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# HOUSE BILL No. 1115

Proposed Changes to January 22, 2026 printing by AM111506

## DIGEST OF PROPOSED AMENDMENT

Fees. Prohibits a homeowners association, an agent of a homeowners association, or a homeowners association management company from charging a homeowner a fee associated with any service provided by the homeowners association.

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 32-21-5-8.5, AS ADDED BY P.L.141-2015,
- 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2026]: Sec. 8.5. (a) This section applies to all transfers of title
- 4 to property after June 30, 2015.
- 5 (b) The definitions in IC 32-25.5-2 apply in this section.
- 6 (c) As used in this section, "property" refers to real property
- 7 covered by the governing documents of a homeowners association.
- 8 (d) As used in this section, "purchaser" refers to a person who
- 9 purchases property.
- 10 (e) The following must be provided by the seller to a purchaser not
- 11 later than ten (10) days before the sale of the property closes:
- 12 (1) A disclosure that the property is in a community governed by
- 13 a homeowners association.
- 14 (2) A copy of the recorded governing documents.
- 15 (3) A statement indicating whether there are assessments and the
- 16 amount of any assessments.
- 17 (4) The following information about a board member,
- 18 homeowners association agent, or other person who has a
- 19 contract with the homeowners association to provide any

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management services for the homeowners association:

(A) The name.

(B) The business or home address.

(f) A homeowners association or agent of a homeowners association providing a statement of unpaid assessments or other charges of the homeowners association relating to the property may **not** charge **not more than two hundred fifty dollars (\$250) a fee** for the statement.

(g) The failure to provide any of the documents listed in subsection (e) does not limit or prevent enforcement of the governing documents by the homeowners association.

] SECTION ⇄[2]. IC 32-25.5-3-2, AS AMENDED BY P.L.1-2010, SECTION 128, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) In addition to any other meeting held by a board, a board shall hold a special meeting of the members of a homeowners association if at least ten percent (10%) of the members of the homeowners association submit to the board at least one (1) written demand for the special meeting that:

(1) describes the purpose for which the meeting is to be held; and

(2) is signed by the members requesting the special meeting.

(b) If a board does not send out a notice of the date, time, and place for a special meeting not more than thirty (30) days after the date the board receives a valid written demand for the special meeting under subsection (a), a member of the homeowners association who signed the written demand may:

(1) set the date, time, and place for the special meeting; and

(2) send out the notice for the special meeting to the other members.

**(c) In the meeting notice of the board's annual meeting, the board shall include a written statement that:**

**(1) notifies homeowners association members of the right to demand a special meeting of the members under this section; and**

**(2) states the number of members required to demand a special meeting, as determined under subsection (a);**

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

SECTION ⇄[3]. IC 32-25.5-3-3, AS AMENDED BY P.L.164-2016, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) A homeowners association shall prepare an annual budget.

(b) The annual budget must reflect:

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- 1 (1) the estimated revenues and expenses for the budget year; and  
 2 (2) the estimated surplus or deficit as of the end of the current  
 3 budget year.
- 4 (c) The homeowners association shall provide each member of the  
 5 homeowners association with:
- 6 (1) a:
- 7 (A) copy of the proposed annual budget; or  
 8 (B) written notice that a copy of the proposed annual budget  
 9 is available upon request at no charge to the member; and
- 10 (2) a written notice of the amount of any increase or decrease in  
 11 a regular annual assessment paid by the members that would  
 12 occur if the proposed annual budget is approved;
- 13 before the homeowners association meeting held under subsection (d).
- 14 (d) Subject to subsection (f), a homeowners association budget  
 15 must be approved at a meeting of the homeowners association  
 16 members by a majority of the members of the homeowners association  
 17 in attendance at a meeting called and conducted in accordance with the  
 18 requirements of the homeowners association's governing documents.
- 19 (e) For purposes of this section, a member of a homeowners  
 20 association is considered to be in attendance at a meeting if the  
 21 member attends:
- 22 (1) in person;  
 23 (2) by proxy; ~~or~~
- 24 **(3) by remote or virtual means in accordance with the**  
 25 **procedures set forth in IC 23-17-10-1(d) through**  
 26 **IC 23-17-10-1(f); or**
- 27 ~~(3)~~ **(4) by any other means allowed under:**
- 28 (A) state law; or  
 29 (B) the governing documents of the homeowners  
 30 association.
- 31 (f) If the number of members of the homeowners association in  
 32 attendance at a meeting held under subsection (d) does not constitute  
 33 a quorum as defined in the governing documents of the homeowners  
 34 association, the board may adopt an annual budget for the homeowners  
 35 association for the ensuing year in an amount that does not exceed one  
 36 hundred percent (100%) of the amount of the last approved  
 37 homeowners association annual budget. However, the board may adopt  
 38 an annual budget for the homeowners association for the ensuing year  
 39 in an amount that does not exceed one hundred ten percent (110%) of  
 40 the amount of the last approved homeowners association annual budget  
 41 if the governing documents of the homeowners association allow the  
 42 board to adopt an annual budget under this subsection for the ensuing

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1 year in an amount that does not exceed one hundred ten percent  
 2 (110%) of the amount of the last approved homeowners association  
 3 annual budget.

4 (g) Subject to subsection (k):

5 (1) the financial records, including all contracts, invoices, bills,  
 6 receipts, and bank records, of a homeowners association must be  
 7 available for inspection by each member of the homeowners  
 8 association upon written request; and

9 (2) the minutes of meetings of the homeowners association  
 10 board, including the annual meeting, must be available to a  
 11 member of the homeowners association for inspection upon the  
 12 homeowners association member's request, which may be  
 13 submitted:

14 (A) in person;

15 (B) in writing; or

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

17 In addition to the right to inspect the meeting minutes of the  
 18 homeowners association board, a member of a homeowners  
 19 association has the right to attend any meeting of the  
 20 homeowners association board, including an annual meeting of  
 21 the board. **For each meeting of the homeowners association  
 22 board, the board must provide at least four (4) days advance  
 23 written notice of the meeting to members of the homeowners  
 24 association. The meeting notice must include an agenda for  
 25 the meeting. The meeting notice for the annual meeting of  
 26 the board must also include a statement of the right of  
 27 homeowners association members to demand a special  
 28 meeting of the members under section 2 of this chapter,  
 29 including a statement of the number of members required to  
 30 demand a special meeting, as determined under section 2(a)  
 31 of this chapter. The board may provide a written meeting  
 32 notice required under this subsection by hand delivery,  
 33 United States mail, or electronic mail or other electronic  
 34 means.** However, the board of directors may meet in private to  
 35 discuss delinquent assessments. The board of directors may also  
 36 meet in private with legal counsel to discuss the initiation of  
 37 litigation or to discuss litigation that either is pending or has  
 38 been threatened specifically in writing. As used in this  
 39 subsection, "litigation" includes any judicial action or  
 40 administrative law proceeding under state or federal law.

41 A written request for inspection must identify with reasonable  
 42 particularity the information being requested. A member's ability to

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1 inspect records under this section shall not be unreasonably denied or  
 2 conditioned upon provision of an appropriate purpose for the request.  
 3 The homeowners association may **[not]** charge a **[reasonable]** fee for  
 4 the copying of a record requested under this subsection if the  
 5 homeowners association member requests a written copy of the record.

6 (h) Subject to subsections (j) and (k), if there is a dispute between  
 7 a homeowner and a homeowners association, the officers of the  
 8 homeowners association must make all communications concerning the  
 9 dispute available to the homeowner.

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

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

14 (2) If a homeowners association initiates communication with  
 15 any member about another member's lot, the homeowners  
 16 association must give a copy of that communication to the other  
 17 member whose lot is the subject of the communication.  
 18 However, this subdivision does not apply if the communication  
 19 concerns suspected criminal activity, or activity that is the  
 20 subject of a law enforcement investigation, involving the  
 21 member whose lot is the subject of the communication.

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

23 (1) communications between the homeowners association and  
 24 the legal counsel of the homeowners association; and  
 25 (2) other communications or attorney work product prepared in  
 26 anticipation of litigation;

27 available to the owner of a lot or home.

28 (k) A homeowners association is not required to make available to  
 29 a member for inspection any of the following:

30 (1) Unexecuted contracts.  
 31 (2) Records regarding contract negotiations.  
 32 (3) Information regarding an individual member's association  
 33 account to a person who is not a named party on the account.  
 34 (4) Any information that is prohibited from release under state  
 35 or federal law.  
 36 (5) Any records that were created more than two (2) years before  
 37 the request.

38 (6) Information that:

39 (A) is provided by a member of the homeowners association  
 40 about another member of the homeowners association; and  
 41 (B) concerns suspected criminal activity involving the other  
 42 member.

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1 Except as otherwise provided in this article (including subsection (j))  
2 and this subsection), other applicable law, or the governing documents  
3 of the homeowners association, a homeowners association is not  
4 required to retain a record of a written or electronic communication for  
5 any specific period of time. However, a homeowners association or a  
6 member of the board of a homeowners association shall retain for at  
7 least two (2) years after receipt, the date it is received or sent, and  
8 during that period shall make available to a member of the homeowners  
9 association at the member's request, any written or electronic  
10 communication received or sent by the homeowners association or  
11 board member that relates to a financial transaction of the homeowners  
12 association and that is not otherwise excepted from disclosure under  
13 this article or other applicable law.

14 (l) Except for information described in subsection (k)(4),  
15 nothing in this chapter:

- 16 (1) abrogates or eliminates provisions in homeowners
- 17 association agreements that permit or require additional
- 18 disclosure or inspection rights not required by this chapter; or
- 19 (2) prevents a homeowners association from agreeing to make
- 20 disclosures or to provide inspection rights not required by this
- 21 chapter.

22 (m) A homeowners association may not charge a fee for the  
23 first hour required to search for a record in response to a  
24 written request submitted under this chapter. A homeowners  
25 association may charge a search fee for any  
26 time that exceeds one (1) hour. The  
27 following provisions apply if a homeowners  
28 association charges a search fee:  
29 (1) The homeowners association shall charge  
30 an hourly fee that does not exceed  
31 thirty-five dollars (\$35) per hour.  
32 (2) The homeowners association may charge  
33 the fee only for time that the person  
34 making the search actually spends in  
35 searching for the record.  
36 (3) The homeowners association shall  
37 prorate the fee to reflect any search  
38 time of less than one (1) hour.  
39 (4) The total amount of the fee  
40 charged by the homeowners association for  
41 a search may not exceed two hundred  
42 dollars (\$200).

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1 SECTION ~~3~~[4]. IC 32-25.5-3-12 IS ADDED TO THE  
 2 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2026]: **Sec. 12. (a) A homeowners association**  
 4 **may assess a fine for a member's violation of a covenant described**  
 5 **in IC 32-25.5-2-3(2) if the board first adopts a schedule of fines that**  
 6 **sets forth:**

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

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

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

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

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

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

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

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

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

36 (e) Members may submit to the board under section 2 of this  
 37 chapter a written demand for a special meeting of the members of  
 38 the homeowners association for the purpose of voting to amend a  
 39 schedule of fines adopted under this section. An amended schedule  
 40 of fines shall be:

- 41 (1) adopted as proposed; or  
 42 (2) revised and adopted;

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

2 (f) After a schedule of fines has been adopted under this  
3 section, the board may assess a member a fine for a violation  
4 included in the schedule of fines under subsection (a)(1) if the  
5 board first provides notice to the member of:

- 6 (1) the violation for which the fine will be assessed;  
7 (2) the amount of the fine;  
8 (3) the date on which the fine will be assessed; and  
9 (4) if the fine will be assessed on an ongoing or recurring  
10 basis:

11 (A) for a defined period or a specified number of days;

12 or

13 (B) until the violation is cured or another contingency  
14 occurs;

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

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

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

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

28 [ (i) Notwithstanding any other law, a homeowners association,  
29 an agent of a homeowners association, or a homeowners  
30 association management company may not charge a homeowner a  
31 fee associated with any service provided by the homeowners  
32 association, other than the homeowners association dues or fines  
33 expressly identified in the homeowners association's governing  
34 documents or adopted in a schedule of fines. This subsection does  
35 not affect the ability of a homeowners association to take debt  
36 collection efforts for dues or fines allowable under the homeowners  
37 association's governing documents.

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

- 42 (1) A claim by the homeowners association for assessments or

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

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**(B) provide notice that the violation on which the claim is based has been cured.**

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