

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.)