

PROPOSED AMENDMENT

HB 1115 # 3

DIGEST

Homeowners association governance. Provides that the governing documents of a homeowners association (HOA) may not require that the consent of more than 2/3 of the owners be required to amend the HOA's governing documents. (Current law provides that the consent of not more than 75% of owners may be required in order to amend the governing documents.) Provides that an HOA's governing documents may not require the consent of more than 2/3 (instead of 75% under current law) of first lien mortgage holders in order to amend the governing documents. Removes the provision in current law that provides that the governing documents may require the approval of at least 95% of the owners to convey common areas or to dissolve the plan of governance for the HOA.

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- 1 Page 6, between lines 4 and 5, begin a new paragraph and insert:
2 "SECTION 3. IC 32-25.5-3-9, AS AMENDED BY P.L.164-2016,
3 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2026]: Sec. 9. The governing documents must contain a
5 provision allowing the owners to amend the governing documents at
6 any time, from time to time, subject to the following:
7 (1) The declarant's consent to an amendment may be required if:
8 (A) the declarant owns one (1) or more units within the
9 subdivision; and
10 (B) not more than seven (7) years have passed since the
11 original governing documents were first recorded.
12 (2) The consent of the owners to the amendment has been
13 obtained as evidenced by either of the following:
14 (A) The vote of the owners at a meeting duly called for the
15 purpose of considering the amendment, **including a special**
16 **meeting called upon the demand of members of the**
17 **homeowners association under section 2 of this chapter.**
18 (B) A written instrument signed by the owners.
19 The governing documents may not require that the consent of
20 more than ~~seventy-five percent (75%)~~ **two-thirds (2/3)** of the
21 owners ~~is be~~ required for consent under this subdivision.
22 (3) If the consent of first mortgage holders is required, only first
23 mortgage holders that provide an address to the secretary of the

1 board must be notified. The consent of a first mortgage holder
2 must be indicated in a written instrument signed by the mortgage
3 holder. However, a mortgage holder is considered to have
4 consented to a proposed amendment if the mortgage holder does
5 not respond to a written request for consent within thirty (30) days
6 after the mortgage holder receives the request. The governing
7 documents may not require that the consent of more than
8 ~~seventy-five percent (75%)~~ **two-thirds (2/3)** of first mortgage
9 holders eligible to receive notice ~~is~~ **be** required for consent under
10 this subdivision.

11 ~~(4) Notwithstanding subdivisions (1) through (3), the governing~~
12 ~~documents may require the approval of at least ninety-five percent~~
13 ~~(95%) of the owners to convey common areas or to dissolve the~~
14 ~~plan of governance for the homeowners association."~~

15 Renumber all SECTIONS consecutively.

(Reference is to HB 1115 as printed January 22, 2026.)