

PRINTING CODE. Deletions appear in <this style type>. Insertions appear in [this style type]. Typeface changes are shown in <this << style << type << or in [this[] [style[] [type[].

# HOUSE BILL No. 1001

Proposed Changes to January 23, 2026 printing by AM100108

## DIGEST OF PROPOSED AMENDMENT

Housing matters. Limits permitted uses in the bill to property that is located: (1) near a public transit route; (2) in a riverfront development project; or (3) in an area that is: (A) zoned residential or commercial; and (B) in an allocation area of a redevelopment commission. Provides the following are permitted uses: (1) at least two single family dwellings or one duplex on a lot or parcel in an area zoned for residential use. (2) A mixed use residential or multi-family residential development in an area zoned for commercial use. Provides that the following are permitted uses if a unit does not adopt an ordinance to opt out not later than December 31, 2026: (1) An accessory dwelling unit is a permitted use on a lot within an area that is zoned residential. (2) The conversion of a commercial property to a multi-family or mixed-use development is a permitted use in an economic improvement district, economic enhancement district, or similar improvement district. Provides that a unit may not regulate design elements of residential structures unless the unit adopts an ordinance to opt out not later than December 31, 2026. Removes a provision making a housing development of a religious institution a permitted use. Urges assignment of the topic of housing developments by religious institutions to an interim study committee. Adds requirements regarding the location of impact zones designated by a unit after June 30, 2026. Beginning January 1, 2027, requires a county, city, or town to annually report to the Indiana housing and community development authority a housing progress report, including the total number of residential units lost in the preceding year. Requires the department of environmental management to review and update its Indiana Storm Water Quality Manual not later than December 1, 2026. Defines "mitigation" for purposes of flood plain management. Prohibits state or local government from requiring a flood plain mitigating ratio of more than three to one under certain circumstances. Requires a unit to forfeit or refund any regulatory fees if the unit fails to meet statutory deadlines for issuing a Class 2 building permit. Prohibits the following with regard to a Class 2 structure or structure classified as an R-2 building occupancy classification: (1) A state agency from adopting rules requiring the installation of an arc-fault circuit interrupter (AFCI) after June 30, 2026. (2) A political subdivision from requiring installation of an AFCI. Prohibits a state agency or a political subdivision from requiring installation of an emergency responder communications enhancement system or similar system in a Class 1 structure that is constructed, reconstructed, remodeled, or renovated, after June 30, 2026. Repeals a provision that would have reinstated on July 1, 2027, the statute in effect before its amendment in the 2023

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

regular session of the general assembly setting forth the authorization and procedures for establishing a residential housing development program (program). Amends the current statute for establishing a program to provide that a program terminates: (1) 25 years (instead of 20 years) after the date on which the first obligation was incurred to pay principal and interest on obligations payable from tax increment revenues from the program; or (2) on the date on which such bond obligations or lease rentals are satisfied. Adds a provision prohibiting 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. Adds a provision requiring a unit to review the unit's unified development ordinance and zoning regulations in a public hearing with the purpose of providing for increased housing development, if the unit opts out of certain provisions. Resolves conflicts for IC 36-2-4-8, which was amended by both P.L.22-2021 and P.L.152-2021.

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 5-20-1-28.5 IS ADDED TO THE INDIANA
- 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 2026]: **Sec. 28.5. (a) This section applies to a**
- 4 **[local ]unit exercising planning and zoning powers under IC 36-7-4.**
- 5 (b) As used in this section, "[local ]unit" means a county, city,
- 6 or town.
- 7 (c) Beginning January 1, 2027, and January 1 of each year
- 8 thereafter, a [local ]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 provide the following
- 13 information for the immediately preceding year:
- 14 (1) The [total ]number of [proposed residential ]housing
- 15 ~~<proposals that were>~~ [units] submitted to the [local ]unit.
- 16 (2) The [total ]number of [proposed residential ]housing
- 17 ~~<proposals>~~ [units] that were approved by the [local ]unit.
- 18 (3) The [total ]number of ~~<housing proposals>~~ [proposed
- 19 residential units] that were denied by the [ local unit.
- 20 (4) The total number of net new residential housing units
- 21 submitted to the local unit. The total number of net new
- 22 residential housing units is determined by subtracting the
- 23 number of residential housing units that the local unit lost in
- 24 the immediately preceding year through:

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

(A) demolition;  
(B) conversion to non-residential use; or  
(C) combining units;  
from the total number of proposed residential units  
submitted to the local unit under subdivision (1).  
(5) The total number of new residential housing units that:  
(A) are entitled;  
(B) have been platted;  
(C) have been issued a building permit; and  
(D) have received a certificate of occupancy or  
completion and compliance by the local] unit.

~~(6)~~ (6) The calendar days spent by the [local] unit in processing housing proposal applications.

~~(5) Any impact fees that were adopted by the unit. If impact fees were adopted, the unit must provide a copy of the zone improvement plan.~~

> (e) If the number of [proposed residential ]housing ~~<proposals>~~ [units] reported under subsection (d)(1) does not equal the sum of the number of [proposed residential ]housing ~~<proposals>~~ [units] reported under subsection (d)(2) and (d)(3), information must be provided to explain the discrepancy.

SECTION 2. IC 5-20-1-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 29. (a) As used in this section, "[local ]unit" means a county, city, or town.

(b) ~~<Not later than>~~ [Beginning] January 1, 2027, and ~~<not later than>~~ January 1 of each year thereafter, a [local] unit shall report the following information to the authority [and the executive director of the legislative services agency, in an electronic format under IC 5-14-6, ] regarding the status of housing in the [local ]unit for the prior calendar year: [ ]

- (1) The average and median home sale prices and the year over year change.
- (2) The median rent prices and year over year change.
- (3) The number of residential dwelling units constructed and occupied in total and by type.
- (4) The percentage of new residential dwelling units constructed that are listed at each of the following:
  - (A) Eighty percent (80%) or less of the [local ]unit's median income.
  - (B) Eighty-one percent (81%) to one hundred nineteen percent (119%) of the [local ]unit's median income.

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

(C) One hundred twenty percent (120%) or more of the [local ] unit's median income.  
(5) Any ~~<statutory requirements the>~~ [provisions under IC 36-7-4-201.3, IC 36-7-4.1, or IC 36-7-4.2 that the local ] unit opted out of by ordinance, including the following:  
(A) The date the [local ] unit enacted the ordinance.  
(B) The geographic scope of the opt out.  
(C) The [local ] unit's justification for opting out of the statutory requirement.

(c) A [local ] unit shall use applicable data and information from the 2025 calendar year as a reference point for the information required ~~[for ]~~~~t~~~~o~~~~be~~ [he January 1, 2027, ] report~~ed~~ under subsection (b).

(d) The authority must compile and publish on the authority's website an annual report of the information reported by [local ] units under subsection (b) that includes at least the following:  
(1) Regional comparisons of the information provided under subsection (b).  
(2) An evaluation of the outcomes of housing legislation enacted during the 2026 legislative session.

[ SECTION 3. IC 13-14-1-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) Not later than December 1, 2026, the department shall do the following:

(1) Conduct a review of the Indiana Storm Water Quality Manual to determine whether:

- (A) the recommendations in the Indiana Storm Water Quality Manual are cost effective; and
- (B) any new or revised recommendations are necessary.

(2) Submit a report of its findings and recommendations under subdivision (1) to the legislative council in an electronic format under IC 5-14-6.

(b) The Indiana Storm Water Quality Manual with respect to storm water management basins:

- (1) may not require a pond bank ratio greater than three (3) to one (1); and
- (2) must require a ten (10) foot maintenance ledge or a ten (10) foot safety ledge, but may not require both.

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

SECTION 4. IC 14-8-2-167.5 IS ADDED TO THE INDIANA

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 167.5. "Mitigation, for purposes of IC 14-28-1-41, has the meaning set forth in IC 14-28-1-41.

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

a:

- (1) county;
- (2) city;
- (3) town; or
- (4) township;

located in Indiana.

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

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

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

- (1) The commission.
- (2) Another state agency.

(b) A political subdivision may not adopt an ordinance or other regulation requiring the installation of an arc-fault circuit interrupter (AFCI) in a Class 2 structure or a structure classified as an R-2 building occupancy classification under the Indiana building code constructed after June 30, 2026.

(c) A ordinance or other regulation adopted before July 1, 2026, is void to the extent the ordinance or regulation conflicts with this section.

SECTION 8. IC 22-13-2-3.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

M  
a  
r  
k  
u  
p



1 [EFFECTIVE JULY 1, 2026]: Sec. 3.7. (a) A state agency or a  
 2 political subdivision (as defined in IC 36-1-2-13) may not require  
 3 an emergency responder communications enhancement system  
 4 (ERCES) or similar system to be installed in:  
 5 (1) a new Class 1 structure constructed; or  
 6 (2) an existing Class 1 structure that is reconstructed,  
 7 remodeled, or renovated;  
 8 after June 30, 2026.  
 9 (b) An ordinance or other regulation adopted by a political  
 10 subdivision before July 1, 2026, is void to the extent the ordinance  
 11 or regulation conflicts with this section.

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

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

- 22 (1) with each publication of notice in a newspaper in  
 23 accordance with IC 5-3-1; or
- 24 (2) with the first publication of notice in a newspaper described  
 25 in subdivision (1) and the second publication of notice:
  - 26 (A) in accordance with IC 5-3-5; and
  - 27 (B) on the official web site **website** of the county.

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

- 31 *(1) the county executive proclaims the urgent necessity; and*
- 32 *(2) copies of the ordinance are posted in three (3) public places*  
 33 *in each of the districts of the county before it takes effect.*

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

- 36 *(1) An ordinance or resolution passed by the legislative body of*  
 37 *a county subject to IC 36-2-3.5 is considered adopted only if it*  
 38 *is:*
  - 39 *(A) approved by signature of a majority of the county*  
 40 *executive (in the case of a county subject to IC 36-2-3.5);*
  - 41 *(B) neither approved nor vetoed by a majority of the*  
 42 *executive (in the case of a county subject to IC 36-2-3.5)*

M  
a  
r  
k  
u  
p



~~within ten (10) days after passage by the legislative body;  
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:

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M  
a  
r  
k  
u  
p

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

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

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

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 SECTION ~~↔~~ [11]. IC 36-5-2-10, AS AMENDED BY  
 2 P.L.105-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2026]: Sec. 10. (a) An ordinance, order, or  
 4 resolution passed by the legislative body is considered adopted when  
 5 it is signed by the executive. If required by statute, an adopted  
 6 ordinance, order, or resolution must be promulgated or published  
 7 before it takes effect.  
 8 (b) An ordinance prescribing a penalty or forfeiture for a violation  
 9 must, before it takes effect, be published in the manner prescribed by  
 10 IC 5-3-1, unless:  
 11 (1) it is published under subsection (c); or  
 12 (2) it declares an emergency requiring its immediate  
 13 effectiveness and is posted in:  
 14 (A) one (1) public place in each district in the town; or  
 15 (B) a number of public places in the town equal to the  
 16 number of town legislative body members, if the town has  
 17 abolished legislative body districts under section 4.1 of this  
 18 chapter.  
 19 (c) Except as provided in subsection (e), if a town publishes any  
 20 of its ordinances in book or pamphlet form, no other publication is  
 21 required. If an ordinance prescribing a penalty or forfeiture for a  
 22 violation is published under this subsection, it takes effect two (2)  
 23 weeks after the publication of the book or pamphlet. Publication under  
 24 this subsection, if authorized by the legislative body, constitutes  
 25 presumptive evidence:  
 26 (1) of the ordinances in the book or pamphlet;  
 27 (2) of the date of adoption of the ordinances; and  
 28 (3) that the ordinances have been properly signed, attested,  
 29 recorded, and approved.  
 30 (d) This section (other than subsection (f)) does not apply to a  
 31 zoning ordinance or amendment to a zoning ordinance, or a resolution  
 32 approving a comprehensive plan, that is adopted under IC 36-7.  
 33 (e) An ordinance increasing a building permit fee on new  
 34 development must:  
 35 (1) be published:  
 36 (A) one (1) time in accordance with IC 5-3-1; and  
 37 (B) not later than thirty (30) days after the ordinance is  
 38 adopted by the legislative body in accordance with IC 5-3-1;  
 39 and  
 40 (2) delay the implementation of the fee increase for ~~ninety (90)~~  
 41 **one hundred eighty (180)** days after the date the ordinance is  
 42 published under subdivision (1).

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

- 1 (f) Subject to subsection (j), the legislative body shall:
- 2 (1) subject to subsection (g), give written notice to the
- 3 department of environmental management not later than sixty
- 4 (60) days before amendment or repeal of an environmental
- 5 restrictive ordinance; and
- 6 (2) give written notice to the department of environmental
- 7 management not later than thirty (30) days after passage,
- 8 amendment, or repeal of an environmental restrictive ordinance.
- 9 (g) Upon written request by the legislative body, the department
- 10 of environmental management may waive the notice requirement of
- 11 subsection (f)(1).
- 12 (h) An environmental restrictive ordinance passed or amended
- 13 after 2009 by the legislative body must state the notice requirements of
- 14 subsection (f).
- 15 (i) The failure of an environmental restrictive ordinance to comply
- 16 with subsection (h) does not void the ordinance.
- 17 (j) The notice requirements of subsection (f) apply only if the
- 18 municipal corporation received under IC 13-25-5-8.5(f) written notice
- 19 that the department is relying on the environmental restrictive
- 20 ordinance referred to in subsection (f) as part of a risk based
- 21 remediation proposal:
- 22 (1) approved by the department; and
- 23 (2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4,
- 24 or IC 13-25-5.
- 25 SECTION ~~6~~ [12]. IC 36-7-1-1.5 IS ADDED TO THE INDIANA
- 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 27 [EFFECTIVE JULY 1, 2026]: **Sec. 1.5. "Accessory dwelling unit"**
- 28 **means a self-contained living unit internal to or on the same lot or**
- 29 **parcel as a single family dwelling that:**
- 30 **(1) does not exceed the lesser of:**
- 31 **(A) seventy-five percent (75%) of the interior habitable**
- 32 **area (gross floor area) of the single family dwelling; or**
- 33 **(B) one thousand (1,000) square feet;**
- 34 **(2) includes its own cooking, sleeping, and sanitation**
- 35 **facilities; and**
- 36 **(3) complies with or is otherwise exempt from any applicable**
- 37 **building codes, fire safety codes, and other public health and**
- 38 **safety laws.**
- 39 **The term does not include a manufactured home (as defined in**
- 40 **IC 36-7-4-1106(b)) that is subject to the standards and**
- 41 **requirements set forth in IC 36-7-4-1106.**
- 42 SECTION ~~7~~ [13]. IC 36-7-1-4.5 IS ADDED TO THE INDIANA

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2026]: **Sec. 4.5. As used in this chapter,**  
 3 **"Class 1 structure" has the meaning set forth in IC 22-12-1-4.**  
 4 SECTION ~~8~~[14]. IC 36-7-1-4.7 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2026]: **Sec. 4.7. As used in this chapter,**  
 7 **"Class 2 structure" has the meaning set forth in IC 22-12-1-5.**  
 8 SECTION ~~9~~[15]. IC 36-7-1-6.8 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2026]: **Sec. 6.8. "Homeowners association"**  
 11 **has the meaning set forth in IC 32-25.5-2-4.**  
 12 SECTION 1~~6~~[6]. IC 36-7-1-21.8 IS ADDED TO THE  
 13 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS  
 14 [EFFECTIVE JULY 1, 2026]: **Sec. 21.8. "Will-serve letter" means**  
 15 **a written document:**  
 16 (1) issued by a water and sewer service provider to an owner  
 17 or developer of a project or dwelling; and  
 18 (2) that states the provider is able and willing to provide  
 19 water and sewer service to the project or dwelling subject to  
 20 the conditions, if any, set forth in the document.  
 21 SECTION 1~~7~~[7]. IC 36-7-2.3 IS ADDED TO THE INDIANA  
 22 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
 23 [EFFECTIVE JULY 1, 2026]:  
 24 **Chapter 2.3. Limits on Building and Construction Related**  
 25 **Fees**  
 26 **Sec. 1. This chapter applies to a fee imposed by a unit for**  
 27 **approval of an application related to:**  
 28 (1) construction or reconstruction of:  
 29 (A) residential buildings;  
 30 (B) commercial buildings;  
 31 (C) industrial buildings;  
 32 (D) any other building or building space; or  
 33 (E) an appurtenance to a building described in clauses  
 34 (A) through (D); or  
 35 (2) zoning, development, subdivision, classification, or  
 36 reclassification of land;  
 37 including a fee designated as a permit fee (including a fee for a  
 38 permit under IC 36-7-4-1109(f)), application fee, inspection fee,  
 39 ~~impact fee under IC 36-7-4-1300,~~ processing fee, or by another  
 40 name.  
 41 **Sec. 2. As used in this chapter, "applicant" means a person**  
 42 **who submits an application that requires a fee described in section**

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

1 of this chapter.

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

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

- (A) process an application;
- (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 18. IC 36-7-2.5-23.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 23.5. (a) If a unit fails to meet the deadlines set forth in this chapter, the unit shall:

- (1) forfeit any regulatory fee owed by the applicant; and
- (2) refund any regulatory fee that has been paid by the applicant;

to the unit.

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



1 (b) This section does not apply if a unit fails to meet a deadline  
2 set forth in this chapter as a result of a delay described in section  
3 23 of this chapter.

4 ] SECTION 1↔[9]. IC 36-7-4-201.3 IS ADDED TO THE  
5 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS  
6 [EFFECTIVE JULY 1, 2026]: Sec. 201.3. (a) This section applies to  
7 a unit unless the unit adopts an ordinance to opt out of this  
8 section, not later than December 31, 2026.

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

10 (1) A structure located in a historic area or historic zoning  
11 district created under:

- 12 (A) IC 36-7-11;
- 13 (B) IC 36-7-11.1;
- 14 (C) IC 36-7-11.2; or
- 15 (D) IC 36-7-11.3.

16 (2) A structure located in an area designated as a historic  
17 district under state law or on the National Register of  
18 Historic Places.

19 (3) A structure designated as a local, state, or national  
20 historic landmark.

21 (4) A structure located on property that is covered by rules,  
22 covenants, conditions, and restrictions, or other governing  
23 documents (as defined in IC 32-25.5-2-3) of a homeowners  
24 association.

25 (5) A structure owned or operated by a political subdivision.

26 (6) A regulation adopted as a condition for participation in  
27 the National Flood Insurance Program.

28 (7) A regulation or standard established by a federal or state  
29 agency as a condition for participation in a federal or state  
30 housing program.

31 (8) A regulation or standard adopted under IC 22-13-2-2 by  
32 the commission as part of the statewide code of fire safety  
33 laws and building laws.

34 (c) Except as provided in subsection (d), as used in this section,  
35 "design elements", with respect to a structure, means:

- 36 (1) exterior building color;
- 37 (2) type or style of exterior cladding material;
- 38 (3) style or material of roof structures, roof pitches, or  
39 porches;
- 40 (4) exterior nonstructural architectural ornamentation;
- 41 (5) location, design, placement, or architectural styling of  
42 windows and doors, including garage doors and garage

M  
a  
r  
k  
u  
p



1 structures;  
 2 (6) the number and types of rooms; and  
 3 (7) the minimum square footage of a structure.  
 4 (d) For purposes of this section, "design elements" do not  
 5 include:  
 6 (1) the height, bulk, orientation, or location of a structure or  
 7 lot; or  
 8 (2) buffering or screening used to:  
 9 (A) minimize visual impacts;  
 10 (B) mitigate the impacts of light and noise; or  
 11 (C) protect the privacy of neighbors.  
 12 (e) As used in this section, "residential structure" refers to:  
 13 (1) a Class 1 structure with an occupancy classification of  
 14 Residential Group R; or  
 15 (2) a Class 2 structure, including an accessory dwelling unit.  
 16 (f) Unless a unit adopts an ordinance to opt out of this section [  
 17 not later than December 31, 2026]:  
 18 (1) a unit may not regulate design elements of residential  
 19 structures; and  
 20 (2) any rule, ordinance, or other regulation of the unit that  
 21 conflicts with this section is void.  
 22 (g) A person aggrieved by an action in violation of this section  
 23 by a unit that has not opted out of this section, may file, in a circuit  
 24 or superior court having jurisdiction, a petition to obtain an  
 25 injunction against a violation of this section by a unit.  
 26 [ SECTION 20. IC 36-7-4-701.5 IS ADDED TO THE INDIANA  
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2026]: Sec. 701.5. (a) A legislative body may  
 29 not adopt a subdivision control ordinance, including an ordinance  
 30 for sliding scale subdivision, that allows an owner of property to  
 31 restrict any subdivision of all or a part of the owner's property for  
 32 a period of years by:  
 33 (1) recording the subdivision restriction on the final plat and  
 34 incorporating the restriction as a recorded commitment on  
 35 any deed that conveys the parcel; or  
 36 (2) any other method.  
 37 (b) This section does not affect any property to which section  
 38 1109 of this chapter applies, for which a complete application for  
 39 approval of a primary or secondary plat was filed before July 1,  
 40 2026.  
 41 ] SECTION ~~43~~[21]. IC 36-7-4-1109, AS AMENDED BY  
 42 P.L.223-2025, SECTION 14, IS AMENDED TO READ AS

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

- 1       FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1109. (a) As used in
- 2       this section, "applicant" means a person that applies to a local authority
- 3       for a permit or approval.
- 4       (b) As used in this section, "development agreement" means a
- 5       contract that is entered into between a person and a local authority
- 6       regarding the development of property and that is executed after June
- 7       30, 2025.
- 8       (c) As used in this section, "development standards" includes the
- 9       following:
  - 10       (1) Project elements including:
    - 11           (A) permitted uses;
    - 12           (B) residential densities;
    - 13           (C) nonresidential densities and intensities;
    - 14           (D) building sizes;
    - 15           (E) impact fees, inspection fees, or dedications;
    - 16           (F) mitigation measures, development conditions, and other
    - 17           requirements;
    - 18           (G) design standards;
    - 19           (H) affordable housing;
    - 20           (I) parks and open space preservation;
    - 21           (J) phasing; and
    - 22           (K) review procedures and standards for implementing
    - 23           decisions.
  - 24       (2) Any other development requirement or procedure.
- 25       (d) As used in this section, "legal restrictions" means statutes,
- 26       ordinances, rules, development standards, policies, and regulations.
- 27       The term does not include building codes under IC 22-13.
- 28       (e) As used in this section, "local authority" includes any agency,
- 29       officer, board, or commission of a local unit of government that may
- 30       issue:
  - 31       (1) a permit; or
  - 32       (2) an approval:
    - 33           (A) of a land use; or
    - 34           (B) for the construction of a development, a building, or
    - 35           another structure.
- 36       (f) As used in this section, "permit" means any of the following:
  - 37       (1) An improvement location permit.
  - 38       (2) A building permit.
  - 39       (3) A certificate of occupancy.
  - 40       (4) Approval of a site-specific development plan.
  - 41       (5) Approval of a primary or secondary plat.
  - 42       (6) Approval of a variance, contingent use, conditional use,

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 special exception, or special use.  
 2 (7) Approval of a planned unit development.  
 3 (g) If a person files with the appropriate local authority a complete  
 4 application for a permit, as required by the legal restrictions of a local  
 5 unit of government or a local authority, the granting of:  
 6 (1) the permit; and  
 7 (2) any secondary, additional, or related permits or approvals  
 8 required from the same local authority with respect to the  
 9 general subject matter of the application for the first permit;  
 10 are governed, for a period of at least three (3) years after the date the  
 11 person files a complete permit application, by the legal restrictions in  
 12 effect and applicable to the property at the time the complete  
 13 application is filed.  
 14 (h) Subsection (g) applies even if the legal restrictions governing  
 15 the granting of the permit or approval are changed by the general  
 16 assembly or the applicable local legislative body or regulatory body:  
 17 (1) before the issuance of the permit;  
 18 (2) while the permit approval process is pending;  
 19 (3) before the issuance of any secondary, additional, or related  
 20 permits or approvals; or  
 21 (4) while the secondary, additional, or related permit or approval  
 22 process is pending.  
 23 Subsection (g) applies regardless of whether the changes to the legal  
 24 restrictions are part of a zoning ordinance, a subdivision control  
 25 ordinance, or a statute, ordinance, or regulation that is based on the  
 26 general police powers of the local unit of government. However, after  
 27 the issuance or approval of a permit subsection (g) does not apply if the  
 28 development or other activity to which the permit relates is not  
 29 completed within ten (10) years after the development or activity is  
 30 commenced.  
 31 (i) Subsection (j) applies if:  
 32 (1) either:  
 33 (A) a local authority issues to a person a permit or grants a  
 34 person approval for the construction of a development, a  
 35 building, or another structure; or  
 36 (B) a permit or approval is not required from the local  
 37 authority for the construction of the development, building,  
 38 or structure;  
 39 (2) before beginning the construction of the development,  
 40 building, or structure, the person must obtain a permit or  
 41 approval for the construction of the development, building, or  
 42 structure from a state governmental agency; and

M  
a  
r  
k  
u  
p



1 (3) the person has applied for the permit or requested the  
2 approval for the construction of the development, building, or  
3 structure from the state governmental agency within ninety (90)  
4 days of issuance of the permit or the granting of approval by the  
5 local authority, as applicable.

6 (j) Subject to subsection (l), if the conditions of subsection (i) are  
7 satisfied:

8 (1) a permit or approval issued or granted to a person by the  
9 local authority for the construction of the development, building,  
10 or structure; or

11 (2) the person's right to construct the development, building, or  
12 structure without a permit or approval from the local authority;  
13 is governed, for a period of at least three (3) years after the person  
14 applies to the state governmental agency for the permit, by the legal  
15 restrictions in effect and applicable to the property when the person  
16 applies for the permit or requests approval from the state governmental  
17 agency for the construction of the development, building, or structure.

18 (k) Subsection (j) applies even if the legal restrictions governing  
19 the granting of the permit or approval from the local authority are  
20 changed by the general assembly or the applicable local legislative  
21 body or regulatory body:

22 (1) before the commencement of the construction; or

23 (2) while the permit application or approval request is pending  
24 with the state governmental agency.

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

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

36 (m) A development agreement entered into by a local authority  
37 must set forth the legal restrictions, including development standards  
38 and any other provisions applying to and governing the use and  
39 development of the real property for the period specified in the  
40 development agreement. A development agreement must:

41 (1) reserve authority for the local authority to impose new or  
42 different legal restrictions to the extent required by a serious

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 threat to public health and safety; and  
 2 (2) be consistent with applicable legal restrictions adopted by the  
 3 local authority.  
 4 (n) Subject to subsection (j), the local authority's legal restrictions  
 5 governing the development of the real property at the time the  
 6 development agreement is executed govern the development of the real  
 7 property for the period specified in the development agreement.  
 8 (o) This section does not authorize the impairment of any vested  
 9 right or abrogate any rights vested under common law. Without  
 10 limiting the time in which rights might vest, an applicant's rights are  
 11 considered vested in land use when the applicant obtains a permit or  
 12 reasonably relies on existing law regarding development of a specific  
 13 project. Rights considered vested under this subsection are not affected  
 14 by a subsequent amendment to a zoning ordinance.  
 15 (p) This section does not apply to building codes under IC 22-13.  
 16 (q) The following provision is considered to be included in any  
 17 regulation adopted under section 601(d)(2)(B) of this chapter that sets  
 18 forth requirements for signs:  
 19 "The owner of any sign that is otherwise allowed by this  
 20 regulation may substitute noncommercial copy in place of any  
 21 other commercial or noncommercial copy. This substitution of  
 22 copy may be made without the issuance of any additional permit  
 23 by a local authority. The purpose of this provision is to prevent  
 24 any inadvertent favoring of commercial speech over  
 25 noncommercial speech, or the favoring of any particular  
 26 noncommercial message over any other noncommercial  
 27 message. This provision prevails over any more specific  
 28 provision in this regulation to the contrary."  
 29 (r) After December 31, 2025, this subsection does not apply to a  
 30 permit to which IC 36-7-2.5 applies. A local authority must, not later  
 31 than twelve (12) business days after a person has filed a complete  
 32 application for a permit for which approval is ministerial under  
 33 IC 36-7-4-402 or an improvement location permit issued under the 800  
 34 series of this chapter and meets all conditions required under this  
 35 chapter and any other statute, issue the permit to the person.  
 36 **(s) This subsection applies after December 31, 2026. This**  
 37 **subsection applies if a unit fails to adopt or amend legal**  
 38 **restrictions consistent with the contents of a new or amended**  
 39 **comprehensive plan, not later than one (1) year after the date the**  
 40 **new or amended comprehensive plan is adopted. If a person files**  
 41 **with the appropriate local authority a complete application for a**  
 42 **permit or approval, the permit or approval must be granted, if the**

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**project that is the subject of the application:**

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

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

SECTION ~~14~~ [22]. IC 36-7-4-1109.4, AS AMENDED BY P.L.223-2025, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 1109.4. (a) This section does not apply to the issuance of:

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

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

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

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

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

- (1) review the application to determine if it complies with all applicable requirements; and
- (2) notify the applicant in writing whether the application is approved or denied.

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

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

M  
a  
r  
k  
u  
p

**HB 1001—LS 7120/DI 87**



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

7 SECTION ~~<15>~~[23]. IC 36-7-4-1311, AS AMENDED BY  
8 P.L.149-2016, SECTION 97, IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1311. (a) The  
10 legislative body of a unit may adopt an ordinance imposing an impact  
11 fee on new development in the geographic area over which the unit  
12 exercises planning and zoning jurisdiction. The ordinance must  
13 aggregate the portions of the impact fee attributable to the  
14 infrastructure types covered by the ordinance so that a single and  
15 unified impact fee is imposed on each new development.

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

21 (c) If the legislative body of a unit does not have planning and  
22 zoning jurisdiction over the entire geographic area covered by the  
23 impact fee ordinance but does have jurisdiction over one (1) or more  
24 infrastructure types in the area, the legislative body shall establish the  
25 portion of the impact fee schedule or formula for the infrastructure  
26 types over which the legislative body has jurisdiction. The legislative  
27 body of the unit having planning and zoning jurisdiction shall adopt an  
28 impact fee ordinance containing that portion of the impact fee schedule  
29 or formula if:

- 30 (1) a public hearing has been held before the legislative body  
31 having planning and zoning jurisdiction; and
- 32 (2) each plan commission that has planning jurisdiction over any  
33 part of the geographic area in which the impact fee is to be  
34 imposed has approved the proposed impact fee ordinance by  
35 resolution.

36 (d) An ordinance adopted under this section is the exclusive means  
37 for a unit to impose an impact fee. **Except as provided in subsection**  
38 **(e)**, an impact fee imposed on new development to pay for  
39 infrastructure may not be collected after January 1, 1992, unless the  
40 impact fee is imposed under an impact fee ordinance adopted under  
41 this chapter.

42 (e) **This section applies to an impact fee imposed by a unit after**

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



1 **June 30, 2026. An impact fee imposed on new development to pay**  
2 **for infrastructure may not be collected after June 30, 2026, unless**  
3 **the impact fee is imposed under an impact fee ordinance that**  
4 **complies with:**

- 5 (1) **section 1316.5 of this chapter; and**
- 6 (2) **any other applicable provision;**
- 7 **of this chapter. This subsection, in accordance with section 1109 of**
- 8 **this chapter, does not affect an impact fee that was imposed and**
- 9 **not collected by the unit before July 1, 2026.**

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

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

15 (A) **the fee, charge, or assessment is imposed upon all users**  
16 **whether they are new users or users requiring additional**  
17 **capacity or services;**

18 (B) **the fee, charge, or assessment is not used to fund**  
19 **construction of new infrastructure unless the new**  
20 **infrastructure is of the same type for which the fee, charge,**  
21 **or assessment is imposed and will serve the payer; and**

22 (C) **the fee, charge, or assessment constitutes a reasonable**  
23 **charge for the services provided in accordance with**  
24 **IC 36-1-3-8(a)(6) or other governing statutes requiring that**  
25 **any fees, charges, or assessments bear a reasonable**  
26 **relationship to the infrastructure provided.**

27 (2) **Fees, charges, and assessments agreed upon under a**  
28 **contractual agreement entered into before April 1, 1991, or fees,**  
29 **charges, and assessments agreed upon under a contractual**  
30 **agreement, if the fees, charges, and assessments are treated as**  
31 **impact deductions under section 1321(d) of this chapter if an**  
32 **impact fee ordinance is in effect.**

33 **SECTION ~~16~~[24]. IC 36-7-4-1312 IS AMENDED TO READ**  
34 **AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1312. (a) A unit**  
35 **may not adopt an impact fee ordinance under section 1311 of this series**  
36 **unless the unit has adopted a comprehensive plan under the 500**  
37 **SERIES of this chapter for the geographic area over which the unit**  
38 **exercises planning and zoning jurisdiction.**

39 (b) **Before the adoption of an impact fee ordinance under section**  
40 **1311 of this chapter, a unit shall establish an impact fee advisory**  
41 **committee. The advisory committee shall:**

- 42 (1) **be appointed by the executive of the unit;**

M  
a  
r  
k  
u  
p

**HB 1001—LS 7120/DI 87**



**DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY**

1 (2) be composed of not less than five (5) and not more than ten  
 2 (10) members with at least forty percent (40%) of the  
 3 membership representing the development, building, or real  
 4 estate industries, **including community members**  
 5 **representing:**  
 6 (A) a single-family builder;  
 7 (B) a multifamily builder; and  
 8 (C) a realtor;  
 9 **who must be selected based upon the recommendation of the**  
 10 **statewide trade association representing each industry;** and  
 11 (3) serve in an advisory capacity to assist and advise the unit  
 12 with regard to the adoption of an impact fee ordinance under  
 13 section 1311 of this chapter.

14 (c) A planning commission or other committee in existence before  
 15 the adoption of an impact fee ordinance that meets the membership  
 16 requirements of subsection (b) may serve as the advisory committee  
 17 that subsection (b) requires.

18 (d) Action of an advisory committee established under subsection  
 19 (b) is not required as a prerequisite for the unit in adopting an impact  
 20 fee ordinance under section 1311 of this chapter.

21 SECTION ~~<17>~~ [25]. IC 36-7-4-1316 IS AMENDED TO READ  
 22 AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1316. (a) **This**  
 23 **section only applies to an impact zone designated under section**  
 24 **1315 of this chapter before July 1, 2026.**

25 (b) A unit must include in an impact zone ~~designated under~~  
 26 ~~section 1315 of this chapter~~ the geographical area necessary to ensure  
 27 that:

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

33 SECTION ~~<18>~~ [26]. IC 36-7-4-1316.5 IS ADDED TO THE  
 34 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2026]: Sec. 1316.5. (a) **This section only**  
 36 **applies to an impact zone designated under section 1315 of this**  
 37 **chapter after June 30, 2026.**

38 (b) ~~<A>~~ [Subject to subsection (c), a] unit must include in an  
 39 impact zone the geographical area necessary to ensure that:

- 40 (1) there is a functional relationship between the components
- 41 of the infrastructure type in the impact zone;
- 42 (2) the infrastructure type provides a reasonably uniform

M  
a  
r  
k  
u  
p



- 1 benefit throughout the impact zone;
- 2 (3) all areas included in the impact zone are contiguous; and
- 3 (4) the impact zone is:
  - 4 (A) contiguous to the new development;
  - 5 (B) coterminous with a:
    - 6 (i) utility service; or
    - 7 (ii) distribution line of a type described in section
    - 8 1309(1) or 1309(5) of this chapter, that may be
    - 9 necessary for the new development to interconnect
    - 10 with existing utility infrastructure; or
    - 11 (C) located not more than ~~one~~ [five] (~~1~~) [5] mile[s]
    - 12 from the infrastructure type described in section 1309(3)
    - 13 and 1309(4) of this chapter.
- 14 (c) ~~Before a municipality may adopt an impact fee, the~~ [If a
- 15 unit:
  - 16 (1) adopts an ordinance to adopt, renew, or amend an impact
  - 17 fee; or
  - 18 (2) has an existing impact fee ordinance that provides for an
  - 19 increase in the amount of an impact fee after a period of
  - 20 time;
  - 21 Then before a unit may adopt an ordinance under subdivision (1),
  - 22 or collect the increased impact fee under subdivision (2), the unit
  - 23 must comply with subsection (d).
  - 24 (d) The unit must hold a public hearing. Not less than
  - 25 forty-five (45) days before the date of the public hearing, the unit
  - 26 must do the following:
    - 27 (1) If the unit has a website, post on the website:
      - 28 (A) notice of the public hearing;
      - 29 (B) a summary of the ~~proposed impact fee~~ [impact fee
      - 30 proposed for adoption, renewal, amendment or subject
      - 31 to increase under an existing ordinance]; and
      - 32 (C) the impact zone improvement plan.
    - 33 (2) Publish notice of the public hearing under IC 5-3-1
    - 34 providing:
      - 35 (A) a summary of the ~~proposed impact fee~~ [impact fee
      - 36 proposed for adoption, renewal, amendment or subject
      - 37 to increase under an existing ordinance];
      - 38 (B) the web address (if any) where the information
      - 39 posted under subdivision (1) is located; and
      - 40 (C) the location where the public may inspect and copy
      - 41 the zone improvement plan.
- 42 SECTION ~~19~~ [27]. IC 36-7-4.1 IS ADDED TO THE INDIANA

M  
a  
r  
k  
u  
p



1 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2026]:

3 Chapter 4.1. ~~Permitted Uses;~~ Parking, Lot Size, Density,  
4 Single Stair and Elevator Requirements

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

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

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

9 (A) IC 36-7-11;

10 (B) IC 36-7-11.1;

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

12 (D) IC 36-7-11.3; ~~or~~

13 (2) a flood plain (as defined in IC 14-8-2-99) ~~;~~

14 ~~— Sec. 3. As used in this chapter, "affordable housing" means a~~  
15 ~~residential dwelling unit reserved for a household whose income~~  
16 ~~does not exceed eighty percent (80%) of the median income for the~~  
17 ~~area as set out by the United States Department of Housing and~~  
18 ~~Urban Development.~~

19 ~~— Sec. 4~~ ~~;~~ or

20 (3) subject to a homeowner's association.

21 Sec. 3]. As used in this chapter, "heavy industrial use" means  
22 a storage, processing, or manufacturing use:

23 (1) with processes using flammable or explosive materials;

24 (2) with hazardous conditions; or

25 (3) that is noxious or offensive from odors, smoke, noise,  
26 fumes, or vibrations.

27 Sec. ~~5~~ [4]. As used in this chapter, "mixed use residential"  
28 means a development project that provides within a shared  
29 building or development area:

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

31 (2) nonresidential uses that:

32 (A) comprise less than fifty percent (50%) of the total  
33 square footage of the development; and

34 (B) are restricted to the first floor of any building  
35 consisting of at least two (2) stories.

36 Sec. ~~6~~ [5]. As used in this chapter, "multi-family residential"  
37 means a building designed to contain at least five (5) dwelling units  
38 that:

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

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

42 (3) may be accessible to each other through a common

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M  
a  
r  
k  
u  
p

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

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

Sec. ~~7~~[6]. As used in this chapter, "permitted use" means a use that is approved by a unit in a zoning district without the requirement of:

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

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

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

- ~~(1) A single family dwelling or duplex within an area zoned for residential use, under section 10 of this chapter.~~
- ~~(2) At least one (1) accessory dwelling unit on a lot or parcel containing a single family dwelling under section 11 of this chapter.~~
- ~~(3) Affordable housing on property owned by a religious institution in an area zoned for residential or commercial use under section 12 of this chapter.~~
- ~~(4) A mixed use residential or multi-family residential development in an area zoned for commercial use under section 18 of this chapter.~~

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

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

- ~~(1) At least two (2) single family dwellings.~~
- ~~(2) At least one (1) duplex.~~
- ~~(b) A unit may require a will-serve letter for a dwelling under subsection (a)(2).~~

~~(c) [7. (a)] This subsection applies to a [single family] dwelling [or duplex] that is connected to water and sewer service. Except for a dwelling ~~under~~ [that is subject to] section ~~14~~ [9] or 1~~5~~ [0] of this chapter, a unit may not require:~~

M  
a  
r  
k  
u  
p



- 1 (1) a single family dwelling to be built on a lot or parcel that
- 2 exceeds five thousand four hundred forty-five (5,445) square
- 3 feet (one-eighth (1/8) acre); or
- 4 (2) a duplex to be built on a lot or parcel that exceeds one
- 5 thousand five hundred (1,500) square feet.<
- 6 ~~—(d) An accessory dwelling unit may be prohibited on a lot or~~
- 7 ~~parcel unless the lot or parcel contains a>]~~
- 8 If the single family dwelling ~~<as provided in section 11 of this~~
- 9 ~~chapter:~~
- 10 ~~—(e)>~~for duplex is a permitted use under IC 36-7-4.2, this
- 11 subsection does not apply to a unit that adopts an ordinance to opt
- 12 out of this section not later than December 31, 2026.
- 13 (b) A unit may not impose standards on a duplex requiring:
- 14 (1) ~~<side setbacks greater than>~~[a setback on the side of the
- 15 duplex that exceeds the lesser of:
- 16 (A) seven and five-tenths (7.5) feet]; or
- 17 (B) the width of a utility easement] on <each> [the] side[
- 18 of the duplex];
- 19 (2) combined minimum front and rear setbacks in excess of
- 20 fifteen (15) feet;
- 21 (3) any floor area ratio requirement on a development that
- 22 otherwise complies with lot coverage and height
- 23 requirements; or
- 24 (4) maximum lot or parcel coverage requirements of less
- 25 than eighty percent (80%), except as:
- 26 (A) required by the design of the municipality's storm
- 27 water system; or
- 28 (B) otherwise provided in state or federal law or rule.
- 29 ~~<— Sec. 11. (a) Any accessory dwelling unit that is internal to a~~
- 30 ~~single family dwelling that meets the requirements of this section~~
- 31 ~~is a permitted use. A single family dwelling may have one (1) or~~
- 32 ~~more accessory dwelling units as permitted uses, if the accessory~~
- 33 ~~dwelling units satisfy the requirements of this section.~~
- 34 ~~—(b) The interior habitable area (gross floor area) of an~~
- 35 ~~accessory dwelling unit may not exceed the lesser of:~~
- 36 ~~—(1) seventy-five percent (75%) of the interior habitable area~~
- 37 ~~(gross floor area) of> [If] the single family dwelling<; or~~
- 38 ~~—(2) one thousand (1,000) square feet.~~
- 39 ~~—(c) A unit may require all of the following:~~
- 40 ~~—(1) A will-serve letter for each accessory dwelling unit.~~
- 41 ~~—(2) An application fee for each accessory dwelling unit, of not~~
- 42 ~~more than two hundred fifty dollars (\$250). The application~~

M  
a  
r  
k  
u  
p



1           ~~fee is in addition to any other fees charged by the~~  
2           ~~municipality for single family residential construction.~~  
3           ~~(d) A unit may not prohibit the construction of an accessory~~  
4           ~~dwelling unit with a will-serve letter and that meets the unit's~~  
5           ~~requirements regarding:~~  
6           ~~(1) setbacks;~~  
7           ~~(2) size; or~~  
8           ~~(3) architectural or visual continuity with the existing~~  
9           ~~structure.~~  
10          ~~(e) Except for infrastructure identified in IC 36-7-4-1309(2),~~  
11          ~~a unit may not charge an impact fee for an accessory dwelling unit.~~  
12          ~~The impact fee for infrastructure identified in IC 36-7-4-1309(2)~~  
13          ~~shall not exceed fifty percent (50%) of the impact fee rate charged~~  
14          ~~for a single family dwelling.~~  
15          ~~Sec. 12. Residential affordable housing>[ or duplex] is a~~  
16          ~~permitted use <in an area zoned for residential or commercial use~~  
17          ~~if:~~  
18          ~~(1) a religious institution is the developer of the property or~~  
19          ~~a developer working on behalf of a religious institution;~~  
20          ~~(2) the development is located on property owned by the~~  
21          ~~religious institution and purchased before January 1, 2025;~~  
22          ~~(3) the development has been approved by the legislative~~  
23          ~~body of the unit with jurisdiction over the property where~~  
24          ~~the development is to be located;~~  
25          ~~(4) the development exclusively contains affordable housing;~~  
26          ~~and~~  
27          ~~(5) the developer has obtained all other permits including~~  
28          ~~building permits required by law.~~  
29          ~~Sec. 13>[under IC 36-7-4.2, this subsection does not apply to~~  
30          ~~a unit that adopts an ordinance to opt out of this section not later~~  
31          ~~than December 31, 2026.~~  
32          Sec. 8]. A unit may not do any of the following with regard to  
33          a single family dwelling or duplex:  
34                  (1) Require a lot or parcel to have:  
35                          (A) additional parking to accommodate an accessory  
36                          dwelling unit; or  
37                          (B) parking spaces:  
38                                  (i) in excess of those allowed under section 1~~<8>~~ [2]  
39                                  of this chapter; and  
40                                  (ii) within a garage or other enclosed or covered  
41                                  area.  
42          [ If the single family dwelling or duplex is a permitted use

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

under IC 36-7-4.2, this subdivision does not apply to a unit that adopts an ordinance to opt out not later than December 31, 2026.

- 1 (2) Require an application fee that:
  - 2 (A) exceeds a fee charged for a single family dwelling; or
  - 3 (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> [If] 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) [duplex is a permitted use under IC 36-7-4.2, this subdivision does not apply to a unit that adopts an ordinance to opt out not later than December 31, 2026.]~~

(3) 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 duplex. [ If the single family dwelling or duplex is a permitted use under IC 36-7-4.2, this subdivision does not apply to a unit that adopts an ordinance to opt out not later than December 31, 2026.]

Sec. ~~14~~ [9]. (a) This section does not apply to a municipality that adopts an ordinance to opt out of this section [ not later than December 31, 2026].

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

- (1) is at least five (5) acres;
- (2) has no recorded plat; and
- (3) will be zoned only for single family dwellings.

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

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

Sec. 1 ~~5~~ [0]. (a) This section does not apply to a municipality that adopts an ordinance to opt out of this section [ not later than

M  
a  
r  
k  
u  
p



1 December 31, 2026].

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

4 (c) In addition to the other requirements of this section,  
5 ~~unless a municipality adopts an ordinance to opt out of this~~  
6 ~~section,~~ the following apply:

7 (1) A municipality may not require any of the following:

8 (A) A building, waterway, plane, or other setback that  
9 is more than five (5) feet from the:

- 10 (i) front or back of the property; or
- 11 (ii) side of the property

12 ~~—~~ ~~;~~  
13 unless a municipality adopts an ordinance to opt out of  
14 this clause not later than December 31, 2026.

15 [(B) More than thirty percent (30%) open space or  
16 permeable surface], unless a municipality adopts an  
17 ordinance to opt out of this clause not later than  
18 December 31, 2026].

19 (C) Fewer than three (3) full stories not exceeding ten  
20 (10) feet in height measured from the interior floor to  
21 ceiling], unless a municipality adopts an ordinance to  
22 opt out of this clause not later than December 31, 2026].

23 (D) A maximum building bulk], unless a municipality  
24 adopts an ordinance to opt out of this clause not later  
25 than December 31, 2026].

26 (E) Any other requirement that imposes restrictions  
27 inconsistent with this section, including restrictions  
28 imposed through contiguous zoning districts or uses or  
29 an overlapping zoning district], unless a municipality  
30 adopts an ordinance to opt out of this clause not later  
31 than December 31, 2026].

32 (2) A municipality may:

33 (A) require a lot to share a driveway with another lot;

34 (B) charge a permitting fee consistent with IC 36-7-2.3;  
35 or

36 (C) impose restrictions applicable to all similarly  
37 situated lots, parcels, or subdivisions, including  
38 restrictions to fully mitigate storm water runoff

39 ~~Sec. 16. (a) This section does not apply to~~]  
40 unless a ~~unit that~~ municipality adopts an ordinance to  
41 opt out of ~~this section~~.

42 ~~(b) This section does not apply to any of the following:~~

M  
a  
r  
k  
u  
p



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

M  
a  
r  
k  
u  
p



1 ~~mixed-use residential or multi-family residential~~  
 2 ~~development in relation to the lot area of the development.~~  
 3 ~~(4) Requires a multi-family residential development that is~~  
 4 ~~not located in an area zoned for mixed use residential use to~~  
 5 ~~contain nonresidential uses.~~  
 6 ~~(c) A unit may require:~~  
 7 ~~(1) a will-serve letter; and~~  
 8 ~~(2) an application fee, subject to IC 36-7-2.3.~~  
 9 ~~Sec. 17> [any clause not later than December 31, 2026.~~

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

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

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

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

36 (<d>[e]) The unit may not require any of the following for a  
 37 building conversion described in subsection (c):

38 (1) A traffic impact analysis or study relating to the proposed  
 39 converted building's effect on traffic or traffic operations.  
 40 (2) Construction of improvements or payment of a fee to  
 41 mitigate traffic effects related to the proposed converted  
 42 building.

M  
a  
r  
k  
u  
p



- 1 (3) Any additional parking spaces.
- 2 (4) Extension, upgrade, replacement, or oversizing of a utility
- 3 facility except as necessary to provide the minimum capacity
- 4 required for the proposed converted building.
- 5 (5) A design requirement:
- 6 (A) more restrictive than the applicable minimum
- 7 standard under IC 22-12-2.5; or
- 8 (B) prohibited under IC 36-7-4-201.3.
- 9 If the conversion is a permitted use under IC 36-7-4.2, this
- 10 subsection does not apply to a unit that adopts an ordinance to opt
- 11 out not later than December 31, 2026.
- 12 1 Sec. 1~~8~~[2]. (a) This section does not apply to a unit that opts
- 13 out of this section by adopting an ordinance [ not later than
- 14 December 31, 2026].
- 15 (b) Unless a unit adopts an ordinance to opt out of this section [
- 16 not later than December 31, 2026], this section applies to an
- 17 application submitted to a local authority after December 31, 2028,
- 18 for:
- 19 (1) a permit; or
- 20 (2) an approval:
- 21 (A) of a land use; or
- 22 (B) for the construction of a development, a building, or
- 23 another structure.
- 24 (c) This section does not apply to the following:
- 25 (1) Any part of a unit located not more than one (1) mile
- 26 from a commercial airport that has at least nine million
- 27 (9,000,000) annual enplanements.
- 28 (2) Parking for a religious institution.
- 29 ~~← (3) An accessory dwelling unit under section 11 of this~~
- 30 ~~chapter.~~
- 31 ~~>~~ ~~(4)~~[3] Parking requirements for carpools.
- 32 ~~(5)~~[4] Temporary or time-restricted parking.
- 33 ~~(6)~~[5] The minimum number of parking spaces required
- 34 to comply with the Americans with Disabilities Act (42
- 35 U.S.C. 12101 et seq.) that are permanently marked for the
- 36 exclusive use of individuals with disabilities.
- 37 (d) As used in this section, "local authority" has the meaning
- 38 set forth in IC 36-7-4-1109.
- 39 (e) A unit may require not more than:
- 40 (1) one (1) parking space for each multi-family residence;
- 41 (2) one (1) parking space for each single family home; or
- 42 (3) two (2) parking spaces for each one thousand (1,000)

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

square feet of commercial space.  
(f) Unless a unit adopts an ordinance to opt out of this section [not later than December 31, 2026], a unit may not establish any minimum parking space requirements for the following:

- (1) A dwelling that is not more than one thousand two hundred (1,200) square feet.
- (2) A commercial space that is less than three thousand (3,000) square feet.
- (3) Affordable housing.
- (4) A senior housing property.
- (5) A child care center licensed under IC 12-17.2-4.
- (6) A ground level nonresidential space in a mixed use building.
- (7) A building, including a vacant building, undergoing a change of use:
  - (A) from a nonresidential to a residential use; or
  - (B) for a commercial use.

(g) Unless a unit adopts an ordinance to opt out of this section [not later than December 31, 2026], a unit may not adopt or enforce any ordinance, rule, or regulation that limits the maximum number of parking spaces for any residential type, including single family dwellings, duplexes, triplexes, fourplexes, townhouses, accessory dwelling units, multi-family residential dwellings, or any commercial or mixed use development.

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

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

Sec. 1<9>[3]. This section applies to structure classified as an R-2 building occupancy classification under the Indiana building code adopted by the fire prevention and building safety commission. A structure that is not more than:

- (1) three (3) stories; and
- (2) twenty-four (24) total units;

M  
a  
r  
k  
u  
p



1 shall be permitted to have a passenger elevator not larger than an  
2 elevator that accommodates a wheelchair.

3 Sec. ~~20~~ [14]. Notwithstanding section 1 ~~9~~ [4] of this chapter,  
4 nothing in this chapter:

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

19 Sec. ~~21~~ [15]. A zoning ordinance adopted before  
20 ~~July~~ [January] 1, 202~~6~~ [7], is void [and unenforceable] to the  
21 extent [that] the ordinance conflicts with this chapter. ~~However,~~  
22 ~~this chapter does not apply to or affect any application for a permit~~  
23 ~~under IC 36-7-4 submitted to a unit before July 1, 2026.~~

24 Sec. ~~22~~ [16]. A person adversely affected or aggrieved by a  
25 violation of this ~~section~~ [chapter] may bring an action against the  
26 unit for:

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

29 SECTION ~~20~~ [28. IC 36-7-4.2 IS ADDED TO THE INDIANA  
30 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
31 [EFFECTIVE JULY 1, 2026]:

32 Chapter 4.2. Permitted Uses

33 Sec. 1. The definitions in IC 36-7-1, IC 36-1-2, and IC 36-7-4.1  
34 apply throughout this chapter.

35 Sec. 2. This chapter only applies to property that on January  
36 1, 2026, is located:

- 37 (1) not more than one-quarter (1/4) of a mile from a public  
38 transit route;
- 39 (2) in the boundaries of a riverfront development project  
40 under IC 7.1-3-20-16.1; or
- 41 (3) in:  
42 (A) an area zoned residential or commercial; and

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

(B) an allocation area of a redevelopment commission.

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

(1) 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 flood plain (as defined in IC 14-8-2-99); or

(3) subject to a homeowner's association.

Sec. 4. If an area is zoned for residential use, any one (1) of the following is a permitted use on each lot or parcel:

(1) At least two (2) single family dwellings.

(2) At least one (1) duplex. However, a unit may require a will-serve letter for a duplex.

Sec. 5. (a) This section only applies to an accessory dwelling unit located within the corporate boundaries of a municipality.

(b) Unless a unit adopts an ordinance to opt out of this section not later than December 31, 2026, an accessory dwelling unit is a permitted use on a lot within an area that is zoned residential if:

(1) Only one (1) accessory dwelling unit is located on the lot.

(2) The property owner permanently resides in the principal dwelling unit or the accessory dwelling unit.

Sec. 6. (a) This section only applies to an accessory dwelling unit that located outside the corporate boundaries of a municipality.

(b) Unless a unit adopts an ordinance to opt out of this section not later than December 31, 2026, an accessory dwelling unit is a permitted use in any zoning classification, if the accessory dwelling unit is on a lot or parcel that contains a single family dwelling. If:

(1) the lot or parcel is:

(A) located within the boundaries of a sewer district; or

(B) is otherwise eligible for connection to a public sewer system;

unless a unit adopts an ordinance to opt out of this subdivision not later than December 31, 2026, the unit may require a will-serve letter from the applicable utility; or

(2) the lot or parcel is not located within a sewer district and will be served by an on-site sewage system, unless a unit adopts an ordinance to opt out of this subdivision not later than December 31, 2026, the unit may require a:

(A) a new or modified septic construction permit issued by the local health department; or

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

(B) written verification from the local health department that the existing on-site sewage system has sufficient capacity to serve the accessory dwelling unit.

Sec. 7. (a) Unless a unit adopts an ordinance to opt out of this subsection not later than December 31, 2026, the unit may require a unit may not require a familial, marital, or employment relationship between the occupants of a single family dwelling and the occupants of the accessory dwelling unit.

(b) Unless a unit adopts an ordinance to opt out of this subsection not later than December 31, 2026, a unit may charge an application fee for an accessory dwelling unit of not more than two hundred fifty dollars (\$250) in addition to any other fees charged by the municipality for single family residential construction.

(c) Except for infrastructure identified in IC 36-7-4-1309(2), unless a unit adopts an ordinance to opt out of this subsection not later than December 31, 2026, a unit may not charge an impact fee for an accessory dwelling unit.

(d) Unless a unit adopts an ordinance to opt out of this subsection not later than December 31, 2026, the impact fee for infrastructure identified in IC 36-7-4-1309(2) shall not exceed fifty percent (50%) of the impact fee rate charged for a single family dwelling.

Sec. 8. (a) This section does not apply to any of the following:

(1) A zoning classification that allows heavy industrial use.

(2) Land that is located:

(A) not more than one thousand (1,000) feet from an existing heavy industrial use or development site; or

(B) not more than three thousand (3,000) feet from an airport or military base.

(3) An area designated by a unit as a clear zone under:

(A) standards adopted by the Indiana department of transportation; or

(B) air installations compatible use zones standards established by the United States Department of War.

(b) A mixed use residential or multi-family residential development is a permitted use within any area zoned for commercial use that allows office, commercial, retail, warehouse, or mixed use development.

(c) A unit may not adopt or enforce a restriction on a mixed use residential or multi-family residential development that is a permitted use under this chapter that does any of the following:

(1) Imposes the following:

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

(A) A limit on density that is more restrictive than the greater of:

(i) the highest residential density allowed in the unit; or

(ii) thirty-six (36) units per acre;

unless a unit adopts an ordinance to opt out of this clause not later than December 31, 2026.

(B) A limit on building height that is more restrictive than the greater of:

(i) the highest height that would apply to an office, commercial, retail, or warehouse development constructed on the site; or

(ii) sixty (60) feet;

unless a unit adopts an ordinance to opt out of this clause not later than December 31, 2026.

(C) A setback or buffer requirement that is more restrictive than the lesser of:

(i) a setback or buffer requirement that would apply to an office, commercial, retail, or warehouse development constructed on the site; or

(ii) twenty-five (25) feet;

unless a unit adopts an ordinance to opt out of this clause not later than December 31, 2026.

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

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

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

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

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

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

- (1) a will-serve letter; and
- (2) an application fee, subject to IC 36-7-2.3.
- Sec. 9. This chapter applies to property located in:**
  - (1) an economic improvement district under IC 36-7-22;
  - (2) the economic enhancement district under IC 36-7-40; or
  - (3) similar improvement district.
- Sec. 10. Unless a unit adopts an ordinance to opt out of this section not later than December 31, 2026, the conversion of a commercial property to a multi-family or mixed-use development is a permitted use.**
- SECTION 29. IC 36-7-4.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:
- Chapter 4.3. Increasing Housing Development**
  - Sec. 1. This chapter does not apply to a unit that does not opt out of the provisions that are applicable to the unit under IC 36-7-4-201.3, IC 36-7-4.1, or IC 36-7-4.2.**
  - Sec. 2. As used in this chapter, "unit" means a county, city, or town.**
  - Sec. 3. As used in this chapter, "UDO" means a unified development ordinance.**
  - Sec. 4. Not later than January 1, 2027, a unit conduct a public hearing to review the UDO and any zoning regulations and land development rules, with the goal of increasing housing development by using the following factors:**
    - (1) Providing for higher density development of duplexes, triplexes, and fourplexes in areas designated for single family homes.**
    - (2) Constructing other housing types including accessory dwelling units and manufactured and modular housing.**
    - (3) Adaptive reuse of commercial buildings for residential use such as allowing multifamily development in retail, office, and light manufacturing zones.**
    - (4) Increasing the allowable floor area ratio in multifamily housing areas.**
    - (5) Waiving or eliminating regulations such as requirements for:**
      - (A) garage size and placement;**
      - (B) steeper roof pitch;**
      - (C) minimum lot size and square footage;**
      - (D) greater setbacks;**
      - (E) off-street parking;**

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

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

(G) property height limitations.

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

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

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

(9) Donating vacant land for affordable housing development.

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

(1) If the unit:

(A) invested in a housing study in 2021, 2022, 2023, 2024, or 2025; or

(B) had a housing study performed by a region's local economic development organization;

a copy of the housing study.

(2) The minutes from the public hearing conducted under section 4 of this chapter.

(3) Any newly developed or amended UDO as a result of the review under section 4 of this chapter. The unit must provide a written description of the ways in which the UDO was changed to support increased housing development by using some or all of the factors set forth in section 4 of this chapter.

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

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

(c) The notice and hearing provisions of sections 17 and 17.5 of

M  
a  
r  
k  
u  
p



1 this chapter, including notice under section 17(c) of this chapter to a  
 2 taxing unit that is wholly or partly located within an allocation area,  
 3 apply to the resolution adopted under subsection (b). Judicial review of  
 4 the resolution may be made under section 18 of this chapter.

5 (d) Before formal submission of any residential housing  
 6 development program to the commission, the department of  
 7 redevelopment shall:

8 (1) consult with persons interested in or affected by the proposed  
 9 program, including the superintendents and governing body  
 10 presidents of all school corporations located within the proposed  
 11 allocation area;

12 (2) provide the affected neighborhood associations, residents,  
 13 and township assessors with an adequate opportunity to  
 14 participate in an advisory role in planning, implementing, and  
 15 evaluating the proposed program; and

16 (3) hold at least one (1) public meeting to obtain the views of  
 17 neighborhood associations and residents of the affected  
 18 neighborhood. The department of redevelopment shall send  
 19 notice thirty (30) days prior to the public meeting to the fiscal  
 20 officer of all affected taxing units and to the superintendents and  
 21 governing body presidents of all school corporations located  
 22 within the proposed allocation area.

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

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

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

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

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

41 (b) This section applies beginning July 1, 2027, and is intended to  
 42 reinstate section 53 of this chapter as it was in effect on January 1,

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M  
a  
r  
k  
u  
p

2023:

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

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

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

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

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

(f) Before formal submission of any residential housing development program to the commission, the department of redevelopment shall:

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

M  
a  
r  
k  
u  
p



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

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

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

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

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

SECTION 32. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the appropriate interim study committee the task of studying the topic of making residential affordable housing 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
- (3) the development exclusively contains affordable housing.

(b) This section expires December 31, 2026.

M  
a  
r  
k  
u  
p



1 [SECTION 33](#). An emergency is declared for this act.

M  
a  
r  
k  
u  
p

HB 1001—LS 7120/DI 87



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY