

LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6697

BILL NUMBER: HB 1435

NOTE PREPARED: Dec 22, 2025

BILL AMENDED:

SUBJECT: Landlord-Tenant Matters.

FIRST AUTHOR: Rep. Moed

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a landlord to provide and maintain a rental premises that is free from the following:

- (1) Pests, including rodents and invasive insects.
- (2) Mold.
- (3) Rot.

The bill also sets forth a procedure for a tenant to use to initiate a request for repairs. It requires, under certain circumstances, a landlord to repair or replace an essential system not later than 72 hours after being notified by a tenant that the tenant's rental unit is without essential services. It also defines "essential services" and "essential system". The bill also allows for certain remedies to the tenant for the landlord's noncompliance, including a procedure for the deposit of rent that is due with the clerk of the court if the landlord fails or refuses to make repairs or take remedial action.

It provides that, after June 30, 2026, a landlord may not manage a rental property in Indiana unless the landlord:

- (1) is authorized to do business in Indiana;
- (2) maintains an office at one or more physical locations in Indiana; or
- (3) appoints an Indiana licensed real estate broker or broker company to manage the rental property.

Effective Date: July 1, 2026.

Explanation of State Expenditures:

Explanation of State Revenues: If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Explanation of Local Expenditures: The proposed language may result in an increased administrative workload for county clerks since tenants whose claims are pending resolution may be ordered by the court to make regular rental payments to the clerk of the court, who shall hold the payments in trust for the parties.

Explanation of Local Revenues: If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

State Agencies Affected:

Local Agencies Affected: Trial courts, city and town courts; County clerks.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual.

Fiscal Analyst: Katherine Timperman, 317-232-9571.