



SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1184 be amended to read as follows:

- 1 Page 3, delete lines 9 through 10, begin a new paragraph and insert:
2 "**(d) A towing company or storage facility may not charge a**
3 **credit card service fee of more than two percent (2%). A towing**
4 **company or storage facility may only charge a credit card service**
5 **fee if it clearly and conspicuously discloses the total fees charged**
6 **for using a credit card, including the credit card service fee, at the**
7 **point of sale.**"
8 Page 3, delete lines 22 through 42, begin a new paragraph and
9 insert:
10 "SECTION 5. IC 26-2-11 IS ADDED TO THE INDIANA CODE
11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]:
13 **Chapter 11. Collateral Recovery Agencies**
14 **Sec. 1. This chapter does not apply to the following persons**
15 **when engaged in an activity otherwise covered by this chapter:**
16 **(1) A financial institution or an employee of a financial**
17 **institution if the activity is conducted by the employee on**
18 **behalf of that financial institution.**
19 **(2) An automobile rental company or an employee of an**
20 **automobile rental company if the activity is conducted by the**
21 **employee on behalf of the automobile rental company.**
22 **(3) A retail seller of equipment (as defined in IC 26-1-9.1-102),**
23 **or an employee of a retail seller of equipment, if the activity**
24 **is limited to the repossession of the type of goods routinely**
25 **sold by the retail seller in the manner authorized by**
26 **IC 26-1-9.1-609 on behalf of the owner of a security interest**
27 **in that collateral.**

- 1 **(4) An entity or an employee of an entity that primarily**
 2 **finances wholesale and retail transactions related to the**
 3 **purchase or lease of equipment manufactured by the entity's**
 4 **affiliate if the activity is limited to the repossession of the**
 5 **equipment.**
- 6 **Sec. 2. As used in this chapter, "collateral" means any personal**
 7 **property that is subject to a security, lease, or rental agreement.**
 8 **The term does not include a recreational vehicle permanently**
 9 **attached to a foundation and used as a primary residence.**
- 10 **Sec. 3. As used in this chapter, "collateral recovery agency"**
 11 **means any person that, for consideration:**
- 12 **(1) advertises as providing; or**
 13 **(2) is engaged in the business of performing;**
 14 **a repossession.**
- 15 **Sec. 4. As used in this chapter, "debtor" means any person**
 16 **obligated under a lease, rental, or security agreement.**
- 17 **Sec. 5. As used in this chapter, "hazardous material" means a**
 18 **material or waste that has been determined to be hazardous or**
 19 **potentially hazardous to human health, to property, or to the**
 20 **environment by:**
- 21 **(1) the United States:**
 22 **(A) Environmental Protection Agency;**
 23 **(B) Nuclear Regulatory Commission;**
 24 **(C) Department of Transportation; or**
 25 **(D) Occupational Safety and Health Administration; or**
 26 **(2) the environmental rules board established by IC 13-13-8-3.**
 27 **The term includes all of the hazardous materials identified in 49**
 28 **CFR 172.101.**
- 29 **Sec. 6. (a) As used in this chapter, "legal owner" means a person**
 30 **holding:**
- 31 **(1) a security interest in any collateral that is subject to a**
 32 **security agreement;**
 33 **(2) a lien against any collateral; or**
 34 **(3) an interest in any collateral that is subject to a lease or**
 35 **rental agreement.**
- 36 **(b) The term does not include a person holding:**
- 37 **(1) an interest in collateral as a renter or lessee of the**
 38 **collateral; and**
 39 **(2) a statutory lien under IC 32-33-10-5; or**
 40 **(3) a statutory interest under IC 9-22-6-2.**
- 41 **Sec. 7. As used in this chapter, "person" means an individual, a**
 42 **firm, a company, an agency, an organization, a partnership, or a**
 43 **corporation.**
- 44 **Sec. 8. As used in this chapter, "personal effects" means:**
- 45 **(1) any property contained within or on the repossessed**
 46 **collateral; or**
 47 **(2) property that is not permanently affixed to the repossessed**

1 collateral;
2 that is not the property of the legal owner, including hazardous
3 materials.

4 Sec. 9. As used in this chapter, "personal information" means:

5 (1) information that identifies or reasonably can be used to
6 identify an individual, such as first and last name in
7 combination with the individual's:

8 (A) Social Security number or other government issued
9 number or identifier;

10 (B) date of birth;

11 (C) home or physical address;

12 (D) electronic mail address or other online contact
13 information or Internet provider address;

14 (E) financial account number or credit or debit card
15 number;

16 (F) biometric data, health or medical data, or insurance
17 information; or

18 (G) passwords or other credentials that permit access to an
19 online or other account;

20 (2) personally identifiable financial or insurance information,
21 including nonpublic personal information defined by
22 applicable federal law; and

23 (3) any combination of data that, if accessed, disclosed,
24 modified, or destroyed without authorization of the owner of
25 the data or if lost or misused, would require notice or
26 reporting under IC 4-1-11 and federal privacy and data
27 security law, whether or not the attorney general or the
28 attorney general's agent is subject to the law.

29 Sec. 10. As used in this chapter, "repossession" means to take
30 physical possession of personal property that was used as
31 collateral.

32 Sec. 11. A collateral recovery agency must store collateral at a
33 location within Indiana after repossession until the collateral is:

34 (1) redeemed; or

35 (2) transferred to auction.

36 Sec. 12. (a) A collateral recovery agency must include ten (10)
37 days of collateral storage in the collateral recovery agency's
38 standard repossession rate.

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

44 Sec. 13. If personal effects are contained in or on collateral at
45 the time of repossession, a collateral recovery agency shall
46 inventory and store the personal effects until either:

47 (1) returned to the debtor; or

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(2) disposed of in accordance with this chapter.
Sec. 14. (a) If personal effects contained in or on collateral at the time of repossession have an estimated value of at least ten dollars (\$10), the legal owner of the collateral shall provide the debtor with written notice of the following:

- (1) A list of each item of personal effects having an estimated value of at least five dollars (\$5).**
- (2) The estimated aggregate value of all the items of personal effects.**
- (3) A statement that if the debtor does not claim the property not more than thirty (30) days after the notice was sent, the personal effects will become the property of the collateral recovery agency with no right of redemption by the debtor.**

(b) The notice required under this section must be sent by certified mail.

Sec. 15. (a) If personal effects are not claimed by the debtor not more than thirty (30) days after the legal owner sends notice under section 14 of this chapter, the collateral recovery agency may dispose of the personal effects. However, the collateral recovery agency shall:

- (1) surrender illegal items or contraband to local law enforcement; and**
- (2) retain a receipt or other proof of surrender as part of the collateral recovery agency's records.**

(b) A collateral recovery agency that complies with this section is not subject to civil liability.

SECTION 6. IC 34-30-2.1-398.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 398.5. IC 26-2-11-15 (Concerning the elimination of personal information by a collateral recovery agency)."

Delete page 4.
(Reference is to EHB 1184 as printed February 18, 2026.)

Senator TOMES