

# HOUSE BILL No. 1063

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 24-5-0.5.

**Synopsis:** Deceptive consumer sales. Amends the definition of "consumer transaction" for purposes of the deceptive consumer sales act to include the provision of a product or service to a state agency or a local agency in Indiana. Amends the definition of "supplier" for purposes of the deceptive consumer sales act to include an entity that provides a product or service to a state agency or a local agency in Indiana. Provides that an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a state agency may be brought and enforced only by the attorney general. Provides that an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a local agency may be brought and enforced only by an attorney acting on behalf of the local agency, unless the local unit of government served by the local agency requests the attorney general to bring and enforce an action on behalf of the local unit. Provides that in an action that arises from a consumer transaction involving the provision of a product or service by a supplier to a state agency or a local agency, a court may take certain actions.

**Effective:** July 1, 2026.

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**Andrade, Teshka, Pierce K, Slager**

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December 5, 2025, read first time and referred to Committee on Commerce, Small Business and Economic Development.

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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

## HOUSE BILL No. 1063

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

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

1       SECTION 1. IC 24-5-0.5-2, AS AMENDED BY P.L.206-2025,  
2       SECTION 5, AND AS AMENDED BY P.L.227-2025, SECTION 42,  
3       AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL  
4       OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND  
5       AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

6       Sec. 2. (a) As used in this chapter:

7               (1) "Consumer transaction" means a sale, lease, assignment,  
8               award by chance, or other disposition of an item of personal  
9               property, real property, a service, or an intangible, except  
10              securities and policies or contracts of insurance issued by  
11              corporations authorized to transact an insurance business under  
12              the laws of the state of Indiana, with or without an extension of  
13              credit, to a person for purposes that are primarily personal,  
14              familial, charitable, agricultural, or household, or a solicitation to  
15              supply any of these things. However, the term includes the  
16              following:

17              (A) A transfer of structured settlement payment rights under



IC 34-50-2.

(B) An unsolicited advertisement sent to a person by telephone facsimile machine offering a sale, lease, assignment, award by chance, or other disposition of an item of personal property, real property, a service, or an intangible.

(C) The collection of or attempt to collect a debt by a debt collector.

(D) *The provision of a product or service to a:*

(i) *state law enforcement agency; ~~or~~*

(ii) *local law enforcement agency;*

**(iii) state agency; or**

**(iv) local agency;**

*in Indiana.*

~~(D)~~ (E) *Conduct that arises from, occurs in connection with, or otherwise involves a transaction for emergency towing (as defined in IC 24-14-2-5) of a personal or commercial vehicle.*

(2) "Person" means an individual, corporation, the state of Indiana or its subdivisions or agencies, business trust, estate, trust, partnership, association, nonprofit corporation or organization, or cooperative or any other legal entity.

(3) "Supplier" means the following:

(A) A seller, lessor, assignor, or other person who regularly engages in or solicits consumer transactions, including soliciting a consumer transaction by using a telephone facsimile machine to transmit an unsolicited advertisement. The term includes a manufacturer, *a* wholesaler, ~~or~~ *a* retailer, *or, in a consumer transaction described in subdivision (1)(D), an entity that provides a product or service to a state law enforcement agency, ~~or~~ local law enforcement agency, state agency, or local agency in Indiana,* whether or not the person deals directly with the consumer.

(B) A debt collector.

(4) "Subject of a consumer transaction" means the personal property, real property, services, or intangibles offered or furnished in a consumer transaction.

(5) "Cure" as applied to a deceptive act, means either:

(A) to offer in writing to adjust or modify the consumer transaction to which the act relates to conform to the reasonable expectations of the consumer generated by such deceptive act and to perform such offer if accepted by the consumer; or

(B) to offer in writing to rescind such consumer transaction



- 1 and to perform such offer if accepted by the consumer.  
 2 The term includes an offer in writing of one (1) or more items of  
 3 value, including monetary compensation, that the supplier  
 4 delivers to a consumer or a representative of the consumer if  
 5 accepted by the consumer.  
 6 (6) "Offer to cure" as applied to a deceptive act is a cure that:  
 7 (A) is reasonably calculated to remedy a loss claimed by the  
 8 consumer; and  
 9 (B) includes a minimum additional amount that is the greater  
 10 of:  
 11 (i) ten percent (10%) of the value of the remedy under  
 12 clause (A), but not more than four thousand dollars  
 13 (\$4,000); or  
 14 (ii) five hundred dollars (\$500);  
 15 as compensation for attorney's fees, expenses, and other costs  
 16 that a consumer may incur in relation to the deceptive act.  
 17 (7) "Uncured deceptive act" means: ~~a deceptive act~~:  
 18 (A) **a deceptive act** with respect to which a consumer who has  
 19 been damaged by such act has given notice to the supplier  
 20 under section 5(a) of this chapter; and  
 21 (B) either:  
 22 (i) no offer to cure has been made to such consumer within  
 23 thirty (30) days after such notice; or  
 24 (ii) the act has not been cured as to such consumer within a  
 25 reasonable time after the consumer's acceptance of the offer  
 26 to cure.  
 27 (8) "Incurable deceptive act" means a deceptive act done by a  
 28 supplier as part of a scheme, artifice, or device with intent to  
 29 defraud or mislead. The term includes a failure of a transferee of  
 30 structured settlement payment rights to timely provide a true and  
 31 complete disclosure statement to a payee as provided under  
 32 IC 34-50-2 in connection with a direct or indirect transfer of  
 33 structured settlement payment rights.  
 34 (9) **"Local agency" means an administration, an agency, an**  
 35 **authority, a board, a bureau, a commission, a committee, a**  
 36 **council, a department, a division, an institution, an office, an**  
 37 **officer, a service, or other similar body of a political**  
 38 **subdivision created or established under law.**  
 39 (10) **"Political subdivision" means a county, township, city,**  
 40 **town, municipal corporation (as defined in IC 36-1-2-10), or**  
 41 **special taxing district. However, the term does not include a**  
 42 **school corporation or charter school.**



~~(9)~~ **(11)** "Senior consumer" means an individual who is at least sixty (60) years of age.

**(12)** "State agency" means an administration, an agency, an authority, a board, a bureau, a commission, a committee, a council, a department, a division, an institution, an office, an officer, a service, or other similar body of state government created or established under law. The term includes a body corporate and politic of the state created by statute. The term does not include a state educational institution (as defined in IC 21-7-13-32).

~~(10)~~ **(13)** "Telephone facsimile machine" means equipment that has the capacity to transcribe text or images, or both, from:

(A) paper into an electronic signal and to transmit that signal over a regular telephone line; or

(B) an electronic signal received over a regular telephone line onto paper.

~~(11)~~ **(14)** "Unsolicited advertisement" means material advertising the commercial availability or quality of:

(A) property;

(B) goods; or

(C) services;

that is transmitted to a person without the person's prior express invitation or permission, in writing or otherwise.

~~(12)~~ **(15)** "Debt" has the meaning set forth in 15 U.S.C. 1692(a)(5).

~~(13)~~ **(16)** "Debt collector" has the meaning set forth in 15 U.S.C. 1692(a)(6). The term does not include a person admitted to the practice of law in Indiana if the person is acting within the course and scope of the person's practice as an attorney. The term includes a debt buyer (as defined in IC 24-5-15.5).

(b) As used in section 3(b)(15) and 3(b)(16) of this chapter:

(1) "Directory assistance" means the disclosure of telephone number information in connection with an identified telephone service subscriber by means of a live operator or automated service.

(2) "Local telephone directory" refers to a telephone classified advertising directory or the business section of a telephone directory that is distributed by a telephone company or directory publisher to subscribers located in the local exchanges contained in the directory. The term includes a directory that includes listings of more than one (1) telephone company.

(3) "Local telephone number" refers to a telephone number that



1 has the three (3) number prefix used by the provider of telephone  
2 service for telephones physically located within the area covered  
3 by the local telephone directory in which the number is listed. The  
4 term does not include long distance numbers or 800-, 888-, or  
5 900- exchange numbers listed in a local telephone directory.

6 SECTION 2. IC 24-5-0.5-4, AS AMENDED BY P.L.186-2025,  
7 SECTION 133, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) A person relying upon an  
9 uncured or incurable deceptive act may bring an action for the damages  
10 actually suffered as a consumer as a result of the deceptive act or five  
11 hundred dollars (\$500), whichever is greater. The court may increase  
12 damages for a willful deceptive act in an amount that does not exceed  
13 the greater of:

14 (1) three (3) times the actual damages of the consumer suffering  
15 the loss; or

16 (2) one thousand dollars (\$1,000).

17 Except as provided in subsection (k), the court may award reasonable  
18 attorney's fees to the party that prevails in an action under this  
19 subsection. This subsection does not apply to a consumer transaction  
20 in real property, including a claim or action involving a construction  
21 defect (as defined in IC 32-27-3-1(5)) brought against a construction  
22 professional (as defined in IC 32-27-3-1(4)), except for purchases of  
23 time shares and camping club memberships. This subsection does not  
24 apply with respect to a deceptive act described in section 3(b)(20) of  
25 this chapter. This subsection also does not apply to a violation of  
26 IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages  
27 awarded to a person under this section have priority over any civil  
28 penalty imposed under this chapter.

29 (b) Any person who is entitled to bring an action under subsection  
30 (a) on the person's own behalf against a supplier for damages for a  
31 deceptive act may bring a class action against such supplier on behalf  
32 of any class of persons of which that person is a member and which has  
33 been damaged by such deceptive act, subject to and under the Indiana  
34 Rules of Trial Procedure governing class actions, except as herein  
35 expressly provided. Except as provided in subsection (k), the court may  
36 award reasonable attorney's fees to the party that prevails in a class  
37 action under this subsection, provided that such fee shall be determined  
38 by the amount of time reasonably expended by the attorney and not by  
39 the amount of the judgment, although the contingency of the fee may  
40 be considered. Except in the case of an extension of time granted by the  
41 attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10,  
42 any money or other property recovered in a class action under this



subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a consumer transaction in real property, except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. Actual damages awarded to a class have priority over any civil penalty imposed under this chapter.

(c) The attorney general may bring an action to enjoin an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction, including a deceptive act described in section 3(b)(20) of this chapter, notwithstanding subsections (a) and (b). However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property. In addition, the court may:

- (1) issue an injunction;
- (2) order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers;
- (3) for a knowing violation against a senior consumer, increase the amount of restitution ordered under subdivision (2) in any amount up to three (3) times the amount of damages incurred or value of property or assets lost;
- (4) order the supplier to pay to the state the reasonable costs of the attorney general's investigation and prosecution, expert fees, and court fees related to the action;
- (5) provide for the appointment of a receiver; and
- (6) order the department of state revenue to suspend the supplier's registered retail merchant certificate, subject to the requirements and prohibitions contained in IC 6-2.5-8-7(a)(5), if the court finds that a violation of this chapter involved the sale or solicited sale of a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (repealed)) (before July 1, 2019), a controlled substance analog (as defined in IC 35-48-1.1-8), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6).

(d) In an action under subsection (a), (b), (c), or (n) the court may void or limit the application of contracts or clauses resulting from deceptive acts and order restitution to be paid to aggrieved consumers.

(e) In any action under subsection (a) or (b), upon the filing of the complaint or on the appearance of any defendant, claimant, or any other party, or at any later time, the trial court, the supreme court, or the



1 court of appeals may require the plaintiff, defendant, claimant, or any  
 2 other party or parties to give security, or additional security, in such  
 3 sum as the court shall direct to pay all costs, expenses, and  
 4 disbursements that shall be awarded against that party or which that  
 5 party may be directed to pay by any interlocutory order by the final  
 6 judgment or on appeal.

7 (f) Any person who violates the terms of an injunction issued under  
 8 subsection (c) or (n) shall forfeit and pay to the state a civil penalty of  
 9 not more than fifteen thousand dollars (\$15,000) per violation. For the  
 10 purposes of this section, the court issuing an injunction shall retain  
 11 jurisdiction, the cause shall be continued, and the attorney general  
 12 acting in the name of the state may petition for recovery of civil  
 13 penalties. Whenever the court determines that an injunction issued  
 14 under subsection (c) or (n) has been violated, the court shall award  
 15 reasonable costs to the state.

16 (g) If a court finds any person has knowingly violated section 3 or  
 17 10 of this chapter, other than section 3(b)(19), 3(b)(20), or 3(b)(40) of  
 18 this chapter, the attorney general, in an action pursuant to subsection  
 19 (c), may recover from the person on behalf of the state a civil penalty  
 20 of a fine not exceeding five thousand dollars (\$5,000) per violation.

21 (h) If a court finds that a person has violated section 3(b)(19) of this  
 22 chapter, the attorney general, in an action under subsection (c), may  
 23 recover from the person on behalf of the state a civil penalty as follows:

24 (1) For a knowing or intentional violation, one thousand five  
 25 hundred dollars (\$1,500).

26 (2) For a violation other than a knowing or intentional violation,  
 27 five hundred dollars (\$500).

28 A civil penalty recovered under this subsection shall be deposited in  
 29 the consumer protection division telephone solicitation fund  
 30 established by IC 24-4.7-3-6 to be used for the administration and  
 31 enforcement of section 3(b)(19) of this chapter.

32 (i) A senior consumer relying upon an uncured or incurable  
 33 deceptive act, including an act related to hypnotism, may bring an  
 34 action to recover treble damages, if appropriate.

35 (j) An offer to cure is:

36 (1) not admissible as evidence in a proceeding initiated under this  
 37 section unless the offer to cure is delivered by a supplier to the  
 38 consumer or a representative of the consumer before the supplier  
 39 files the supplier's initial response to a complaint; and

40 (2) only admissible as evidence in a proceeding initiated under  
 41 this section to prove that a supplier is not liable for attorney's fees  
 42 under subsection (k).





1 If the offer to cure is timely delivered by the supplier, the supplier may  
 2 submit the offer to cure as evidence to prove in the proceeding in  
 3 accordance with the Indiana Rules of Trial Procedure that the supplier  
 4 made an offer to cure.

5 (k) A supplier may not be held liable for the attorney's fees and  
 6 court costs of the consumer that are incurred following the timely  
 7 delivery of an offer to cure as described in subsection (j) unless the  
 8 actual damages awarded, not including attorney's fees and costs, exceed  
 9 the value of the offer to cure.

10 (l) If a court finds that a person has knowingly violated section  
 11 3(b)(20) of this chapter, the attorney general, in an action under  
 12 subsection (c), may recover from the person on behalf of the state a  
 13 civil penalty not exceeding one thousand dollars (\$1,000) per  
 14 consumer. In determining the amount of the civil penalty in any action  
 15 by the attorney general under this subsection, the court shall consider,  
 16 among other relevant factors, the frequency and persistence of  
 17 noncompliance by the debt collector, the nature of the noncompliance,  
 18 and the extent to which the noncompliance was intentional. A person  
 19 may not be held liable in any action by the attorney general for a  
 20 violation of section 3(b)(20) of this chapter if the person shows by a  
 21 preponderance of evidence that the violation was not intentional and  
 22 resulted from a bona fide error, notwithstanding the maintenance of  
 23 procedures reasonably adapted to avoid the error. A person may not be  
 24 held liable in any action for a violation of this chapter for contacting a  
 25 person other than the debtor, if the contact is made in compliance with  
 26 the Fair Debt Collection Practices Act.

27 (m) If a court finds that a person has knowingly or intentionally  
 28 violated section 3(b)(40) of this chapter, the attorney general, in an  
 29 action under subsection (c), may recover from the person on behalf of  
 30 the state a civil penalty in accordance with IC 24-5-14.5-12(b). As  
 31 specified in IC 24-5-14.5-12(b), a civil penalty recovered under  
 32 IC 24-5-14.5-12(b) shall be deposited in the consumer protection  
 33 division telephone solicitation fund established by IC 24-4.7-3-6 to be  
 34 used for the administration and enforcement of IC 24-5-14.5. In  
 35 addition to the recovery of a civil penalty in accordance with  
 36 IC 24-5-14.5-12(b), the attorney general may also recover reasonable  
 37 attorney fees and court costs from the person on behalf of the state.  
 38 Those funds shall also be deposited in the consumer protection division  
 39 telephone solicitation fund established by IC 24-4.7-3-6.

40 (n) An action that arises from, or otherwise involves, an unfair,  
 41 abusive, or deceptive act, omission, or practice in connection with a  
 42 consumer transaction described in section 2(a)(1)(D)(i) or



1 **2(a)(1)(D)(iii)** of this chapter may be brought and enforced only by the  
 2 attorney general under this subsection. An action that arises from, or  
 3 otherwise involves, an unfair, abusive, or deceptive act, omission, or  
 4 practice in connection with a consumer transaction described in section  
 5 **2(a)(1)(D)(ii) or 2(a)(1)(D)(iv)** of this chapter may be brought and  
 6 enforced only by an attorney acting on behalf of the local law  
 7 enforcement agency **or local agency** involved in the transaction, unless  
 8 the local unit of government served by the local law enforcement  
 9 agency **or local agency** requests the attorney general to bring and  
 10 enforce an action under this subsection on behalf of the local unit. In  
 11 addition, the court may:

- 12 (1) issue an injunction;
- 13 (2) order the supplier to make payment of the money unlawfully
- 14 received from the aggrieved consumers to be held in escrow for
- 15 distribution to aggrieved consumers; or
- 16 (3) order the supplier to pay to:
  - 17 (A) the attorney acting on behalf of the local law enforcement
  - 18 agency **or local agency**; or
  - 19 (B) the attorney general for the state;
- 20 as applicable, the reasonable costs of the attorney's or the attorney
- 21 general's investigation and prosecution, expert fees, and court fees
- 22 related to the action.

23 The time for bringing an action under subsection (c), as set forth in  
 24 section 5(b) of this chapter, applies to an action brought under this  
 25 subsection.

