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HOUSE BILL No. 1001

Proposed Changes to introduced printing by AM100102

DIGEST OF PROPOSED AMENDMENT

Subdivision control ordinance. Prohibits the legislative body of a county, city, or town from adopting a subdivision control ordinance that allows a property owner to restrict the subdivision of all or a part of the property owner's property for a period of years.

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**
- 16 **the unit;**
- 17 **(3) the number of housing proposals that were denied by the**
- 18 **unit; and**
- 19 **(4) the calendar days spent by the unit in processing housing**

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1 **proposal applications;**
2 **during the immediately preceding year.**

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

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

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

17 (1) with each publication of notice in a newspaper in
18 accordance with IC 5-3-1; or

19 (2) with the first publication of notice in a newspaper described
20 in subdivision (1) and the second publication of notice:

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

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

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25 *requiring its immediate effectiveness, it need not be published if:*

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

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

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

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

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

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

39 *or*

40 (C) *passed over the veto of the executive by a two-thirds*
41 *(2/3) vote of the legislative body, within sixty (60) days*
42 *after presentation of the ordinance or resolution to the*

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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:

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

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



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

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1 zoning ordinance or amendment to a zoning ordinance, or a resolution
 2 approving a comprehensive plan, that is adopted under IC 36-7.
 3 (e) An ordinance increasing a building permit fee on new
 4 development must:
 5 (1) be published:
 6 (A) one (1) time in accordance with IC 5-3-1; and
 7 (B) not later than thirty (30) days after the ordinance is
 8 adopted by the legislative body in accordance with IC 5-3-1;
 9 and
 10 (2) delay the implementation of the fee increase for ~~ninety (90)~~
 11 **one hundred eighty (180)** days after the date the ordinance is
 12 published under subdivision (1).
 13 (f) Subject to subsection (j), the legislative body shall:
 14 (1) subject to subsection (g), give written notice to the
 15 department of environmental management not later than sixty
 16 (60) days before amendment or repeal of an environmental
 17 restrictive ordinance; and
 18 (2) give written notice to the department of environmental
 19 management not later than thirty (30) days after passage,
 20 amendment, or repeal of an environmental restrictive ordinance.
 21 (g) Upon written request by the legislative body, the department
 22 of environmental management may waive the notice requirement of
 23 subsection (f)(1).
 24 (h) An environmental restrictive ordinance passed or amended
 25 after 2009 by the legislative body must state the notice requirements of
 26 subsection (f).
 27 (i) The failure of an environmental restrictive ordinance to comply
 28 with subsection (h) does not void the ordinance.
 29 (j) The notice requirements of subsection (f) apply only if the
 30 municipal corporation received under IC 13-25-5-8.5(f) written notice
 31 that the department is relying on the environmental restrictive
 32 ordinance referred to in subsection (f) as part of a risk based
 33 remediation proposal:
 34 (1) approved by the department; and
 35 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
 36 or IC 13-25-5.
 37 SECTION 4. IC 36-5-2-10, AS AMENDED BY P.L.105-2013,
 38 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2026]: Sec. 10. (a) An ordinance, order, or resolution passed
 40 by the legislative body is considered adopted when it is signed by the
 41 executive. If required by statute, an adopted ordinance, order, or
 42 resolution must be promulgated or published before it takes effect.

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- 1 (b) An ordinance prescribing a penalty or forfeiture for a violation
- 2 must, before it takes effect, be published in the manner prescribed by
- 3 IC 5-3-1, unless:
- 4 (1) it is published under subsection (c); or
- 5 (2) it declares an emergency requiring its immediate
- 6 effectiveness and is posted in:
- 7 (A) one (1) public place in each district in the town; or
- 8 (B) a number of public places in the town equal to the
- 9 number of town legislative body members, if the town has
- 10 abolished legislative body districts under section 4.1 of this
- 11 chapter.
- 12 (c) Except as provided in subsection (e), if a town publishes any
- 13 of its ordinances in book or pamphlet form, no other publication is
- 14 required. If an ordinance prescribing a penalty or forfeiture for a
- 15 violation is published under this subsection, it takes effect two (2)
- 16 weeks after the publication of the book or pamphlet. Publication under
- 17 this subsection, if authorized by the legislative body, constitutes
- 18 presumptive evidence:
- 19 (1) of the ordinances in the book or pamphlet;
- 20 (2) of the date of adoption of the ordinances; and
- 21 (3) that the ordinances have been properly signed, attested,
- 22 recorded, and approved.
- 23 (d) This section (other than subsection (f)) does not apply to a
- 24 zoning ordinance or amendment to a zoning ordinance, or a resolution
- 25 approving a comprehensive plan, that is adopted under IC 36-7.
- 26 (e) An ordinance increasing a building permit fee on new
- 27 development must:
- 28 (1) be published:
- 29 (A) one (1) time in accordance with IC 5-3-1; and
- 30 (B) not later than thirty (30) days after the ordinance is
- 31 adopted by the legislative body in accordance with IC 5-3-1;
- 32 and
- 33 (2) delay the implementation of the fee increase for ~~ninety (90)~~
- 34 **one hundred eighty (180)** days after the date the ordinance is
- 35 published under subdivision (1).
- 36 (f) Subject to subsection (j), the legislative body shall:
- 37 (1) subject to subsection (g), give written notice to the
- 38 department of environmental management not later than sixty
- 39 (60) days before amendment or repeal of an environmental
- 40 restrictive ordinance; and
- 41 (2) give written notice to the department of environmental
- 42 management not later than thirty (30) days after passage,

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1 amendment, or repeal of an environmental restrictive ordinance.
 2 (g) Upon written request by the legislative body, the department
 3 of environmental management may waive the notice requirement of
 4 subsection (f)(1).

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

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

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

- 15 (1) approved by the department; and
 16 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
 17 or IC 13-25-5.

18 SECTION 5. IC 36-7-1-1.5 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 20 1, 2026]: **Sec. 1.5. "Accessory dwelling unit" means a self-contained
 21 living unit internal to or on the same lot or parcel as a single family
 22 dwelling that:**

- 23 **(1) does not exceed the lesser of:**
 24 **(A) seventy-five percent (75%) of the interior habitable**
 25 **area (gross floor area) of the single family dwelling; or**
 26 **(B) one thousand (1,000) square feet;**
 27 **(2) includes its own cooking, sleeping, and sanitation**
 28 **facilities; and**
 29 **(3) complies with or is otherwise exempt from any applicable**
 30 **building codes, fire safety codes, and other public health and**
 31 **safety laws.**

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

35 SECTION 6. IC 36-7-1-4.5 IS ADDED TO THE INDIANA CODE
 36 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 37 1, 2026]: **Sec. 4.5. As used in this chapter, "Class 1 structure" has**
 38 **the meaning set forth in IC 22-12-1-4.**

39 SECTION 7. IC 36-7-1-4.7 IS ADDED TO THE INDIANA CODE
 40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 41 1, 2026]: **Sec. 4.7. As used in this chapter, "Class 2 structure" has**
 42 **the meaning set forth in IC 22-12-1-5.**



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1 SECTION 8. IC 36-7-1-6.8 IS ADDED TO THE INDIANA CODE
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 3 1, 2026]: **Sec. 6.8. "Homeowners association" has the meaning set
 4 forth in IC 32-25.5-2-4.**

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

9 (1) issued by a water and sewer service provider to an owner
 10 or developer of a project or dwelling; and

11 (2) that states the provider is able and willing to provide
 12 water and sewer service to the project or dwelling subject to
 13 the conditions, if any, set forth in the document.

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

17 **Chapter 2.3. Limits on Building and Construction Related
 18 Fees**

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

21 (1) construction or reconstruction of:

22 (A) residential buildings;

23 (B) commercial buildings;

24 (C) industrial buildings;

25 (D) any other building or building space; or

26 (E) an appurtenance to a building described in clauses

27 (A) through (D); or

28 (2) zoning, development, subdivision, classification, or
 29 reclassification of land;

30 including a fee designated as a permit fee (including a fee for a
 31 permit under IC 36-7-4-1109(f)), application fee, inspection fee,
 32 impact fee under IC 36-7-4-1300, processing fee, or by another
 33 name.

34 **Sec. 2. As used in this chapter, "applicant" means a person
 35 who submits an application that requires a fee described in section
 36 1 of this chapter.**

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

38 (1) Unless otherwise provided by law and subject to
 39 subdivisions (2) and (3), a unit may not assess a fee in an
 40 amount that is more than is reasonably necessary to cover
 41 the applicable cost to the unit to:

42 (A) process an application;



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- (B) inspect and review an applicant's plans; or
- (C) prepare detailed statements for an applicant.

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

- (A) once every five (5) years; and
- (B) by an amount not to exceed the combined annual percentage change in the Consumer Price Index for all Urban Consumers, as published by the United States Bureau of Labor Statistics, for the preceding five (5) years.

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

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

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

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

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

- (1) A structure located in a historic area or historic zoning district created under:
 - (A) IC 36-7-11;
 - (B) IC 36-7-11.1;
 - (C) IC 36-7-11.2; or
 - (D) IC 36-7-11.3.
- (2) A structure located in an area designated as a historic district under state law or on the National Register of Historic Places.
- (3) A structure designated as a local, state, or national

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

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1 conflicts with this section is void.
2 (g) A person aggrieved by an action in violation of this section
3 by a unit that has not opted out of this section, may file, in a circuit
4 or superior court having jurisdiction, a petition to obtain an
5 injunction against a violation of this section by a unit.

6 [SECTION 12. 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] SECTION 1 ~~1~~ [3]. IC 36-7-4-1109, AS AMENDED BY
22 P.L.223-2025, SECTION 14, IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1109. (a) As used in
24 this section, "applicant" means a person that applies to a local authority
25 for a permit or approval.

26 (b) As used in this section, "development agreement" means a
27 contract that is entered into between a person and a local authority
28 regarding the development of property and that is executed after June
29 30, 2025.

30 (c) As used in this section, "development standards" includes the
31 following:

- 32 (1) Project elements including:
 - 33 (A) permitted uses;
 - 34 (B) residential densities;
 - 35 (C) nonresidential densities and intensities;
 - 36 (D) building sizes;
 - 37 (E) impact fees, inspection fees, or dedications;
 - 38 (F) mitigation measures, development conditions, and other
 - 39 requirements;
 - 40 (G) design standards;
 - 41 (H) affordable housing;
 - 42 (I) parks and open space preservation;

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

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1 (4) while the secondary, additional, or related permit or approval
 2 process is pending.
 3 Subsection (g) applies regardless of whether the changes to the legal
 4 restrictions are part of a zoning ordinance, a subdivision control
 5 ordinance, or a statute, ordinance, or regulation that is based on the
 6 general police powers of the local unit of government. However, after
 7 the issuance or approval of a permit subsection (g) does not apply if the
 8 development or other activity to which the permit relates is not
 9 completed within ten (10) years after the development or activity is
 10 commenced.
 11 (i) Subsection (j) applies if:
 12 (1) either:
 13 (A) a local authority issues to a person a permit or grants a
 14 person approval for the construction of a development, a
 15 building, or another structure; or
 16 (B) a permit or approval is not required from the local
 17 authority for the construction of the development, building,
 18 or structure;
 19 (2) before beginning the construction of the development,
 20 building, or structure, the person must obtain a permit or
 21 approval for the construction of the development, building, or
 22 structure from a state governmental agency; and
 23 (3) the person has applied for the permit or requested the
 24 approval for the construction of the development, building, or
 25 structure from the state governmental agency within ninety (90)
 26 days of issuance of the permit or the granting of approval by the
 27 local authority, as applicable.
 28 (j) Subject to subsection (l), if the conditions of subsection (i) are
 29 satisfied:
 30 (1) a permit or approval issued or granted to a person by the
 31 local authority for the construction of the development, building,
 32 or structure; or
 33 (2) the person's right to construct the development, building, or
 34 structure without a permit or approval from the local authority;
 35 is governed, for a period of at least three (3) years after the person
 36 applies to the state governmental agency for the permit, by the legal
 37 restrictions in effect and applicable to the property when the person
 38 applies for the permit or requests approval from the state governmental
 39 agency for the construction of the development, building, or structure.
 40 (k) Subsection (j) applies even if the legal restrictions governing
 41 the granting of the permit or approval from the local authority are
 42 changed by the general assembly or the applicable local legislative

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1 body or regulatory body:
2 (1) before the commencement of the construction; or
3 (2) while the permit application or approval request is pending
4 with the state governmental agency.

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

12 (l) Subsection (j) does not apply to property when it is
13 demonstrated by the local authority or state governmental agency that
14 the construction of the development, building, or structure would cause
15 imminent peril to life or property.

16 (m) A development agreement entered into by a local authority
17 must set forth the legal restrictions, including development standards
18 and any other provisions applying to and governing the use and
19 development of the real property for the period specified in the
20 development agreement. A development agreement must:
21 (1) reserve authority for the local authority to impose new or
22 different legal restrictions to the extent required by a serious
23 threat to public health and safety; and
24 (2) be consistent with applicable legal restrictions adopted by the
25 local authority.

26 (n) Subject to subsection (j), the local authority's legal restrictions
27 governing the development of the real property at the time the
28 development agreement is executed govern the development of the real
29 property for the period specified in the development agreement.

30 (o) This section does not authorize the impairment of any vested
31 right or abrogate any rights vested under common law. Without
32 limiting the time in which rights might vest, an applicant's rights are
33 considered vested in land use when the applicant obtains a permit or
34 reasonably relies on existing law regarding development of a specific
35 project. Rights considered vested under this subsection are not affected
36 by a subsequent amendment to a zoning ordinance.

37 (p) This section does not apply to building codes under IC 22-13.

38 (q) The following provision is considered to be included in any
39 regulation adopted under section 601(d)(2)(B) of this chapter that sets
40 forth requirements for signs:
41 "The owner of any sign that is otherwise allowed by this
42 regulation may substitute noncommercial copy in place of any

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1 other commercial or noncommercial copy. This substitution of
2 copy may be made without the issuance of any additional permit
3 by a local authority. The purpose of this provision is to prevent
4 any inadvertent favoring of commercial speech over
5 noncommercial speech, or the favoring of any particular
6 noncommercial message over any other noncommercial
7 message. This provision prevails over any more specific
8 provision in this regulation to the contrary."

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

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

- 24 **(1) is consistent with the new or amended comprehensive**
25 **plan; or**
- 26 **(2) satisfies the legal restrictions, including the zoning**
27 **ordinance, zone maps, or subdivision control ordinance in**
28 **effect on the date the permit application is submitted.**

29 SECTION 1 ~~3~~ 4. IC 36-7-4-1109.4, AS AMENDED BY
30 P.L.223-2025, SECTION 15, IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec.
32 1109.4. (a) This section does not apply to the issuance of:

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

38 (b) A local authority shall review a permit application for
39 completeness. If a local authority determines that an application is
40 incomplete, the local authority must, not later than thirty (30) days after
41 receipt of the application, notify the applicant in writing of all defects
42 in the application. If a local authority fails to notify an applicant as

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1 required under this subsection, the local authority shall consider the
2 permit application to be complete.

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

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

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

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

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

16 (2) notify the applicant in writing whether the application is
17 approved or denied.

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

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

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

29 SECTION 1 ~~4~~ 5. IC 36-7-4-1311, AS AMENDED BY
30 P.L.149-2016, SECTION 97, IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1311. (a) The
32 legislative body of a unit may adopt an ordinance imposing an impact
33 fee on new development in the geographic area over which the unit
34 exercises planning and zoning jurisdiction. The ordinance must
35 aggregate the portions of the impact fee attributable to the
36 infrastructure types covered by the ordinance so that a single and
37 unified impact fee is imposed on each new development.

38 (b) If the legislative body of a unit has planning and zoning
39 jurisdiction over the entire geographic area covered by the impact fee
40 ordinance, an ordinance adopted under this section shall be adopted in
41 the same manner that zoning ordinances are adopted under the 600
42 SERIES of this chapter.



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

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

12 (2) each plan commission that has planning jurisdiction over any
13 part of the geographic area in which the impact fee is to be
14 imposed has approved the proposed impact fee ordinance by
15 resolution.

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

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

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

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

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

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

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

37 (A) the fee, charge, or assessment is imposed upon all users
38 whether they are new users or users requiring additional
39 capacity or services;

40 (B) the fee, charge, or assessment is not used to fund
41 construction of new infrastructure unless the new
42 infrastructure is of the same type for which the fee, charge,

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1 or assessment is imposed and will serve the payer; and
 2 (C) the fee, charge, or assessment constitutes a reasonable
 3 charge for the services provided in accordance with
 4 IC 36-1-3-8(a)(6) or other governing statutes requiring that
 5 any fees, charges, or assessments bear a reasonable
 6 relationship to the infrastructure provided.
 7 (2) Fees, charges, and assessments agreed upon under a
 8 contractual agreement entered into before April 1, 1991, or fees,
 9 charges, and assessments agreed upon under a contractual
 10 agreement, if the fees, charges, and assessments are treated as
 11 impact deductions under section 1321(d) of this chapter if an
 12 impact fee ordinance is in effect.

13 SECTION 1 ~~6~~ [6]. IC 36-7-4-1316 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1316. **(a) This section**
 15 **only applies to an impact zone designated under section 1315 of**
 16 **this chapter before January 1, 2026.**

17 **(b) A unit must include in an impact zone designated under**
 18 **section 1315 of this chapter the geographical area necessary to ensure**
 19 **that:**

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

25 SECTION 1 ~~6~~ [7]. IC 36-7-4-1316.5 IS ADDED TO THE
 26 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: Sec. 1316.5. **(a) This section only**
 28 **applies to an impact zone designated under section 1315 of this**
 29 **chapter after December 31, 2025.**

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

- 32 **(1) there is a functional relationship between the components**
- 33 **of the infrastructure type in the impact zone;**
- 34 **(2) the infrastructure type provides a reasonably uniform**
- 35 **benefit throughout the impact zone;**
- 36 **(3) all areas included in the impact zone are contiguous; and**
- 37 **(4) the impact zone is:**
 - 38 **(A) contiguous to the new development;**
 - 39 **(B) coterminous with a:**
 - 40 **(i) utility service; or**
 - 41 **(ii) distribution line of a type described in section**
 - 42 **1309(1) or 1309(5) of this chapter, that may be**

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1 necessary for the new development to interconnect
 2 with existing utility infrastructure; or
 3 (C) located not more than one (1) mile from the
 4 infrastructure type described in section 1309(2), 1309(3),
 5 and 1309(4) of this chapter.

6 SECTION 1 <=> [8]. IC 36-7-4.1 IS ADDED TO THE INDIANA
 7 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2026]:

9 **Chapter 4.1. Permitted Uses; Parking, Lot Size, Density, Single**
 10 **Stair and Elevator Requirements**

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

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

- 14 (1) a historic area or historic zoning district created under:
 - 15 (A) IC 36-7-11;
 - 16 (B) IC 36-7-11.1;
 - 17 (C) IC 36-7-11.2; or
 - 18 (D) IC 36-7-11.3; or

19 (2) a flood plain (as defined in IC 14-8-2-99).

20 **Sec. 3. As used in this chapter, "affordable housing" means a**
 21 **residential dwelling unit reserved for a household whose income**
 22 **does not exceed eighty percent (80%) of the median income for the**
 23 **area as set out by the United States Department of Housing and**
 24 **Urban Development.**

25 **Sec. 4. As used in this chapter, "heavy industrial use" means**
 26 **a storage, processing, or manufacturing use:**

- 27 (1) with processes using flammable or explosive materials;
- 28 (2) with hazardous conditions; or
- 29 (3) that is noxious or offensive from odors, smoke, noise,
 30 fumes, or vibrations.

31 **Sec. 5. As used in this chapter, "mixed use residential" means**
 32 **a development project that provides within a shared building or**
 33 **development area:**

- 34 (1) residential uses, including multiple dwelling units; and
- 35 (2) nonresidential uses that:
 - 36 (A) comprise less than fifty percent (50%) of the total
 37 square footage of the development; and
 - 38 (B) are restricted to the first floor of any building
 39 consisting of at least two (2) stories.

40 **Sec. 6. As used in this chapter, "multi-family residential"**
 41 **means a building designed to contain at least five (5) dwelling units**
 42 **that:**

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- 1 (1) are separated from each other by ceilings or walls;
- 2 (2) may not have interior doors through which access can be
- 3 made to other dwelling units; and
- 4 (3) may be accessible to each other through a common
- 5 hallway.

6 The term includes apartments and condominiums. The term does
 7 not include a hotel, motel, or other transient lodging.

8 Sec. 7. As used in this chapter, "permitted use" means a use
 9 that is approved by a unit in a zoning district without the
 10 requirement of:

- 11 (1) a public hearing;
- 12 (2) variance, special exception, contingent use, or conditional
- 13 use; or
- 14 (3) other discretionary zoning action, other than a
- 15 determination that a site plan conforms with applicable
- 16 zoning regulations.

17 Sec. 8. As used in this chapter, "religious institution" means a
 18 bona fide church, religious denomination, or religious organization
 19 that is exempt from federal income taxation under Section
 20 501(c)(3) of the Internal Revenue Code.

21 Sec. 9. (a) Notwithstanding IC 36-7-4 or any other law, the
 22 following are permitted uses:

- 23 (1) A single family dwelling or townhouse within an area
- 24 zoned for residential use, under section 10 of this chapter.
- 25 (2) At least one (1) accessory dwelling unit on a lot or parcel
- 26 containing a single family dwelling under section 11 of this
- 27 chapter.
- 28 (3) Affordable housing on property owned by a religious
- 29 institution in an area zoned for residential or commercial use
- 30 under section 12 of this chapter.
- 31 (4) A mixed use residential or multi-family residential
- 32 development in an area zoned for commercial use under
- 33 section 18 of this chapter.

34 (b) Notwithstanding IC 36-7-4 or any other law, a unit may not
 35 adopt or enforce restrictions regarding single family dwellings or
 36 townhouses that violate this chapter.

37 Sec. 10. (a) If zoned for residential use, any one (1) of the
 38 following is a permitted use on each lot or parcel:

- 39 (1) At least two (2) single family dwellings.
- 40 (2) At least three (3) townhouses.

41 (b) A unit may require a will-serve letter for a dwelling under
 42 subsection (a)(2).

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1 (c) This subsection applies to a dwelling that is connected to
2 water and sewer service. Except for a dwelling under section 14 or
3 15 of this chapter, a unit may not require:

4 (1) a single family dwelling to be built on a lot or parcel that
5 exceeds five thousand four hundred forty-five (5,445) square
6 feet (one-eighth (1/8) acre); or

7 (2) a townhouse to be built on a lot or parcel that exceeds one
8 thousand five hundred (1,500) square feet.

9 (d) An accessory dwelling unit may be prohibited on a lot or
10 parcel unless the lot or parcel contains a single family dwelling as
11 provided in section 11 of this chapter.

12 (e) A unit may not impose standards on a townhouse
13 requiring:

14 (1) side setbacks greater than seven and five-tenths (7.5) feet
15 on each side;

16 (2) combined minimum front and rear setbacks in excess of
17 fifteen (15) feet;

18 (3) any floor area ratio requirement on a development that
19 otherwise complies with lot coverage and height
20 requirements; or

21 (4) maximum lot or parcel coverage requirements of less
22 than eighty percent (80%), except as:

23 (A) required by the design of the municipality's storm
24 water system; or

25 (B) otherwise provided in state or federal law or rule.

26 Sec. 11. (a) Any accessory dwelling unit that is internal to a
27 single family dwelling that meets the requirements of this section
28 is a permitted use. A single family dwelling may have one (1) or
29 more accessory dwelling units as permitted uses, if the accessory
30 dwelling units satisfy the requirements of this section.

31 (b) The interior habitable area (gross floor area) of an
32 accessory dwelling unit may not exceed the lesser of:

33 (1) seventy-five percent (75%) of the interior habitable area
34 (gross floor area) of the single family dwelling; or

35 (2) one thousand (1,000) square feet.

36 (c) A unit may require all of the following:

37 (1) A will-serve letter for each accessory dwelling unit.

38 (2) An application fee for each accessory dwelling unit, of not
39 more than two hundred fifty dollars (\$250). The application
40 fee is in addition to any other fees charged by the
41 municipality for single family residential construction.

42 (d) A unit may not charge an impact fee for an accessory

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

- (1) a religious institution is the developer of the property or a developer working on behalf of a religious institution;**
- (2) the development is located on property owned by the religious institution and purchased before January 1, 2025;**
- (3) the development has been approved by the legislative body of the unit with jurisdiction over the property where the development is to be located;**
- (4) the development exclusively contains affordable housing;**
- and**
- (5) the developer has obtained all other permits including building permits required by law.**

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

- (1) Require a lot or parcel to have:**
 - (A) additional parking to accommodate an accessory dwelling unit; or**
 - (B) parking spaces:**
 - (i) in excess of those allowed under section 18 of this chapter; and**
 - (ii) within a garage or other enclosed or covered area.**
- (2) Require an application fee that:**
 - (A) exceeds a fee charged for a single family dwelling; or**
 - (B) violates IC 36-7-2.3.**
- (3) Require the property owner, in the case of a single family dwelling with an accessory dwelling unit, to occupy the single family dwelling or the accessory dwelling unit.**
- (4) Require a familial, marital, or employment relationship between the occupants of a single family dwelling and the occupants of the accessory dwelling unit.**
- (5) Require improvements to public streets as a condition of permitting, except as necessary to reconstruct or repair a public street that is disturbed as a result of the construction of the single family dwelling or townhouse.**

Sec. 14. (a) This section does not apply to a municipality that adopts an ordinance to opt out of this section.

- (b) This section applies only to a tract of land that:**
 - (1) is at least five (5) acres;**
 - (2) has no recorded plat; and**

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- 1 (3) will be zoned only for single family dwellings.
- 2 (c) Unless a municipality adopts an ordinance to opt out of this
- 3 section, the municipality may not adopt or enforce an ordinance
- 4 that requires a lot or parcel:
- 5 (1) to exceed:
- 6 (A) one thousand four hundred (1,400) square feet;
- 7 (B) twenty (20) feet in width; or
- 8 (C) sixty (60) feet in depth;
- 9 in size; or
- 10 (2) to have a density ratio of less than thirty-one and
- 11 one-tenth (31.1) dwelling units per acre.
- 12 Sec. 15. (a) This section does not apply to a municipality that
- 13 adopts an ordinance to opt out of this section.
- 14 (b) This section only applies to a lot or parcel that is not more
- 15 than four thousand (4,000) square feet.
- 16 (c) In addition to the other requirements of this section, unless
- 17 a municipality adopts an ordinance to opt out of this section, the
- 18 following apply:
- 19 (1) A municipality may not require any of the following:
- 20 (A) A building, waterway, plane, or other setback that
- 21 is more than five (5) feet from the:
- 22 (i) front or back of the property; or
- 23 (ii) side of the property.
- 24 (B) More than thirty percent (30%) open space or
- 25 permeable surface.
- 26 (C) Fewer than three (3) full stories not exceeding ten
- 27 (10) feet in height measured from the interior floor to
- 28 ceiling.
- 29 (D) A maximum building bulk.
- 30 (E) Any other requirement that imposes restrictions
- 31 inconsistent with this section, including restrictions
- 32 imposed through contiguous zoning districts or uses or
- 33 an overlapping zoning district.
- 34 (2) A municipality may:
- 35 (A) require a lot to share a driveway with another lot;
- 36 (B) charge a permitting fee consistent with IC 36-7-2.3;
- 37 or
- 38 (C) impose restrictions applicable to all similarly
- 39 situated lots, parcels, or subdivisions, including
- 40 restrictions to fully mitigate storm water runoff.
- 41 Sec. 16. (a) This section does not apply to a unit that adopts an
- 42 ordinance to opt out of this section.

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

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- 1 **(3) Restricts the ratio of the total building floor area of a**
- 2 **mixed use residential or multi-family residential**
- 3 **development in relation to the lot area of the development.**
- 4 **(4) Requires a multi-family residential development that is**
- 5 **not located in an area zoned for mixed use residential use to**
- 6 **contain nonresidential uses.**
- 7 **(e) A unit may require:**
- 8 **(1) a will-serve letter; and**
- 9 **(2) an application fee, subject to IC 36-7-2.3.**

10 **Sec. 17. (a) This section applies only to the conversion of a**
 11 **building from nonresidential occupancy use to mixed use**
 12 **residential or multi-family residential use.**

13 **(b) An impact fee may not be charged by the unit unless the**
 14 **land was subject to an impact fee before a building permit related**
 15 **to the conversion was filed with the unit.**

- 16 **(c) If:**
- 17 **(1) the building was constructed at least five (5) years before**
 18 **the proposed date of the conversion; and**
- 19 **(2) the conversion involves:**
- 20 **(A) at least sixty-five percent (65%) of a building; and**
- 21 **(B) each floor of the building that is fit for residential**
 22 **occupancy;**

23 **the unit may not impose the requirements in subsection (d).**

24 **(d) The unit may not require any of the following for a**
 25 **building conversion described in subsection (c):**

- 26 **(1) A traffic impact analysis or study relating to the proposed**
 27 **converted building's effect on traffic or traffic operations.**
- 28 **(2) Construction of improvements or payment of a fee to**
 29 **mitigate traffic effects related to the proposed converted**
 30 **building.**
- 31 **(3) Any additional parking spaces.**
- 32 **(4) Extension, upgrade, replacement, or oversizing of a utility**
 33 **facility except as necessary to provide the minimum capacity**
 34 **required for the proposed converted building.**
- 35 **(5) A design requirement:**
- 36 **(A) more restrictive than the applicable minimum**
 37 **standard under IC 22-12-2.5; or**
- 38 **(B) prohibited under IC 36-7-4-201.5.**

39 **Sec. 18. (a) This section does not apply to a unit that opts out**
 40 **of this section by adopting an ordinance.**

41 **(b) Unless a unit adopts an ordinance to opt out of this section,**
 42 **this section applies to an application submitted to a local authority**

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

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1 a unit may not adopt or enforce any ordinance, rule, or regulation
2 that limits the maximum number of parking spaces for any
3 residential type, including single family dwellings, duplexes,
4 triplexes, fourplexes, townhouses, accessory dwelling units,
5 multi-family residential dwellings, or any commercial or mixed use
6 development.

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

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

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

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

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

- 26 (2) the stairway:
27 (A) complies with state fire code requirements, including
28 fire-rated doors at each floor; and
29 (B) is constructed of fireproof material.

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

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

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

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

38 (4) a manual fire alarm system and automatic smoke
39 detection system that activates the occupant notification
40 system in accordance with the state building and fire code is
41 provided, with smoke detectors located in common spaces
42 outside of dwelling units, including but not limited to

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- 1 gathering areas, laundry rooms, mechanical equipment
- 2 rooms, storage rooms, interior corridors, interior stairways,
- 3 and exit passageways;
- 4 (5) openings to the interior exit stairway enclosure are
- 5 limited to openings:
- 6 (A) required for exit access into the enclosure from
- 7 normally occupied spaces;
- 8 (B) required for egress from the enclosure; and
- 9 (C) to the exterior;
- 10 (6) elevators do not open into the interior exit stairway
- 11 enclosure;
- 12 (7) electrical receptacles are not installed in an interior exit
- 13 stairway; and
- 14 (8) the stairway:
- 15 (A) complies with state fire code requirements, including
- 16 fire-rated doors at each floor; and
- 17 (B) is constructed of fireproof material.

18 **Sec. 20. This section applies to structure classified as an R-2**
 19 **building occupancy classification under the Indiana building code**
 20 **adopted by the fire prevention and building safety commission. A**
 21 **unit may not require a structure that is not more than:**

- 22 (1) six (6) stories; and
- 23 (2) twenty-four (24) total units;
- 24 to have a passenger elevator larger than an elevator that
- 25 accommodates a wheelchair.

26 **Sec. 21. Nothing in this chapter:**

- 27 (1) affects a unit's regulation of short term rentals as under
- 28 IC 36-1-24;
- 29 (2) prohibits property owners from enforcing rules or deed
- 30 restrictions imposed by a homeowners association or by
- 31 other private agreement;
- 32 (3) supersedes applicable building codes, fire codes, or public
- 33 health and safety laws;
- 34 (4) relieves a person from obtaining a required permit;
- 35 (5) prohibits a unit from taking enforcement actions,
- 36 imposing fines, penalties, or requiring project modifications
- 37 to bring a development into compliance; or
- 38 (6) affects a restrictive covenant or regulation of a
- 39 condominium association or homeowners' association.

40 **Sec. 22. A zoning ordinance adopted before July 1, 2026, is**
 41 **void to the extent the ordinance conflicts with this chapter.**
 42 **However, this chapter does not apply to or affect any application**

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1 for a permit under IC 36-7-4 submitted to a unit before July 1,
2 2026.

3 Sec. 23. A person adversely affected or aggrieved by a
4 violation of this section may bring an action against the unit for:

5 (1) declaratory and injunctive relief; and

6 (2) costs and reasonable attorney's fees.

7 SECTION 1 ~~8~~ [9]. An emergency is declared for this act.[]

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