



February 18, 2026

ENGROSSED HOUSE BILL No. 1184

DIGEST OF HB 1184 (Updated February 17, 2026 9:45 am - DI 151)

Citations Affected: IC 24-14; IC 26-2.

Synopsis: Towing matters. Allows a towing company responding to a summons for an emergency towing to utilize the shoulder of the roadway as necessary to reach the scene of a disabled motor vehicle. Provides that a commercial private property owner that establishes a tow-away zone must post a tow-away zone sign at the location of the tow-away zone that is at a height of more than five feet and less than seven feet from the ground. Prohibits a towing company from towing a motor vehicle from a tow-away zone if the tow-away zone sign is not at the required height. Provides that a towing company or storage facility shall accept a credit card or debit card as a form of payment. Prohibits a towing company or storage facility from charging a credit card service fee of more than three percent (3%). Provides that a towing company or storage facility may not deny pickup of a motor vehicle because an appointment is not available or charge a storage fee for any day when an appointment is not available. Establishes requirements for the storage of collateral by collateral recovery agencies.

Effective: July 1, 2026.

Haggard, Morris, Pressel, Shonkwiler

(SENATE SPONSOR — TOMES)

January 5, 2026, read first time and referred to Committee on Roads and Transportation.
January 27, 2026, amended, reported — Do Pass.
January 29, 2026, read second time, ordered engrossed.
January 30, 2026, engrossed.
February 2, 2026, read third time, passed. Yeas 80, nays 0.

SENATE ACTION

February 5, 2026, read first time and referred to Committee on Homeland Security and Transportation.
February 17, 2026, amended, reported favorably — Do Pass.

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February 18, 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.

ENGROSSED HOUSE BILL No. 1184

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 24-14-3-7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2026]: **Sec. 7. A towing company responding to a summons for**
4 **an emergency towing under this chapter may utilize the shoulder**
5 **of the roadway as necessary to reach the scene of the disabled**
6 **motor vehicle.**
7 SECTION 2. IC 24-14-4-2, AS ADDED BY P.L.281-2019,
8 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2026]: Sec. 2. (a) Except as provided in subsections (b) and
10 (c), the owner of a commercial private property may establish a
11 tow-away zone on the owner's property. A commercial private property
12 owner that establishes a tow-away zone under this section must post a
13 tow-away zone sign at the location of the tow-away zone that is **at a**
14 **height of more than five (5) feet and less than seven (7) feet from**
15 **the ground**, conspicuous, and clearly visible to the public. A tow-away
16 zone sign described under this section shall provide the following
17 information:

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- 1 (1) A statement that the area in the immediate vicinity of the sign
 2 is a tow-away zone.
 3 (2) Pertinent contact information.
 4 (3) A description of any person permitted to park in the affected
 5 area, if applicable.
 6 (b) A commercial private property owner may have a motor vehicle
 7 towed from the owner's commercial private property without first
 8 displaying signage concerning the tow-away zone if the motor vehicle
 9 is removed under IC 9-22-1-16.
 10 (c) A unit (as defined in IC 36-1-2-23) may adopt an ordinance that
 11 provides for different requirements than those provided in this section.
 12 **(d) Except as provided in subsection (b), a towing company may**
 13 **not tow a motor vehicle from a tow-away zone if the tow-away zone**
 14 **sign is not at the height required under subsection (a).**
 15 SECTION 3. IC 24-14-4-6, AS ADDED BY P.L.281-2019,
 16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2026]: Sec. 6. A towing company that performs commercial
 18 private property towing under this chapter shall do the following:
 19 (1) Properly secure all towed motor vehicles.
 20 (2) Take all reasonable efforts to prevent:
 21 (A) further damage (including weather damage) to; or
 22 (B) the theft of;
 23 all towed motor vehicles, including a towed motor vehicle's cargo
 24 and contents.
 25 **(3) Except for a towing performed under IC 9-22-1, reimburse**
 26 **the owner of the motor vehicle for any damage caused by the**
 27 **towing company.**
 28 SECTION 4. IC 24-14-7-2, AS ADDED BY P.L.281-2019,
 29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 2. (a) Upon payment of all costs relating to a tow,
 31 the storage of a motor vehicle, and all allowable fees, as applicable, the
 32 towing company or storage facility shall release the motor vehicle to a
 33 properly identified person who owns or holds a lien on the motor
 34 vehicle. Each release performed under this subsection shall comply
 35 with the procedures and be subject to the same requirements set forth
 36 in IC 9-22-1-8 with respect to abandoned motor vehicles.
 37 (b) The owner, lienholder, or insurance company representative
 38 responsible for releasing a motor vehicle under this section shall have
 39 the right to inspect the motor vehicle during normal business hours
 40 before accepting the release of the motor vehicle.
 41 (c) A towing company or storage facility shall accept the following
 42 forms of payment:



- 1 (1) Cash.
- 2 (2) Certified check.
- 3 (3) Insurance check.
- 4 (4) Money order.
- 5 **(5) Credit card.**
- 6 **(6) Debit card.**
- 7 A towing service or storage facility may elect to accept payment by
- 8 means of a credit card or debit card.
- 9 **(d) A towing company or storage facility may not charge a**
- 10 **credit card service fee of more than three percent (3%).**
- 11 ~~(d)~~ (e) A towing company or storage facility, upon receiving
- 12 payment for all costs and fees assessed against a motor vehicle, shall
- 13 provide an itemized receipt that includes the information described
- 14 under IC 24-14-5 if the information is available.
- 15 ~~(e)~~ (f) A towing company or storage facility shall comply with
- 16 IC 9-22-1-8.
- 17 **(g) A towing company or storage facility may not:**
- 18 **(1) deny pickup of a motor vehicle because there is no**
- 19 **available appointment; or**
- 20 **(2) charge a storage fee for a day when there is no available**
- 21 **appointment.**
- 22 SECTION 5. IC 26-2-11 IS ADDED TO THE INDIANA CODE AS
- 23 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 24 1, 2026]:
- 25 **Chapter 11. Collateral Recovery Agencies**
- 26 **Sec. 1. This chapter does not apply to the following persons**
- 27 **when engaged in an activity otherwise covered by this chapter:**
- 28 **(1) A financial institution or an employee of a financial**
- 29 **institution if the activity is conducted by the employee on**
- 30 **behalf of that financial institution.**
- 31 **(2) An automobile rental company or an employee of an**
- 32 **automobile rental company if the activity is conducted by the**
- 33 **employee on behalf of the automobile rental company.**
- 34 **(3) A retail seller of equipment (as defined in IC 26-1-9.1-102),**
- 35 **or an employee of a retail seller of equipment, if the activity**
- 36 **is limited to the repossession of the type of goods routinely**
- 37 **sold by the retail seller in the manner authorized by**
- 38 **IC 26-1-9.1-609 on behalf of the owner of a security interest**
- 39 **in that collateral.**
- 40 **(4) An entity or an employee of an entity that primarily**
- 41 **finances wholesale and retail transactions related to the**
- 42 **purchase or lease of equipment manufactured by the entity's**



- 1 affiliate if the activity is limited to the repossession of the
2 equipment.
- 3 **Sec. 2.** As used in this chapter, "collateral" means any personal
4 property that is subject to a security, lease, or rental agreement.
5 The term does not include a recreational vehicle permanently
6 attached to a foundation and used as a primary residence.
- 7 **Sec. 3.** As used in this chapter, "collateral recovery agency"
8 means any person that, for consideration:
9 (1) advertises as providing; or
10 (2) is engaged in the business of performing;
11 a repossession.
- 12 **Sec. 4.** As used in this chapter, "hazardous material" means a
13 material or waste that has been determined to be hazardous or
14 potentially hazardous to human health, to property, or to the
15 environment by:
16 (1) the United States:
17 (A) Environmental Protection Agency;
18 (B) Nuclear Regulatory Commission;
19 (C) Department of Transportation; or
20 (D) Occupational Safety and Health Administration; or
21 (2) the environmental rules board established by IC 13-13-8-3.
22 The term includes all of the hazardous materials identified in 49
23 CFR 172.101.
- 24 **Sec. 5.** As used in this chapter, "repossession" means to take
25 physical possession of personal property that was used as
26 collateral.
- 27 **Sec. 6.** A collateral recovery agency must store collateral at a
28 location within Indiana after repossession until the collateral is:
29 (1) redeemed; or
30 (2) transferred to auction.
- 31 **Sec. 7.** (a) A collateral recovery agency must include ten (10)
32 days of collateral storage in the collateral recovery agency's
33 standard repossession rate.
34 (b) The legal owner or lien holder of the collateral must pay the
35 collateral recovery agency a fee of fifteen dollars (\$15) per day for
36 any collateral stored after the initial ten (10) days under subsection
37 (a). A collateral recovery agency may charge an additional fee for
38 storing collateral that contains hazardous materials.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1184, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 24-14-3-7 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 7. A towing company responding to a summons for an emergency towing under this chapter may utilize the shoulder of the roadway as necessary to reach the scene of the disabled motor vehicle.**

SECTION 2. IC 24-14-4-2, AS ADDED BY P.L.281-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) Except as provided in subsections (b) and (c), the owner of a commercial private property may establish a tow-away zone on the owner's property. A commercial private property owner that establishes a tow-away zone under this section must post a tow-away zone sign at the location of the tow-away zone that is **at a height of more than five (5) feet and less than seven (7) feet from the ground**, conspicuous, and clearly visible to the public. A tow-away zone sign described under this section shall provide the following information:

- (1) A statement that the area in the immediate vicinity of the sign is a tow-away zone.
- (2) Pertinent contact information.
- (3) A description of any person permitted to park in the affected area, if applicable.

(b) A commercial private property owner may have a motor vehicle towed from the owner's commercial private property without first displaying signage concerning the tow-away zone if the motor vehicle is removed under IC 9-22-1-16.

(c) A unit (as defined in IC 36-1-2-23) may adopt an ordinance that provides for different requirements than those provided in this section.

(d) Except as provided in subsection (b), a towing company may not tow a motor vehicle from a tow-away zone if the tow-away zone sign is not at the height required under subsection (a)."

Page 2, delete lines 1 through 16.

Page 2, delete lines 27 through 28, begin a new line block indented and insert:

"(3) Except for a towing performed under IC 9-22-1,



reimburse the owner of the motor vehicle for any damage caused by the towing company.

SECTION 4. IC 26-2-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 11. Collateral Recovery Agencies

Sec. 1. This chapter does not apply to the following persons when engaged in an activity otherwise covered by this chapter:

- (1) A financial institution or an employee of a financial institution if the activity is conducted by the employee on behalf of that financial institution.
- (2) An automobile rental company or an employee of an automobile rental company if the activity is conducted by the employee on behalf of the automobile rental company.
- (3) A retail seller of equipment (as defined in IC 26-1-9.1-102), or an employee of a retail seller of equipment, if the activity is limited to the repossession of the type of goods routinely sold by the retail seller in the manner authorized by IC 26-1-9.1-609 on behalf of the owner of a security interest in that collateral.
- (4) An entity or an employee of an entity that primarily finances wholesale and retail transactions related to the purchase or lease of equipment manufactured by the entity's affiliate if the activity is limited to the repossession of the equipment.

Sec. 2. As used in this chapter, "collateral" means any personal property that is subject to a security, lease, or rental agreement. The term does not include a recreational vehicle permanently attached to a foundation and used as a primary residence.

Sec. 3. As used in this chapter, "collateral recovery agency" means any person that, for consideration:

- (1) advertises as providing; or
- (2) is engaged in the business of performing;

a repossession.

Sec. 4. As used in this chapter, "hazardous material" means a material or waste that has been determined to be hazardous or potentially hazardous to human health, to property, or to the environment by:

- (1) the United States:
 - (A) Environmental Protection Agency;
 - (B) Nuclear Regulatory Commission;
 - (C) Department of Transportation; or



**(D) Occupational Safety and Health Administration; or
(2) the environmental rules board established by IC 13-13-8-3.**
The term includes all of the hazardous materials identified in 49 CFR 172.101.

Sec. 5. As used in this chapter, "repossession" means to take physical possession of personal property that was used as collateral.

Sec. 6. A collateral recovery agency must store collateral at a location within Indiana after repossession until the collateral is:

- (1) redeemed; or**
- (2) transferred to auction.**

Sec. 7. (a) A collateral recovery agency must include ten (10) days of collateral storage in the collateral recovery agency's standard repossession rate.

(b) The legal owner or lien holder of the collateral must pay the collateral recovery agency a fee of fifteen dollars (\$15) per day for any collateral stored after the initial ten (10) days under subsection (a). A collateral recovery agency may charge an additional fee for storing collateral that contains hazardous materials."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1184 as introduced.)

PRESSEL

Committee Vote: yeas 13, nays 0.

COMMITTEE REPORT

Mr. President: The Senate Committee on Homeland Security and Transportation, to which was referred House Bill No. 1184, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, between lines 27 and 28, begin a new paragraph and insert:
"SECTION 4. IC 24-14-7-2, AS ADDED BY P.L.281-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) Upon payment of all costs relating to a tow, the storage of a motor vehicle, and all allowable fees, as applicable, the

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towing company or storage facility shall release the motor vehicle to a properly identified person who owns or holds a lien on the motor vehicle. Each release performed under this subsection shall comply with the procedures and be subject to the same requirements set forth in IC 9-22-1-8 with respect to abandoned motor vehicles.

(b) The owner, lienholder, or insurance company representative responsible for releasing a motor vehicle under this section shall have the right to inspect the motor vehicle during normal business hours before accepting the release of the motor vehicle.

(c) A towing company or storage facility shall accept the following forms of payment:

- (1) Cash.
- (2) Certified check.
- (3) Insurance check.
- (4) Money order.
- (5) Credit card.**
- (6) Debit card.**

A towing service or storage facility may elect to accept payment by means of a credit card or debit card.

(d) A towing company or storage facility may not charge a credit card service fee of more than three percent (3%).

~~(d)~~ (e) A towing company or storage facility, upon receiving payment for all costs and fees assessed against a motor vehicle, shall provide an itemized receipt that includes the information described under IC 24-14-5 if the information is available.

~~(e)~~ (f) A towing company or storage facility shall comply with IC 9-22-1-8.

(g) A towing company or storage facility may not:

- (1) deny pickup of a motor vehicle because there is no available appointment; or**
- (2) charge a storage fee for a day when there is no available appointment."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1184 as printed January 27, 2026.)

CRIDER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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