
HOUSE BILL No. 1115

AM111503 has been incorporated into January 22, 2026 printing.

Synopsis: Homeowners association governance.

M
e
r
g
e
d

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

January 22, 2026

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.

M
e
r
g
e
d

HOUSE BILL No. 1115

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

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

- 1 SECTION 1. IC 32-25.5-3-2, AS AMENDED BY P.L.1-2010,
2 SECTION 128, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) In addition to any other
4 meeting held by a board, a board shall hold a special meeting of the
5 members of a homeowners association if at least ten percent (10%) of
6 the members of the homeowners association submit to the board at
7 least one (1) written demand for the special meeting that:
8 (1) describes the purpose for which the meeting is to be held;
9 and
10 (2) is signed by the members requesting the special meeting.
11 (b) If a board does not send out a notice of the date, time, and
12 place for a special meeting not more than thirty (30) days after the date
13 the board receives a valid written demand for the special meeting under
14 subsection (a), a member of the homeowners association who signed
15 the written demand may:
16 (1) set the date, time, and place for the special meeting; and
17 (2) send out the notice for the special meeting to the other

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 members.

2 **(c) In the meeting notice of the board's annual meeting, the**

3 **board shall include a written statement that:**

4 **(1) notifies homeowners association members of the right to**

5 **demand a special meeting of the members under this section;**

6 **and**

7 **(2) states the number of members required to demand a**

8 **special meeting, as determined under subsection (a);**

9 **in accordance with section 3(g) of this chapter.**

10 SECTION 2. IC 32-25.5-3-3, AS AMENDED BY P.L.164-2016,

11 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

12 JULY 1, 2026]: Sec. 3. (a) A homeowners association shall prepare an

13 annual budget.

14 (b) The annual budget must reflect:

15 (1) the estimated revenues and expenses for the budget year; and

16 (2) the estimated surplus or deficit as of the end of the current

17 budget year.

18 (c) The homeowners association shall provide each member of the

19 homeowners association with:

20 (1) a:

21 (A) copy of the proposed annual budget; or

22 (B) written notice that a copy of the proposed annual budget

23 is available upon request at no charge to the member; and

24 (2) a written notice of the amount of any increase or decrease in

25 a regular annual assessment paid by the members that would

26 occur if the proposed annual budget is approved;

27 before the homeowners association meeting held under subsection (d).

28 (d) Subject to subsection (f), a homeowners association budget

29 must be approved at a meeting of the homeowners association

30 members by a majority of the members of the homeowners association

31 in attendance at a meeting called and conducted in accordance with the

32 requirements of the homeowners association's governing documents.

33 (e) For purposes of this section, a member of a homeowners

34 association is considered to be in attendance at a meeting if the

35 member attends:

36 (1) in person;

37 (2) by proxy; ~~or~~

38 **(3) by remote or virtual means in accordance with the**

39 **procedures set forth in IC 23-17-10-1(d) through**

40 **IC 23-17-10-1(f); or**

41 ~~(4)~~ **(4) by any other means allowed under:**

42 (A) state law; or

M
e
r
g
e
d



1 (B) the governing documents of the homeowners
2 association.

3 (f) If the number of members of the homeowners association in
4 attendance at a meeting held under subsection (d) does not constitute
5 a quorum as defined in the governing documents of the homeowners
6 association, the board may adopt an annual budget for the homeowners
7 association for the ensuing year in an amount that does not exceed one
8 hundred percent (100%) of the amount of the last approved
9 homeowners association annual budget. However, the board may adopt
10 an annual budget for the homeowners association for the ensuing year
11 in an amount that does not exceed one hundred ten percent (110%) of
12 the amount of the last approved homeowners association annual budget
13 if the governing documents of the homeowners association allow the
14 board to adopt an annual budget under this subsection for the ensuing
15 year in an amount that does not exceed one hundred ten percent
16 (110%) of the amount of the last approved homeowners association
17 annual budget.

18 (g) Subject to subsection (k):

19 (1) the financial records, including all contracts, invoices, bills,
20 receipts, and bank records, of a homeowners association must be
21 available for inspection by each member of the homeowners
22 association upon written request; and

23 (2) the minutes of meetings of the homeowners association
24 board, including the annual meeting, must be available to a
25 member of the homeowners association for inspection upon the
26 homeowners association member's request, which may be
27 submitted:

28 (A) in person;

29 (B) in writing; or

30 (C) by electronic mail **or other electronic means.**

31 In addition to the right to inspect the meeting minutes of the
32 homeowners association board, a member of a homeowners
33 association has the right to attend any meeting of the
34 homeowners association board, including an annual meeting of
35 the board. **For each meeting of the homeowners association
36 board, the board must provide at least four (4) days advance
37 written notice of the meeting to members of the homeowners
38 association. The meeting notice must include an agenda for
39 the meeting. The meeting notice for the annual meeting of
40 the board must also include a statement of the right of
41 homeowners association members to demand a special
42 meeting of the members under section 2 of this chapter,**

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M
e
r
g
e
d

1 **including a statement of the number of members required to**
 2 **demand a special meeting, as determined under section 2(a)**
 3 **of this chapter. The board may provide a written meeting**
 4 **notice required under this subsection by hand delivery,**
 5 **United States mail, or electronic mail or other electronic**
 6 **means.** However, the board of directors may meet in private to
 7 discuss delinquent assessments. The board of directors may also
 8 meet in private with legal counsel to discuss the initiation of
 9 litigation or to discuss litigation that either is pending or has
 10 been threatened specifically in writing. As used in this
 11 subsection, "litigation" includes any judicial action or
 12 administrative law proceeding under state or federal law.

13 A written request for inspection must identify with reasonable
 14 particularity the information being requested. A member's ability to
 15 inspect records under this section shall not be unreasonably denied or
 16 conditioned upon provision of an appropriate purpose for the request.
 17 The homeowners association may charge a reasonable fee for the
 18 copying of a record requested under this subsection if the homeowners
 19 association member requests a written copy of the record.

20 (h) Subject to subsections (j) and (k), if there is a dispute between
 21 a homeowner and a homeowners association, the officers of the
 22 homeowners association must make all communications concerning the
 23 dispute available to the homeowner.

24 (i) Subject to subsections (j) and (k), the following apply:

25 (1) A homeowners association shall make all communications
 26 and information concerning a lot available to the owner of the lot
 27 or a home on the lot.

28 (2) If a homeowners association initiates communication with
 29 any member about another member's lot, the homeowners
 30 association must give a copy of that communication to the other
 31 member whose lot is the subject of the communication.
 32 However, this subdivision does not apply if the communication
 33 concerns suspected criminal activity, or activity that is the
 34 subject of a law enforcement investigation, involving the
 35 member whose lot is the subject of the communication.

36 (j) A homeowners association is not required to make:

37 (1) communications between the homeowners association and
 38 the legal counsel of the homeowners association; and

39 (2) other communications or attorney work product prepared in
 40 anticipation of litigation;

41 available to the owner of a lot or home.

42 (k) A homeowners association is not required to make available to

M
e
r
g
e
d

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 a member for inspection any of the following:

- 2 (1) Unexecuted contracts.
 3 (2) Records regarding contract negotiations.
 4 (3) Information regarding an individual member's association
 5 account to a person who is not a named party on the account.
 6 (4) Any information that is prohibited from release under state
 7 or federal law.
 8 (5) Any records that were created more than two (2) years before
 9 the request.
 10 (6) Information that:
 11 (A) is provided by a member of the homeowners association
 12 about another member of the homeowners association; and
 13 (B) concerns suspected criminal activity involving the other
 14 member.

15 Except as otherwise provided in this article (including subsection (j)
 16 and this subsection), other applicable law, or the governing documents
 17 of the homeowners association, a homeowners association is not
 18 required to retain a record of a written or electronic communication for
 19 any specific period of time. However, a homeowners association or a
 20 member of the board of a homeowners association shall retain for at
 21 least two (2) years after ~~receipt~~, **the date it is received or sent**, and
 22 during that period shall make available to a member of the homeowners
 23 association at the member's request, any written or electronic
 24 communication received **or sent** by the homeowners association or
 25 board member that relates to a financial transaction of the homeowners
 26 association and that is not otherwise excepted from disclosure under
 27 this article or other applicable law.

28 (l) **Except for information described in subsection (k)(4),**
 29 nothing in this chapter:

- 30 (1) abrogates or eliminates provisions in homeowners
 31 association agreements that permit or require additional
 32 disclosure or inspection rights not required by this chapter; or
 33 (2) prevents a homeowners association from agreeing to make
 34 disclosures or to provide inspection rights not required by this
 35 chapter.

36 (m) A homeowners association may not charge a fee for the first
 37 hour required to search for a record in response to a written request
 38 submitted under this chapter. A homeowners association may charge
 39 a search fee for any time that exceeds one (1) hour. The following
 40 provisions apply if a homeowners association charges a search fee:

- 41 (1) The homeowners association shall charge an hourly fee that

M
e
r
g
e
d



1 does not exceed thirty-five dollars (\$35) per hour.
 2 (2) The homeowners association may charge the fee only for
 3 time that the person making the search actually spends in
 4 searching for the record.
 5 (3) The homeowners association shall prorate the fee to reflect
 6 any search time of less than one (1) hour.
 7 (4) The total amount of the fee charged by the homeowners
 8 association for a search may not exceed two hundred dollars
 9 (\$200).
 10 SECTION 3. IC 32-25.5-3-9, AS AMENDED BY P.L.164-2016,
 11 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2026]: Sec. 9. The governing documents must contain a
 13 provision allowing the owners to amend the governing documents at
 14 any time, from time to time, subject to the following:
 15 (1) The declarant's consent to an amendment may be required if:
 16 (A) the declarant owns one (1) or more units within the
 17 subdivision; and
 18 (B) not more than seven (7) years have passed since the
 19 original governing documents were first recorded.
 20 (2) The consent of the owners to the amendment has been
 21 obtained as evidenced by either of the following:
 22 (A) The vote of the owners at a meeting duly called for the
 23 purpose of considering the amendment, **including a special**
 24 **meeting called upon the demand of members of the**
 25 **homeowners association under section 2 of this chapter.**
 26 (B) A written instrument signed by the owners.
 27 The governing documents may not require that the consent of
 28 more than ~~seventy-five percent (75%)~~ **two-thirds (2/3)** of the
 29 owners ~~is~~ **be** required for consent under this subdivision.
 30 (3) If the consent of first mortgage holders is required, only first
 31 mortgage holders that provide an address to the secretary of the
 32 board must be notified. The consent of a first mortgage holder
 33 must be indicated in a written instrument signed by the mortgage
 34 holder. However, a mortgage holder is considered to have
 35 consented to a proposed amendment if the mortgage holder does
 36 not respond to a written request for consent within thirty (30)
 37 days after the mortgage holder receives the request. The
 38 governing documents may not require that the consent of more
 39 than ~~seventy-five percent (75%)~~ **two-thirds (2/3)** of first
 40 mortgage holders eligible to receive notice ~~is~~ **be** required for
 41 consent under this subdivision.

M
e
r
g
e
d



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

SECTION 4. IC 32-25.5-3-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Sec. 12. (a) A homeowners association may assess a fine for a member's violation of a covenant described in IC 32-25.5-2-3(2) if the board first adopts a schedule of fines that sets forth:

- (1) the covenant violations that are subject to a fine;**
- (2) the amount of the fine that applies to each violation identified under subdivision (1); and**
- (3) if any of the fines listed in subdivision (2) will be assessed on an ongoing or recurring basis:**

- (A) for a defined period or a specified number of days;**
- or**
- (B) until the violation is cured or another contingency occurs;**

a statement of that fact, along with a description of how the fine will be calculated and assessed.

(b) If the board will adopt a schedule of fines under this section at a meeting of the board, the board shall give notice of the meeting to members in accordance with the homeowners association's governing documents. The notice must include the proposed schedule of fines.

(c) A schedule of fines adopted under this section must be available to any member for inspection upon the member's request, which may be submitted:

- (1) in person;**
- (2) in writing; or**
- (3) by electronic mail or other electronic means.**

(d) The board may, from time to time, amend or repeal a schedule of fines adopted under this section if notice of:

- (1) the amendment or repeal, including the amended schedule of fines in the case of an amendment; and**
- (2) any meeting held to adopt the amendment or repeal;**

is given to members in accordance with the homeowners association's governing documents.

(e) Members may submit to the board under section 2 of this chapter a written demand for a special meeting of the members of the homeowners association for the purpose of voting to amend a

M
e
r
g
e
d

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 **schedule of fines adopted under this section. An amended schedule**
 2 **of fines shall be:**

- 3 **(1) adopted as proposed; or**
 4 **(2) revised and adopted;**

5 **if so approved by a majority of members present at the meeting.**

6 **(f) After a schedule of fines has been adopted under this**
 7 **section, the board may assess a member a fine for a violation**
 8 **included in the schedule of fines under subsection (a)(1) if the**
 9 **board first provides notice to the member of:**

- 10 **(1) the violation for which the fine will be assessed;**
 11 **(2) the amount of the fine;**
 12 **(3) the date on which the fine will be assessed; and**
 13 **(4) if the fine will be assessed on an ongoing or recurring**
 14 **basis:**

- 15 **(A) for a defined period or a specified number of days;**
 16 **or**
 17 **(B) until the violation is cured or another contingency**
 18 **occurs;**

19 **a statement of that fact, along with a description of how the**
 20 **fine will be calculated and assessed.**

21 **(g) If a member is assessed a fine under this section, the**
 22 **amount of the fine that has accrued must be available to the**
 23 **member upon the member's request, which may be submitted:**

- 24 **(1) in person;**
 25 **(2) in writing; or**
 26 **(3) by electronic mail or other electronic means.**

27 **(h) The assessment of a fine by a homeowners association**
 28 **under this section does not operate as a waiver of the homeowners**
 29 **association's rights to pursue alternative remedies provided for in**
 30 **the homeowners association's governing documents, including any**
 31 **right to injunctive relief or to pursue a claim for damages.**

32 **SECTION 5. IC 32-25.5-5-4, AS ADDED BY P.L.141-2015,**
 33 **SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
 34 **JULY 1, 2026]: Sec. 4. As used in this chapter, "exempt claim" refers**
 35 **to any of the following claims or actions:**

- 36 **(1) A claim by the homeowners association for assessments or**
 37 **dues and any action by the association to collect assessments or**
 38 **dues. This subdivision does not include a claim that involves**
 39 **the assessment or enforcement of a fine under**
 40 **IC 32-25.5-3-12 by a homeowners association for a member's**
 41 **violation of a covenant of the homeowners association.**
 42 **(2) An action by a party to obtain a temporary restraining order**

HB 1115—LS 6598/DI 101



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

M
e
r
g
e
d

- 1 or equivalent emergency equitable relief:
- 2 (A) to maintain the status quo and preserve the party's
- 3 ability to enforce the governing documents; or
- 4 (B) when an emergency condition exists that jeopardizes the
- 5 health or safety of any of the residents within the
- 6 community governed by the homeowners association.
- 7 (3) A suit to which an applicable statute of limitations would
- 8 expire within the notice period. This subdivision does not apply
- 9 if a party against which the claim is made agrees to toll the
- 10 statute of limitations as to the claim for the period reasonably
- 11 necessary to comply with this chapter.
- 12 (4) A dispute that is subject to mediation, arbitration, or other
- 13 alternate dispute resolution under applicable law, contract,
- 14 warranty agreement, or other instrument.
- 15 (5) A claim that is substantively identical to a claim:
- 16 (A) that was previously addressed by the parties; or
- 17 (B) that was resolved by a judicial determination in favor of
- 18 one (1) of the parties.
- 19 SECTION 6. IC 32-25.5-5-10, AS ADDED BY P.L.141-2015,
- 20 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 21 JULY 1, 2026]: Sec. 10. A claimant must provide notice of the claim
- 22 to the respondent, stating plainly and concisely the following
- 23 information:
- 24 (1) The nature of the claim, including the date, time, location,
- 25 persons involved, and the respondent's role in the claim.
- 26 (2) The basis of the claim, including the provision of the
- 27 governing documents or other authority out of which the claim
- 28 arises.
- 29 (3) What the claimant wants the respondent to do or not to do to
- 30 resolve the claim.
- 31 (4) That the respondent has a right to meet with the claimant, if
- 32 the respondent makes a written request for a meeting **not later**
- 33 **than ten (10) business days after the date of the notice.**
- 34 (5) The name and address of the person ~~from~~ whom the
- 35 respondent must **contact to:**
- 36 (A) request a meeting under subdivision (4); **or**
- 37 (B) **provide notice that the violation on which the claim**
- 38 **is based has been cured.**

M
e
r
g
e
d

