
 7 IC 5-3-1, unless:

8 (1) it is published under subsection (c); or

9 (2) it declares an emergency requiring its immediate
 10 effectiveness and is posted in:

11 (A) one (1) public place in each district in the town; or

12 (B) a number of public places in the town equal to the
 13 number of town legislative body members, if the town has
 14 abolished legislative body districts under section 4.1 of this
 15 chapter.

16 (c) Except as provided in subsection (e), if a town publishes any
 17 of its ordinances in book or pamphlet form, no other publication is
 18 required. If an ordinance prescribing a penalty or forfeiture for a
 19 violation is published under this subsection, it takes effect two (2)
 20 weeks after the publication of the book or pamphlet. Publication under
 21 this subsection, if authorized by the legislative body, constitutes
 22 presumptive evidence:

23 (1) of the ordinances in the book or pamphlet;

24 (2) of the date of adoption of the ordinances; and

25 (3) that the ordinances have been properly signed, attested,
 26 recorded, and approved.

27 (d) This section (other than subsection (f)) does not apply to a
 28 zoning ordinance or amendment to a zoning ordinance, or a resolution
 29 approving a comprehensive plan, that is adopted under IC 36-7.

30 (e) An ordinance increasing a building permit fee on new
 31 development must:

32 (1) be published:

33 (A) one (1) time in accordance with IC 5-3-1; and

34 (B) not later than thirty (30) days after the ordinance is
 35 adopted by the legislative body in accordance with IC 5-3-1;
 36 and

37 (2) delay the implementation of the fee increase for ~~ninety (90)~~
 38 **one hundred eighty (180)** days after the date the ordinance is
 39 published under subdivision (1).

40 (f) Subject to subsection (j), the legislative body shall:

41 (1) subject to subsection (g), give written notice to the
 42 department of environmental management not later than sixty

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1 (60) days before amendment or repeal of an environmental
2 restrictive ordinance; and

3 (2) give written notice to the department of environmental
4 management not later than thirty (30) days after passage,
5 amendment, or repeal of an environmental restrictive ordinance.

6 (g) Upon written request by the legislative body, the department
7 of environmental management may waive the notice requirement of
8 subsection (f)(1).

9 (h) An environmental restrictive ordinance passed or amended
10 after 2009 by the legislative body must state the notice requirements of
11 subsection (f).

12 (i) The failure of an environmental restrictive ordinance to comply
13 with subsection (h) does not void the ordinance.

14 (j) The notice requirements of subsection (f) apply only if the
15 municipal corporation received under IC 13-25-5-8.5(f) written notice
16 that the department is relying on the environmental restrictive
17 ordinance referred to in subsection (f) as part of a risk based
18 remediation proposal:

19 (1) approved by the department; and

20 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
21 or IC 13-25-5.

22 SECTION 5. IC 36-7-1-1.5 IS ADDED TO THE INDIANA CODE
23 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
24 1, 2026]: **Sec. 1.5. "Accessory dwelling unit" means a self-contained
25 living unit internal to or on the same lot or parcel as a single family
26 dwelling that:**

27 **(1) does not exceed the lesser of:**

28 **(A) seventy-five percent (75%) of the interior habitable
29 area (gross floor area) of the single family dwelling; or**

30 **(B) one thousand (1,000) square feet;**

31 **(2) includes its own cooking, sleeping, and sanitation
32 facilities; and**

33 **(3) complies with or is otherwise exempt from any applicable
34 building codes, fire safety codes, and other public health and
35 safety laws.**

36 **The term does not include a manufactured home (as defined in
37 IC 36-7-4-1106(b)) that is subject to the standards and
38 requirements set forth in IC 36-7-4-1106.**

39 SECTION 6. IC 36-7-1-4.5 IS ADDED TO THE INDIANA CODE
40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
41 1, 2026]: **Sec. 4.5. As used in this chapter, "Class 1 structure" has
42 the meaning set forth in IC 22-12-1-4.**



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1 SECTION 7. IC 36-7-1-4.7 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2026]: **Sec. 4.7. As used in this chapter, "Class 2 structure" has
4 the meaning set forth in IC 22-12-1-5.**

5 SECTION 8. IC 36-7-1-6.8 IS ADDED TO THE INDIANA CODE
6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2026]: **Sec. 6.8. "Homeowners association" has the meaning set
8 forth in IC 32-25.5-2-4.**

9 SECTION 9. IC 36-7-1-21.5 IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2026]: **Sec. 21.5. "Will-serve letter" means
12 a written document:**

- 13 (1) issued by a water and sewer service provider to an owner
14 or developer of a project or dwelling; and
- 15 (2) that states the provider is able and willing to provide
16 water and sewer service to the project or dwelling subject to
17 the conditions, if any, set forth in the document.

18 SECTION 10. IC 36-7-2.3 IS ADDED TO THE INDIANA CODE
19 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2026]:

21 **Chapter 2.3. Limits on Building and Construction Related
22 Fees**

23 **Sec. 1. This chapter applies to a fee imposed by a unit for
24 approval of an application related to:**

- 25 (1) construction or reconstruction of:
 - 26 (A) residential buildings;
 - 27 (B) commercial buildings;
 - 28 (C) industrial buildings;
 - 29 (D) any other building or building space; or
 - 30 (E) an appurtenance to a building described in clauses
31 (A) through (D); or

32 (2) zoning, development, subdivision, classification, or
33 reclassification of land;
34 including a fee designated as a permit fee (including a fee for a
35 permit under IC 36-7-4-1109(f)), application fee, inspection fee,
36 impact fee under IC 36-7-4-1300, processing fee, or by another
37 name.

38 **Sec. 2. As used in this chapter, "applicant" means a person
39 who submits an application that requires a fee described in section
40 1 of this chapter.**

41 **Sec. 3. After December 31, 2026:**

- 42 (1) Unless otherwise provided by law and subject to

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1 subdivisions (2) and (3), a unit may not assess a fee in an
 2 amount that is more than is reasonably necessary to cover
 3 the applicable cost to the unit to:

4 (A) process an application;

5 (B) inspect and review an applicant's plans; or

6 (C) prepare detailed statements for an applicant.

7 (2) Except as otherwise provided in this subdivision, any fee,
 8 including a fee adopted before January 1, 2027, may be
 9 increased:

10 (A) once every five (5) years; and

11 (B) by an amount not to exceed the combined annual
 12 percentage change in the Consumer Price Index for all
 13 Urban Consumers, as published by the United States
 14 Bureau of Labor Statistics, for the preceding five (5)
 15 years.

16 However, if the cost to the unit substantially changes from
 17 the amount described in subdivision (1), the legislative body
 18 of the unit may adjust the fee to accurately reflect the cost to
 19 the unit after conducting a public hearing.

20 (3) The total combined applicable fees for a particular Class
 21 1 or Class 2 structure may not exceed two percent (2%) of
 22 the construction costs of the applicable Class 1 or Class 2
 23 structure. However, a unit may adopt an ordinance to opt
 24 out of this subdivision.

25 (4) Any fee assessed and collected by a unit must be
 26 maintained in a special fund dedicated solely to reimbursing
 27 the costs actually incurred by the unit relating to the
 28 imposition and amount of the fee. Each fund shall be
 29 maintained as a separate line item in the unit's budget.
 30 Money in the fund may not at any time revert to the general
 31 fund or any other fund of the unit.

32 SECTION 11. IC 36-7-4-201.5 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2026]: **Sec. 201.5. (a) This section applies to**
 35 **a unit unless the unit adopts an ordinance to opt out of this section.**

36 **(b) This section does not apply to the following:**

37 **(1) A structure located in a historic area or historic zoning**
 38 **district created under:**

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

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

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

42 **(D) IC 36-7-11.3.**



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- 1 (2) A structure located in an area designated as a historic
- 2 district under state law or on the National Register of
- 3 Historic Places.
- 4 (3) A structure designated as a local, state, or national
- 5 historic landmark.
- 6 (4) A structure located on property that is covered by rules,
- 7 covenants, conditions, and restrictions, or other governing
- 8 documents (as defined in IC 32-25.5-2-3) of a homeowners
- 9 association.
- 10 (5) A structure owned or operated by a political subdivision.
- 11 (6) A regulation adopted as a condition for participation in
- 12 the National Flood Insurance Program.
- 13 (7) A regulation or standard established by a federal or state
- 14 agency as a condition for participation in a federal or state
- 15 housing program.
- 16 (8) A regulation or standard adopted under IC 22-13-2-2 by
- 17 the commission as part of the statewide code of fire safety
- 18 laws and building laws.
- 19 (c) Except as provided in subsection (d), as used in this section,
- 20 "design elements", with respect to a structure, means:
- 21 (1) exterior building color;
- 22 (2) type or style of exterior cladding material;
- 23 (3) style or material of roof structures, roof pitches, or
- 24 porches;
- 25 (4) exterior nonstructural architectural ornamentation;
- 26 (5) location, design, placement, or architectural styling of
- 27 windows and doors, including garage doors and garage
- 28 structures;
- 29 (6) the number and types of rooms; and
- 30 (7) the minimum square footage of a structure.
- 31 (d) For purposes of this section, "design elements" do not
- 32 include:
- 33 (1) the height, bulk, orientation, or location of a structure or
- 34 lot; or
- 35 (2) buffering or screening used to:
- 36 (A) minimize visual impacts;
- 37 (B) mitigate the impacts of light and noise; or
- 38 (C) protect the privacy of neighbors.
- 39 (e) As used in this section, "residential structure" refers to:
- 40 (1) a Class 1 structure with an occupancy classification of
- 41 Residential Group R; or
- 42 (2) a Class 2 structure, including an accessory dwelling unit.

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- 1 **(f) Unless a unit adopts an ordinance to opt out of this section:**
- 2 **(1) a unit may not regulate design elements of residential**
- 3 **structures; and**
- 4 **(2) any rule, ordinance, or other regulation of the unit that**
- 5 **conflicts with this section is void.**

6 **(g) A person aggrieved by an action in violation of this section**
 7 **by a unit that has not opted out of this section, may file, in a circuit**
 8 **or superior court having jurisdiction, a petition to obtain an**
 9 **injunction against a violation of this section by a unit.**

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

- 17 **(1) recording the subdivision restriction on the final plat and**
- 18 **incorporating the restriction as a recorded commitment on**
- 19 **any deed that conveys the parcel; or**
- 20 **(2) any other method.**

21 **(b) This section does not affect any property to which section**
 22 **1109 of this chapter applies, for which a complete application for**
 23 **approval of a primary or secondary plat was filed before July 1,**
 24 **2026.**

25 SECTION 13. IC 36-7-4-1109, AS AMENDED BY P.L.223-2025,
 26 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2026]: **Sec. 1109. (a) As used in this section, "applicant"**
 28 **means a person that applies to a local authority for a permit or**
 29 **approval.**

30 **(b) As used in this section, "development agreement" means a**
 31 **contract that is entered into between a person and a local authority**
 32 **regarding the development of property and that is executed after June**
 33 **30, 2025.**

34 **(c) As used in this section, "development standards" includes the**
 35 **following:**

- 36 **(1) Project elements including:**
- 37 **(A) permitted uses;**
- 38 **(B) residential densities;**
- 39 **(C) nonresidential densities and intensities;**
- 40 **(D) building sizes;**
- 41 **(E) impact fees, inspection fees, or dedications;**
- 42 **(F) mitigation measures, development conditions, and other**

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- 1 requirements;
 2 (G) design standards;
 3 (H) affordable housing;
 4 (I) parks and open space preservation;
 5 (J) phasing; and
 6 (K) review procedures and standards for implementing
 7 decisions.
- 8 (2) Any other development requirement or procedure.
- 9 (d) As used in this section, "legal restrictions" means statutes,
 10 ordinances, rules, development standards, policies, and regulations.
 11 The term does not include building codes under IC 22-13.
- 12 (e) As used in this section, "local authority" includes any agency,
 13 officer, board, or commission of a local unit of government that may
 14 issue:
- 15 (1) a permit; or
 16 (2) an approval:
 17 (A) of a land use; or
 18 (B) for the construction of a development, a building, or
 19 another structure.
- 20 (f) As used in this section, "permit" means any of the following:
 21 (1) An improvement location permit.
 22 (2) A building permit.
 23 (3) A certificate of occupancy.
 24 (4) Approval of a site-specific development plan.
 25 (5) Approval of a primary or secondary plat.
 26 (6) Approval of a variance, contingent use, conditional use,
 27 special exception, or special use.
 28 (7) Approval of a planned unit development.
- 29 (g) If a person files with the appropriate local authority a complete
 30 application for a permit, as required by the legal restrictions of a local
 31 unit of government or a local authority, the granting of:
 32 (1) the permit; and
 33 (2) any secondary, additional, or related permits or approvals
 34 required from the same local authority with respect to the
 35 general subject matter of the application for the first permit;
 36 are governed, for a period of at least three (3) years after the date the
 37 person files a complete permit application, by the legal restrictions in
 38 effect and applicable to the property at the time the complete
 39 application is filed.
- 40 (h) Subsection (g) applies even if the legal restrictions governing
 41 the granting of the permit or approval are changed by the general
 42 assembly or the applicable local legislative body or regulatory body:

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- 1 (1) before the issuance of the permit;
- 2 (2) while the permit approval process is pending;
- 3 (3) before the issuance of any secondary, additional, or related
- 4 permits or approvals; or
- 5 (4) while the secondary, additional, or related permit or approval
- 6 process is pending.

7 Subsection (g) applies regardless of whether the changes to the legal
 8 restrictions are part of a zoning ordinance, a subdivision control
 9 ordinance, or a statute, ordinance, or regulation that is based on the
 10 general police powers of the local unit of government. However, after
 11 the issuance or approval of a permit subsection (g) does not apply if the
 12 development or other activity to which the permit relates is not
 13 completed within ten (10) years after the development or activity is
 14 commenced.

- 15 (i) Subsection (j) applies if:
- 16 (1) either:
- 17 (A) a local authority issues to a person a permit or grants a
- 18 person approval for the construction of a development, a
- 19 building, or another structure; or
- 20 (B) a permit or approval is not required from the local
- 21 authority for the construction of the development, building,
- 22 or structure;
- 23 (2) before beginning the construction of the development,
- 24 building, or structure, the person must obtain a permit or
- 25 approval for the construction of the development, building, or
- 26 structure from a state governmental agency; and
- 27 (3) the person has applied for the permit or requested the
- 28 approval for the construction of the development, building, or
- 29 structure from the state governmental agency within ninety (90)
- 30 days of issuance of the permit or the granting of approval by the
- 31 local authority, as applicable.

- 32 (j) Subject to subsection (l), if the conditions of subsection (i) are
- 33 satisfied:
- 34 (1) a permit or approval issued or granted to a person by the
- 35 local authority for the construction of the development, building,
- 36 or structure; or
- 37 (2) the person's right to construct the development, building, or
- 38 structure without a permit or approval from the local authority;
- 39 is governed, for a period of at least three (3) years after the person
- 40 applies to the state governmental agency for the permit, by the legal
- 41 restrictions in effect and applicable to the property when the person
- 42 applies for the permit or requests approval from the state governmental

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1 agency for the construction of the development, building, or structure.
 2 (k) Subsection (j) applies even if the legal restrictions governing
 3 the granting of the permit or approval from the local authority are
 4 changed by the general assembly or the applicable local legislative
 5 body or regulatory body:
 6 (1) before the commencement of the construction; or
 7 (2) while the permit application or approval request is pending
 8 with the state governmental agency.
 9 Subsection (j) applies regardless of whether the changes to the legal
 10 restrictions are part of a zoning ordinance, a subdivision control
 11 ordinance, or a statute, ordinance, or regulation that is based on the
 12 general police powers of the local unit of government. However,
 13 subsection (j) does not apply if the development or other activity to
 14 which the permit or approval request relates is not completed within
 15 ten (10) years after the development or activity is commenced.
 16 (l) Subsection (j) does not apply to property when it is
 17 demonstrated by the local authority or state governmental agency that
 18 the construction of the development, building, or structure would cause
 19 imminent peril to life or property.
 20 (m) A development agreement entered into by a local authority
 21 must set forth the legal restrictions, including development standards
 22 and any other provisions applying to and governing the use and
 23 development of the real property for the period specified in the
 24 development agreement. A development agreement must:
 25 (1) reserve authority for the local authority to impose new or
 26 different legal restrictions to the extent required by a serious
 27 threat to public health and safety; and
 28 (2) be consistent with applicable legal restrictions adopted by the
 29 local authority.
 30 (n) Subject to subsection (j), the local authority's legal restrictions
 31 governing the development of the real property at the time the
 32 development agreement is executed govern the development of the real
 33 property for the period specified in the development agreement.
 34 (o) This section does not authorize the impairment of any vested
 35 right or abrogate any rights vested under common law. Without
 36 limiting the time in which rights might vest, an applicant's rights are
 37 considered vested in land use when the applicant obtains a permit or
 38 reasonably relies on existing law regarding development of a specific
 39 project. Rights considered vested under this subsection are not affected
 40 by a subsequent amendment to a zoning ordinance.
 41 (p) This section does not apply to building codes under IC 22-13.
 42 (q) The following provision is considered to be included in any

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1 regulation adopted under section 601(d)(2)(B) of this chapter that sets
2 forth requirements for signs:

3 "The owner of any sign that is otherwise allowed by this
4 regulation may substitute noncommercial copy in place of any
5 other commercial or noncommercial copy. This substitution of
6 copy may be made without the issuance of any additional permit
7 by a local authority. The purpose of this provision is to prevent
8 any inadvertent favoring of commercial speech over
9 noncommercial speech, or the favoring of any particular
10 noncommercial message over any other noncommercial
11 message. This provision prevails over any more specific
12 provision in this regulation to the contrary."

13 (r) After December 31, 2025, this subsection does not apply to a
14 permit to which IC 36-7-2.5 applies. A local authority must, not later
15 than twelve (12) business days after a person has filed a complete
16 application for a permit for which approval is ministerial under
17 IC 36-7-4-402 or an improvement location permit issued under the 800
18 series of this chapter and meets all conditions required under this
19 chapter and any other statute, issue the permit to the person.

20 (s) **This subsection applies after December 31, 2026. This**
21 **subsection applies if a unit fails to adopt or amend legal**
22 **restrictions consistent with the contents of a new or amended**
23 **comprehensive plan, not later than one (1) year after the date the**
24 **new or amended comprehensive plan is adopted. If a person files**
25 **with the appropriate local authority a complete application for a**
26 **permit or approval, the permit or approval must be granted, if the**
27 **project that is the subject of the application:**

28 (1) **is consistent with the new or amended comprehensive**
29 **plan; or**

30 (2) **satisfies the legal restrictions, including the zoning**
31 **ordinance, zone maps, or subdivision control ordinance in**
32 **effect on the date the permit application is submitted.**

33 SECTION 14. IC 36-7-4-1109.4, AS AMENDED BY
34 P.L.223-2025, SECTION 15, IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec.
36 1109.4. (a) This section does not apply to the issuance of:

- 37 (1) a design release or a plan review under IC 22-15;
- 38 (2) a Class 2 permit according to the timeline set forth in
39 ~~IC 36-2-7.5~~ **IC 36-7-2.5** (after December 31, 2025); or
- 40 (3) a permit according to the timeline set forth in section 1109(r)
41 of this chapter.

42 (b) A local authority shall review a permit application for

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1 completeness. If a local authority determines that an application is
 2 incomplete, the local authority must, not later than thirty (30) days after
 3 receipt of the application, notify the applicant in writing of all defects
 4 in the application. If a local authority fails to notify an applicant as
 5 required under this subsection, the local authority shall consider the
 6 permit application to be complete.

7 (c) An applicant that receives a timely written notice that an
 8 application is incomplete under subsection (b) may:

9 (1) cure the defects in the application; and

10 (2) resubmit the corrected application to the local authority;
 11 not later than thirty (30) days after receiving the notice. If an applicant
 12 is unable to cure the defects within the thirty (30) day period, the
 13 applicant shall notify the local authority of the additional time the
 14 applicant requires to cure the defects.

15 (d) Subject to subsection (e), not more than ninety (90) days after
 16 making an initial determination of completeness under subsection (b),
 17 a local authority shall:

18 (1) review the application to determine if it complies with all
 19 applicable requirements; and

20 (2) notify the applicant in writing whether the application is
 21 approved or denied.

22 The local authority shall provide to the applicant the local authority's
 23 written determination and findings of fact.

24 (e) If an applicant requested additional time under subsection (c)
 25 to cure defects in the application, the ninety (90) day period set forth
 26 in subsection (d) is extended for a corresponding amount of time.

27 (f) Any official action on a previously approved permit
 28 application, including an extension of specific conditions set forth in
 29 the permit, must be made not later than sixty (60) days after the
 30 applicant's filing that initiated the official action. The local authority
 31 shall provide to the applicant the local authority's written determination
 32 and findings of fact with respect to the official action.

33 SECTION 15. IC 36-7-4-1311, AS AMENDED BY P.L.149-2016,
 34 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2026]: Sec. 1311. (a) The legislative body of a unit may adopt
 36 an ordinance imposing an impact fee on new development in the
 37 geographic area over which the unit exercises planning and zoning
 38 jurisdiction. The ordinance must aggregate the portions of the impact
 39 fee attributable to the infrastructure types covered by the ordinance so
 40 that a single and unified impact fee is imposed on each new
 41 development.

42 (b) If the legislative body of a unit has planning and zoning

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1 jurisdiction over the entire geographic area covered by the impact fee
 2 ordinance, an ordinance adopted under this section shall be adopted in
 3 the same manner that zoning ordinances are adopted under the 600
 4 SERIES of this chapter.

5 (c) If the legislative body of a unit does not have planning and
 6 zoning jurisdiction over the entire geographic area covered by the
 7 impact fee ordinance but does have jurisdiction over one (1) or more
 8 infrastructure types in the area, the legislative body shall establish the
 9 portion of the impact fee schedule or formula for the infrastructure
 10 types over which the legislative body has jurisdiction. The legislative
 11 body of the unit having planning and zoning jurisdiction shall adopt an
 12 impact fee ordinance containing that portion of the impact fee schedule
 13 or formula if:

14 (1) a public hearing has been held before the legislative body
 15 having planning and zoning jurisdiction; and

16 (2) each plan commission that has planning jurisdiction over any
 17 part of the geographic area in which the impact fee is to be
 18 imposed has approved the proposed impact fee ordinance by
 19 resolution.

20 (d) An ordinance adopted under this section is the exclusive means
 21 for a unit to impose an impact fee. **Except as provided in subsection**
 22 **(e), an impact fee imposed on new development to pay for**
 23 **infrastructure may not be collected after January 1, 1992, unless the**
 24 **impact fee is imposed under an impact fee ordinance adopted under**
 25 **this chapter.**

26 **(e) This section applies to an impact fee imposed by a unit after**
 27 **June 30, 2025. An impact fee imposed on new development to pay**
 28 **for infrastructure may not be collected after June 30, 2025, unless**
 29 **the impact fee is imposed under an impact fee ordinance that**
 30 **complies with:**

31 **(1) section 1316.5 of this chapter; and**

32 **(2) any other applicable provision;**

33 **of this chapter. This subsection, in accordance with section 1109 of**
 34 **this chapter, does not affect an impact fee that was imposed and**
 35 **not collected by the unit before July 1, 2025.**

36 **(f)** Notwithstanding any other provision of this chapter, the
 37 following charges are not impact fees and may continue to be imposed
 38 by units:

39 (1) Fees, charges, or assessments imposed for infrastructure
 40 services under statutes in existence on January 1, 1991, if:

41 (A) the fee, charge, or assessment is imposed upon all users
 42 whether they are new users or users requiring additional

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1 capacity or services;
 2 (B) the fee, charge, or assessment is not used to fund
 3 construction of new infrastructure unless the new
 4 infrastructure is of the same type for which the fee, charge,
 5 or assessment is imposed and will serve the payer; and
 6 (C) the fee, charge, or assessment constitutes a reasonable
 7 charge for the services provided in accordance with
 8 IC 36-1-3-8(a)(6) or other governing statutes requiring that
 9 any fees, charges, or assessments bear a reasonable
 10 relationship to the infrastructure provided.

11 (2) Fees, charges, and assessments agreed upon under a
 12 contractual agreement entered into before April 1, 1991, or fees,
 13 charges, and assessments agreed upon under a contractual
 14 agreement, if the fees, charges, and assessments are treated as
 15 impact deductions under section 1321(d) of this chapter if an
 16 impact fee ordinance is in effect.

17 SECTION 16. IC 36-7-4-1316 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1316. **(a) This section
 19 only applies to an impact zone designated under section 1315 of
 20 this chapter before January 1, 2026.**

21 **(b) A unit must include in an impact zone ~~designated under~~
 22 ~~section 1315 of this chapter~~ the geographical area necessary to ensure
 23 that:**

- 24 (1) there is a functional relationship between the components of
 25 the infrastructure type in the impact zone;
- 26 (2) the infrastructure type provides a reasonably uniform benefit
 27 throughout the impact zone; and
- 28 (3) all areas included in the impact zone are contiguous.

29 SECTION 17. IC 36-7-4-1316.5 IS ADDED TO THE INDIANA
 30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2026]: **Sec. 1316.5. (a) This section only
 32 applies to an impact zone designated under section 1315 of this
 33 chapter after December 31, 2025.**

34 **(b) A unit must include in an impact zone the geographical
 35 area necessary to ensure that:**

- 36 **(1) there is a functional relationship between the components
 37 of the infrastructure type in the impact zone;**
- 38 **(2) the infrastructure type provides a reasonably uniform
 39 benefit throughout the impact zone;**
- 40 **(3) all areas included in the impact zone are contiguous; and**
- 41 **(4) the impact zone is:**

42 **(A) contiguous to the new development;**

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- 1 **(B) coterminous with a:**
- 2 (i) utility service; or
- 3 (ii) distribution line of a type described in section
- 4 1309(1) or 1309(5) of this chapter, that may be
- 5 necessary for the new development to interconnect
- 6 with existing utility infrastructure; or
- 7 **(C) located not more than one (1) mile from the**
- 8 **infrastructure type described in section 1309(2), 1309(3),**
- 9 **and 1309(4) of this chapter.**
- 10 SECTION 18. IC 36-7-4.1 IS ADDED TO THE INDIANA CODE
- 11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 12 JULY 1, 2026]:
- 13 **Chapter 4.1. Permitted Uses; Parking, Lot Size, Density, Single**
- 14 **Stair and Elevator Requirements**
- 15 **Sec. 1. The definitions in IC 36-7-1 and IC 36-1-2 apply**
- 16 **throughout this chapter.**
- 17 **Sec. 2. This chapter does not apply to property within:**
- 18 (1) a historic area or historic zoning district created under:
- 19 (A) IC 36-7-11;
- 20 (B) IC 36-7-11.1;
- 21 (C) IC 36-7-11.2; or
- 22 (D) IC 36-7-11.3; or
- 23 (2) a flood plain (as defined in IC 14-8-2-99).
- 24 **Sec. 3. As used in this chapter, "affordable housing" means a**
- 25 **residential dwelling unit reserved for a household whose income**
- 26 **does not exceed eighty percent (80%) of the median income for the**
- 27 **area as set out by the United States Department of Housing and**
- 28 **Urban Development.**
- 29 **Sec. 4. As used in this chapter, "heavy industrial use" means**
- 30 **a storage, processing, or manufacturing use:**
- 31 (1) with processes using flammable or explosive materials;
- 32 (2) with hazardous conditions; or
- 33 (3) that is noxious or offensive from odors, smoke, noise,
- 34 fumes, or vibrations.
- 35 **Sec. 5. As used in this chapter, "mixed use residential" means**
- 36 **a development project that provides within a shared building or**
- 37 **development area:**
- 38 (1) residential uses, including multiple dwelling units; and
- 39 (2) nonresidential uses that:
- 40 (A) comprise less than fifty percent (50%) of the total
- 41 square footage of the development; and
- 42 (B) are restricted to the first floor of any building

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1 **consisting of at least two (2) stories.**
2 **Sec. 6. As used in this chapter, "multi-family residential"**
3 **means a building designed to contain at least five (5) dwelling units**
4 **that:**
5 **(1) are separated from each other by ceilings or walls;**
6 **(2) may not have interior doors through which access can be**
7 **made to other dwelling units; and**
8 **(3) may be accessible to each other through a common**
9 **hallway.**
10 **The term includes apartments and condominiums. The term does**
11 **not include a hotel, motel, or other transient lodging.**
12 **Sec. 7. As used in this chapter, "permitted use" means a use**
13 **that is approved by a unit in a zoning district without the**
14 **requirement of:**
15 **(1) a public hearing;**
16 **(2) variance, special exception, contingent use, or conditional**
17 **use; or**
18 **(3) other discretionary zoning action, other than a**
19 **determination that a site plan conforms with applicable**
20 **zoning regulations.**
21 **Sec. 8. As used in this chapter, "religious institution" means a**
22 **bona fide church, religious denomination, or religious organization**
23 **that is exempt from federal income taxation under Section**
24 **501(c)(3) of the Internal Revenue Code.**
25 **Sec. 9. (a) Notwithstanding IC 36-7-4 or any other law, the**
26 **following are permitted uses:**
27 **(1) A single family dwelling or townhouse within an area**
28 **zoned for residential use, under section 10 of this chapter.**
29 **(2) At least one (1) accessory dwelling unit on a lot or parcel**
30 **containing a single family dwelling under section 11 of this**
31 **chapter.**
32 **(3) Affordable housing on property owned by a religious**
33 **institution in an area zoned for residential or commercial use**
34 **under section 12 of this chapter.**
35 **(4) A mixed use residential or multi-family residential**
36 **development in an area zoned for commercial use under**
37 **section 18 of this chapter.**
38 **(b) Notwithstanding IC 36-7-4 or any other law, a unit may not**
39 **adopt or enforce restrictions regarding single family dwellings or**
40 **townhouses that violate this chapter.**
41 **Sec. 10. (a) If zoned for residential use, any one (1) of the**
42 **following is a permitted use on each lot or parcel:**

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- 1 (1) At least two (2) single family dwellings.
 2 (2) At least three (3) townhouses.
 3 (b) A unit may require a will-serve letter for a dwelling under
 4 subsection (a)(2).
 5 (c) This subsection applies to a dwelling that is connected to
 6 water and sewer service. Except for a dwelling under section 14 or
 7 15 of this chapter, a unit may not require:
 8 (1) a single family dwelling to be built on a lot or parcel that
 9 exceeds five thousand four hundred forty-five (5,445) square
 10 feet (one-eighth (1/8) acre); or
 11 (2) a townhouse to be built on a lot or parcel that exceeds one
 12 thousand five hundred (1,500) square feet.
 13 (d) An accessory dwelling unit may be prohibited on a lot or
 14 parcel unless the lot or parcel contains a single family dwelling as
 15 provided in section 11 of this chapter.
 16 (e) A unit may not impose standards on a townhouse
 17 requiring:
 18 (1) side setbacks greater than seven and five-tenths (7.5) feet
 19 on each side;
 20 (2) combined minimum front and rear setbacks in excess of
 21 fifteen (15) feet;
 22 (3) any floor area ratio requirement on a development that
 23 otherwise complies with lot coverage and height
 24 requirements; or
 25 (4) maximum lot or parcel coverage requirements of less
 26 than eighty percent (80%), except as:
 27 (A) required by the design of the municipality's storm
 28 water system; or
 29 (B) otherwise provided in state or federal law or rule.
 30 Sec. 11. (a) Any accessory dwelling unit that is internal to a
 31 single family dwelling that meets the requirements of this section
 32 is a permitted use. A single family dwelling may have one (1) or
 33 more accessory dwelling units as permitted uses, if the accessory
 34 dwelling units satisfy the requirements of this section.
 35 (b) The interior habitable area (gross floor area) of an
 36 accessory dwelling unit may not exceed the lesser of:
 37 (1) seventy-five percent (75%) of the interior habitable area
 38 (gross floor area) of the single family dwelling; or
 39 (2) one thousand (1,000) square feet.
 40 (c) A unit may require all of the following:
 41 (1) A will-serve letter for each accessory dwelling unit.
 42 (2) An application fee for each accessory dwelling unit, of not

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1 more than two hundred fifty dollars (\$250). The application
2 fee is in addition to any other fees charged by the
3 municipality for single family residential construction.

4 (d) A unit may not charge an impact fee for an accessory
5 dwelling unit.

6 Sec. 12. Residential affordable housing is a permitted use in an
7 area zoned for residential or commercial use if:

8 (1) a religious institution is the developer of the property or
9 a developer working on behalf of a religious institution;

10 (2) the development is located on property owned by the
11 religious institution and purchased before January 1, 2025;

12 (3) the development has been approved by the legislative
13 body of the unit with jurisdiction over the property where
14 the development is to be located;

15 (4) the development exclusively contains affordable housing;
16 and

17 (5) the developer has obtained all other permits including
18 building permits required by law.

19 Sec. 13. A unit may not do any of the following with regard to
20 a single family dwelling or townhouse:

21 (1) Require a lot or parcel to have:

22 (A) additional parking to accommodate an accessory
23 dwelling unit; or

24 (B) parking spaces:

25 (i) in excess of those allowed under section 18 of this
26 chapter; and

27 (ii) within a garage or other enclosed or covered
28 area.

29 (2) Require an application fee that:

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

31 (B) violates IC 36-7-2.3.

32 (3) Require the property owner, in the case of a single family
33 dwelling with an accessory dwelling unit, to occupy the single
34 family dwelling or the accessory dwelling unit.

35 (4) Require a familial, marital, or employment relationship
36 between the occupants of a single family dwelling and the
37 occupants of the accessory dwelling unit.

38 (5) Require improvements to public streets as a condition of
39 permitting, except as necessary to reconstruct or repair a
40 public street that is disturbed as a result of the construction
41 of the single family dwelling or townhouse.

42 Sec. 14. (a) This section does not apply to a municipality that

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- 1 adopts an ordinance to opt out of this section.
- 2 (b) This section applies only to a tract of land that:
- 3 (1) is at least five (5) acres;
- 4 (2) has no recorded plat; and
- 5 (3) will be zoned only for single family dwellings.
- 6 (c) Unless a municipality adopts an ordinance to opt out of this
- 7 section, the municipality may not adopt or enforce an ordinance
- 8 that requires a lot or parcel:
- 9 (1) to exceed:
- 10 (A) one thousand four hundred (1,400) square feet;
- 11 (B) twenty (20) feet in width; or
- 12 (C) sixty (60) feet in depth;
- 13 in size; or
- 14 (2) to have a density ratio of less than thirty-one and
- 15 one-tenth (31.1) dwelling units per acre.
- 16 Sec. 15. (a) This section does not apply to a municipality that
- 17 adopts an ordinance to opt out of this section.
- 18 (b) This section only applies to a lot or parcel that is not more
- 19 than four thousand (4,000) square feet.
- 20 (c) In addition to the other requirements of this section, unless
- 21 a municipality adopts an ordinance to opt out of this section, the
- 22 following apply:
- 23 (1) A municipality may not require any of the following:
- 24 (A) A building, waterway, plane, or other setback that
- 25 is more than five (5) feet from the:
- 26 (i) front or back of the property; or
- 27 (ii) side of the property.
- 28 (B) More than thirty percent (30%) open space or
- 29 permeable surface.
- 30 (C) Fewer than three (3) full stories not exceeding ten
- 31 (10) feet in height measured from the interior floor to
- 32 ceiling.
- 33 (D) A maximum building bulk.
- 34 (E) Any other requirement that imposes restrictions
- 35 inconsistent with this section, including restrictions
- 36 imposed through contiguous zoning districts or uses or
- 37 an overlapping zoning district.
- 38 (2) A municipality may:
- 39 (A) require a lot to share a driveway with another lot;
- 40 (B) charge a permitting fee consistent with IC 36-7-2.3;
- 41 or
- 42 (C) impose restrictions applicable to all similarly

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

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- 1 (ii) twenty-five (25) feet.
- 2 (2) Requires a multi-level parking structure. A mixed use
- 3 residential or multi-family residential development is subject
- 4 to the parking requirements in this chapter.
- 5 (3) Restricts the ratio of the total building floor area of a
- 6 mixed use residential or multi-family residential
- 7 development in relation to the lot area of the development.
- 8 (4) Requires a multi-family residential development that is
- 9 not located in an area zoned for mixed use residential use to
- 10 contain nonresidential uses.
- 11 (e) A unit may require:
- 12 (1) a will-serve letter; and
- 13 (2) an application fee, subject to IC 36-7-2.3.
- 14 Sec. 17. (a) This section applies only to the conversion of a
- 15 building from nonresidential occupancy use to mixed use
- 16 residential or multi-family residential use.
- 17 (b) An impact fee may not be charged by the unit unless the
- 18 land was subject to an impact fee before a building permit related
- 19 to the conversion was filed with the unit.
- 20 (c) If:
- 21 (1) the building was constructed at least five (5) years before
- 22 the proposed date of the conversion; and
- 23 (2) the conversion involves:
- 24 (A) at least sixty-five percent (65%) of a building; and
- 25 (B) each floor of the building that is fit for residential
- 26 occupancy;
- 27 the unit may not impose the requirements in subsection (d).
- 28 (d) The unit may not require any of the following for a
- 29 building conversion described in subsection (c):
- 30 (1) A traffic impact analysis or study relating to the proposed
- 31 converted building's effect on traffic or traffic operations.
- 32 (2) Construction of improvements or payment of a fee to
- 33 mitigate traffic effects related to the proposed converted
- 34 building.
- 35 (3) Any additional parking spaces.
- 36 (4) Extension, upgrade, replacement, or oversizing of a utility
- 37 facility except as necessary to provide the minimum capacity
- 38 required for the proposed converted building.
- 39 (5) A design requirement:
- 40 (A) more restrictive than the applicable minimum
- 41 standard under IC 22-12-2.5; or
- 42 (B) prohibited under IC 36-7-4-201.5.

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- 1 **Sec. 18. (a) This section does not apply to a unit that opts out**
- 2 **of this section by adopting an ordinance.**
- 3 **(b) Unless a unit adopts an ordinance to opt out of this section,**
- 4 **this section applies to an application submitted to a local authority**
- 5 **after December 31, 2028, for:**
- 6 **(1) a permit; or**
- 7 **(2) an approval:**
 - 8 **(A) of a land use; or**
 - 9 **(B) for the construction of a development, a building, or**
 - 10 **another structure.**
- 11 **(c) This section does not apply to the following:**
 - 12 **(1) Any part of a unit located not more than one (1) mile**
 - 13 **from a commercial airport that has at least nine million**
 - 14 **(9,000,000) annual enplanements.**
 - 15 **(2) Parking for a religious institution.**
 - 16 **(3) An accessory dwelling unit under IC 36-7-4.1-11.**
 - 17 **(4) Parking requirements for carpools.**
 - 18 **(5) Temporary or time-restricted parking.**
 - 19 **(6) The minimum number of parking spaces required to**
 - 20 **comply with the Americans with Disabilities Act (42 U.S.C.**
 - 21 **12101 et seq.) that are permanently marked for the exclusive**
 - 22 **use of individuals with disabilities.**
- 23 **(d) As used in this section, "local authority" has the meaning**
- 24 **set forth in IC 36-7-4-1109.**
- 25 **(e) A unit may require not more than:**
 - 26 **(1) one (1) parking space for each multi-family residence;**
 - 27 **(2) one (1) parking space for each single family home; or**
 - 28 **(3) two (2) parking spaces for each one thousand (1,000)**
 - 29 **square feet of commercial space.**
- 30 **(f) Unless a unit adopts an ordinance to opt out of this section,**
- 31 **a unit may not establish any minimum parking space requirements**
- 32 **for the following:**
 - 33 **(1) A dwelling that is not more than one thousand two**
 - 34 **hundred (1,200) square feet.**
 - 35 **(2) A commercial space that is less than three thousand**
 - 36 **(3,000) square feet.**
 - 37 **(3) Affordable housing.**
 - 38 **(4) A senior housing property.**
 - 39 **(5) A child care center licensed under IC 12-17.2-4.**
 - 40 **(6) A ground level nonresidential space in a mixed use**
 - 41 **building.**
 - 42 **(7) A building, including a vacant building, undergoing a**

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1 change of use:

2 (A) from a nonresidential to a residential use; or

3 (B) for a commercial use.

4 (g) Unless a unit adopts an ordinance to opt out of this section,
5 a unit may not adopt or enforce any ordinance, rule, or regulation
6 that limits the maximum number of parking spaces for any
7 residential type, including single family dwellings, duplexes,
8 triplexes, fourplexes, townhouses, accessory dwelling units,
9 multi-family residential dwellings, or any commercial or mixed use
10 development.

11 (h) A unit may request a variance from the requirements of
12 this section by submitting a request to the fire prevention and
13 building safety commission, if the unit can show that compliance
14 with this section would be hazardous to the life, health, and safety
15 of residents. A unit's variance request must be supported with the
16 written opinion of a building official or fire chief.

17 (i) A unit may request a variance to require additional parking
18 spaces permanently marked for the exclusive use of individuals
19 with disabilities in a number that exceeds the minimum required
20 for compliance with the Americans with Disabilities Act (42 U.S.C.
21 12101 et seq.) based upon on the planned or likely population,
22 location, or safety of a building, using objective standards.

23 Sec. 19. (a) This section applies to structure classified as an R-2
24 building occupancy classification under the Indiana building code
25 adopted by the fire prevention and building safety commission.

26 (b) A residential building with not more than four (4) floors
27 above grade shall be permitted to have only one (1) stairway if:

28 (1) the building is equipped with a sprinkler system
29 compliant with the state fire code; and

30 (2) the stairway:

31 (A) complies with state fire code requirements, including
32 fire-rated doors at each floor; and

33 (B) is constructed of fireproof material.

34 (c) A residential building with five (5) or six (6) floors above
35 grade may have only one (1) stairway if:

36 (1) the building area is not more than four thousand (4,000)
37 square feet per floor;

38 (2) the maximum exit access travel distance shall not exceed
39 one hundred twenty-five (125) feet;

40 (3) the building is equipped with a sprinkler system
41 compliant with the state fire code;

42 (4) a manual fire alarm system and automatic smoke

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- 1 detection system that activates the occupant notification
- 2 system in accordance with the state building and fire code is
- 3 provided, with smoke detectors located in common spaces
- 4 outside of dwelling units, including but not limited to
- 5 gathering areas, laundry rooms, mechanical equipment
- 6 rooms, storage rooms, interior corridors, interior stairways,
- 7 and exit passageways;
- 8 (5) openings to the interior exit stairway enclosure are
- 9 limited to openings:
 - 10 (A) required for exit access into the enclosure from
 - 11 normally occupied spaces;
 - 12 (B) required for egress from the enclosure; and
 - 13 (C) to the exterior;
- 14 (6) elevators do not open into the interior exit stairway
- 15 enclosure;
- 16 (7) electrical receptacles are not installed in an interior exit
- 17 stairway; and
- 18 (8) the stairway:
 - 19 (A) complies with state fire code requirements, including
 - 20 fire-rated doors at each floor; and
 - 21 (B) is constructed of fireproof material.
- 22 **Sec. 20. This section applies to structure classified as an R-2**
- 23 **building occupancy classification under the Indiana building code**
- 24 **adopted by the fire prevention and building safety commission. A**
- 25 **unit may not require a structure that is not more than:**
 - 26 (1) six (6) stories; and
 - 27 (2) twenty-four (24) total units;
- 28 **to have a passenger elevator larger than an elevator that**
- 29 **accommodates a wheelchair.**
- 30 **Sec. 21. Nothing in this chapter:**
 - 31 (1) affects a unit's regulation of short term rentals as under
 - 32 IC 36-1-24;
 - 33 (2) prohibits property owners from enforcing rules or deed
 - 34 restrictions imposed by a homeowners association or by
 - 35 other private agreement;
 - 36 (3) supersedes applicable building codes, fire codes, or public
 - 37 health and safety laws;
 - 38 (4) relieves a person from obtaining a required permit;
 - 39 (5) prohibits a unit from taking enforcement actions,
 - 40 imposing fines, penalties, or requiring project modifications
 - 41 to bring a development into compliance; or
 - 42 (6) affects a restrictive covenant or regulation of a

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1 **condominium association or homeowners' association.**
 2 **Sec. 22. A zoning ordinance adopted before July 1, 2026, is**
 3 **void to the extent the ordinance conflicts with this chapter.**
 4 **However, this chapter does not apply to or affect any application**
 5 **for a permit under IC 36-7-4 submitted to a unit before July 1,**
 6 **2026.**
 7 **Sec. 23. A person adversely affected or aggrieved by a**
 8 **violation of this section may bring an action against the unit for:**
 9 **(1) declaratory and injunctive relief; and**
 10 **(2) costs and reasonable attorney's fees.**
 11 **SECTION 19. An emergency is declared for this act.**

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