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 ENROLLED ACT No. 1184

AN ACT to amend the Indiana Code concerning trade regulation.

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

SECTION 1. IC 9-22-1-8, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) If the properly identified person who owns or holds a lien on a vehicle appears at the site of storage before disposal of the vehicle or parts and pays all costs relating to a tow, the storage of the vehicle, and all allowable fees, as applicable, the vehicle or parts shall be released.

(b) A towing service or storage yard may not charge an inspection fee to an owner, a lienholder, or an insurance company representative to inspect a vehicle or retrieve items from the vehicle.

(c) A towing service or storage yard must accept payment made by any of the following means from a person seeking to release a vehicle under this section:

(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 service or storage yard may not charge a credit

card service fee of more than three percent (3%).

~~(d)~~ **(e)** Upon receiving payment of all costs relating to a tow, the storage of a vehicle, and all allowable fees, as applicable, a towing service or storage yard shall provide to the person making payment an itemized receipt that includes the information set forth in IC 24-14-5, to the extent the information is known or available.

~~(e)~~ **(f)** A towing service or storage yard must be open for business and accessible by telephone during regular office hours. A towing service or storage yard must provide a telephone number that is available on a twenty-four (24) hour basis to receive calls and messages from callers, including calls made outside of regular office hours. All calls made to a towing service or storage yard must be returned within twenty-four (24) hours from the time received. However, if adverse weather, an act of God, or an emergency situation over which the towing service or storage yard has no control prevents the towing service or storage yard from returning calls within twenty-four (24) hours, the towing service or storage yard shall return all calls received as quickly as possible.

~~(f)~~ **(g)** A towing service or storage yard shall, if required, notify the appropriate public agency of all releases under this section. The notification must include:

(1) the name and address of:

(A) the person that owns or holds a lien on the vehicle; and

(B) the insurance company that insures the vehicle, if the vehicle was released to a representative of the insurance company;

(2) the signature of the individual to whom the vehicle was released;

(3) a description of the vehicle or parts;

(4) costs paid; and

(5) the date of release.

~~(g)~~ **(h)** A towing service or storage yard shall release property to a properly identified person who owns or holds a lien on the vehicle not later than twenty-four (24) hours after the towing service's or storage yard's receipt of:

(1) payment of seventy-five percent (75%) of the amount of the invoice;

(2) proof of a bond obtained by the owner for the remaining twenty-five percent (25%) of the amount of the invoice, payable in the event the owner does not comply with a court order under subsection ~~(j);~~ **(k);** and

(3) a copy of a complaint filed with the attorney general alleging

a violation of IC 24-14 under IC 24-14-10-1.

~~(h)~~ **(i)** The owner shall file a civil complaint in the appropriate jurisdiction not later than thirty (30) days after providing the items required to release the vehicle under subsection ~~(g)~~ **(h)** if the disputed invoice amount has not been resolved. A towing service or storage yard may bring a civil complaint in an appropriate jurisdiction at any time within the same thirty (30) day period asking the court to resolve the disputed invoice amount.

~~(i)~~ **(j)** A civil complaint filed under subsection ~~(h)~~ **(i)** must include the amounts in the invoice that are disputed and the reasons those amounts are disputed. A copy of the invoice and any evidence of reasonableness or unreasonableness must be filed with the complaint.

~~(j)~~ **(k)** After a civil complaint is filed under subsection ~~(h),~~ **(i),** the court shall make a determination as to whether the amount charged by the towing service or storage yard is reasonable. If the court determines that the amount is reasonable, the court shall order the owner to pay the amount of the invoice, minus the amount paid under subsection ~~(g)(1).~~ **(h)(1).** If the court determines that the amount charged was unreasonable, the court shall determine a reasonable amount and order the owner to pay that amount minus the amount paid under subsection ~~(g)(1).~~ **(h)(1).** If the reasonable amount determined by the court is less than the amount paid under subsection ~~(g)(1),~~ **(h)(1),** the court shall order the towing service or storage yard to pay the owner the difference in those amounts. The court may also require either party to pay or refund any additional amount and may impose any monetary penalties that the court determines to be appropriate.

~~(k)~~ **(l)** Nothing in this section creates, implies, or otherwise grants insurance coverage for the amount billed by a towing service or storage ~~facility~~ **yard** that is not within the owner's automobile insurance policy or other policy of insurance.

SECTION 2. IC 9-22-1-27, AS AMENDED BY P.L.227-2025, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 27. (a) This section applies to sales of abandoned vehicles or parts by a city, county, or town.

(b) The proceeds from the sale of abandoned vehicles or parts, including:

(1) charges for bills of sale; and

(2) money received from persons who own or hold liens on vehicles for the cost of removal or storage of vehicles;

shall **first** be credited against the costs of removal, storage, and disposal of the vehicle **incurred by the towing company or storage facility.** The remaining proceeds shall be deposited in the city's, county's, or town's abandoned vehicle fund by the fiscal officer of the city, county, or town.

(c) The costs incurred by a public agency in administering this chapter shall be paid from the abandoned vehicle fund.

(d) The fiscal body shall annually appropriate sufficient money to the fund to carry out this chapter. Money remaining in the fund at the end of a year remains in the fund and does not revert to the general fund.

(e) Notwithstanding subsection (d), the fiscal body of a consolidated city may transfer money from the fund.

SECTION 3. 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 4. 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).

SECTION 5. IC 24-14-4-6, AS ADDED BY P.L.281-2019,

SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. A towing company that performs commercial private property towing under this chapter shall do the following:

(1) Properly secure all towed motor vehicles.

(2) Take all reasonable efforts to prevent:

(A) further damage (including weather damage) to; or

(B) the theft of;

all towed motor vehicles, including a towed motor vehicle's cargo and contents.

(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 6. 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 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.

SECTION 7. 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.

SECTION 8. IC 26-3-8-12, AS AMENDED BY P.L.93-2023, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) After a renter has been in default continuously for at least five (5) days, an owner may begin enforcement of the owner's lien under this chapter.

(b) An owner enforcing the owner's lien under this chapter may:

(1) deny the renter access to the self-service storage facility, including access to the rented space; and

(2) move the renter's personal property from the rented space to another storage space pending the redemption, sale, or other disposition of the personal property under this chapter.

(c) An owner enforcing the owner's lien shall send the renter, by electronic mail or verified mail and addressed to the last known address of the renter, a written notice that includes:

(1) an itemized statement of the owner's claim showing the amount due at the time of the notice and the date when the amount became due;

(2) a demand for payment of the amount due before a specified time at least thirty (30) days after the date of the mailing of the notice;

(3) a statement that the contents of the renter's rented space are subject to the owner's lien;

(4) a statement advising the renter that the owner has denied the renter access to the rented space, if the owner has done this under

subsection (b);

(5) a statement advising the renter that the owner has removed the renter's personal property from the rented space to another suitable storage space, if the owner has done this under subsection (b);

(6) the name, street address, and telephone number of the owner or of any other person the renter may contact to respond to the notice; and

(7) a conspicuous statement that unless the owner's claim is paid within the time stated under subdivision (2), the personal property:

(A) will:

(i) be advertised to be sold in a manner permitted under section 15 of this chapter; or

(ii) be otherwise disposed of;

at a specified place (if applicable) and time, which must be at least sixty (60) days after the renter's default; or

(B) will be disposed of in the manner described in subsection (d), if:

(i) the renter's personal property stored in the rented space is a motor vehicle, trailer, or watercraft; and

(ii) the owner chooses to dispose of the renter's motor vehicle, trailer, or watercraft in the manner permitted under subsection (d).

(d) If:

(1) the renter's personal property stored in the rented space is a motor vehicle, trailer, or watercraft; and

(2) the renter does not pay the owner's claim within the time specified in subsection (c)(2) **or is in default for at least sixty (60) days;**

as an alternative to conducting a sale under section 15 of this chapter, the owner may cause the renter's motor vehicle, trailer, or watercraft to be towed or removed from the self-service storage facility.

(e) Any sale or other disposition of the personal property undertaken by the owner to enforce the owner's lien must be conducted in the same manner, and at the same place (if applicable) and time, specified by the owner in the notice given under subsection (c)(7).

Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: __________ Time: __________