

PROPOSED AMENDMENT

HB 1184 # 2

DIGEST

Collateral recovery agencies. Establishes requirements for the storage of collateral by collateral recovery agencies.

- 1 Page 2, after line 28, begin a new paragraph and insert:
2 "SECTION 4. IC 26-2-11 IS ADDED TO THE INDIANA CODE
3 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2026]:
5 **Chapter 11. Collateral Recovery Agencies**
6 **Sec. 1. This chapter does not apply to the following persons**
7 **when engaged in an activity otherwise covered by this chapter:**
8 **(1) A financial institution or an employee of a financial**
9 **institution if the activity is conducted by the employee on**
10 **behalf of that financial institution.**
11 **(2) An automobile rental company or an employee of an**
12 **automobile rental company if the activity is conducted by the**
13 **employee on behalf of the automobile rental company.**
14 **(3) A retail seller of equipment (as defined in IC 26-1-9.1-102),**
15 **or an employee of a retail seller of equipment, if the activity**
16 **is limited to the repossession of the type of goods routinely**
17 **sold by the retail seller in the manner authorized by**
18 **IC 26-1-9.1-609 on behalf of the owner of a security interest**
19 **in that collateral.**
20 **(4) An entity or an employee of an entity that primarily**
21 **finances wholesale and retail transactions related to the**
22 **purchase or lease of equipment manufactured by the entity's**
23 **affiliate if the activity is limited to the repossession of the**
24 **equipment.**
25 **Sec. 2. As used in this chapter, "collateral" means any personal**
26 **property that is subject to a security, lease, or rental agreement.**
27 **The term does not include a recreational vehicle permanently**

1 attached to a foundation and used as a primary residence.

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

- 4 (1) advertises as providing; or
5 (2) is engaged in the business of performing;
6 a repossession.

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

- 11 (1) the United States:
12 (A) Environmental Protection Agency;
13 (B) Nuclear Regulatory Commission;
14 (C) Department of Transportation; or
15 (D) Occupational Safety and Health Administration; or
16 (2) the environmental rules board established by IC 13-13-8-3.
17 The term includes all of the hazardous materials identified in 49
18 CFR 172.101.

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

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

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

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

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

(Reference is to HB 1184 as introduced.)