
SENATE BILL No. 71

AM007101 has been incorporated into January 9, 2026 printing.

Synopsis: Various probate matters.

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Reprinted
January 9, 2026

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.

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SENATE BILL No. 71

A BILL FOR AN ACT to amend the Indiana Code concerning probate.

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

- 1 SECTION 1. IC 2-5-1.3-13, AS AMENDED BY P.L.186-2025,
- 2 SECTION 270, IS AMENDED TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 2026]: Sec. 13. (a) A study committee shall
- 4 study the issues assigned by the legislative council that are within the
- 5 subject matter for the study committee, as described in section 4 of this
- 6 chapter.
- 7 (b) In addition to the issues assigned under subsection (a), the
- 8 interim study committee on roads and transportation shall advise the
- 9 bureau of motor vehicles regarding the suitability of a special group (as
- 10 defined in IC 9-13-2-170) to receive a special group recognition license
- 11 plate for the special group (as defined in IC 9-13-2-170) for the first
- 12 time under IC 9-18.5-12-4 and the suitability of a special group (as
- 13 defined in IC 9-13-2-170) to continue participating in the special group
- 14 recognition license plate program under IC 9-18.5-12-5.
- 15 (c) In addition to the issues assigned under subsection (a), the

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1 interim study committee on corrections and criminal code shall review
 2 current trends with respect to criminal behavior, sentencing,
 3 incarceration, and treatment and may:

- 4 (1) identify particular needs of the criminal justice system that
 5 can be addressed by legislation; and
 6 (2) prepare legislation to address the particular needs found by
 7 the committee.

8 (d) In each even-numbered year, in addition to the issues assigned
 9 under subsection (a), the interim study committee on courts and the
 10 judiciary shall review, consider, and make recommendations
 11 concerning all requests for new courts, new judicial officers, and
 12 changes in jurisdiction of existing courts. A request under this
 13 subsection must include at least the following information to receive
 14 full consideration by the committee:

- 15 (1) The level of community support for the change, including
 16 support from the local fiscal body.
 17 (2) The results of a survey that shall be conducted by the county
 18 requesting the change, sampling members of the bar, members
 19 of the judiciary, and local officials to determine needs and
 20 concerns of existing courts.
 21 (3) Whether the county is already using a judge or magistrate
 22 from an overserved area of the judicial district.
 23 (4) The relative severity of need based on the most recent
 24 weighted caseload measurement system report published by the
 25 office of judicial administration.
 26 (5) Whether the county is using any problem solving court as
 27 described in IC 33-23-16-11, and, if so, the list of problem
 28 solving courts established in the county, and any evaluation of
 29 the impact of the problem solving courts on the overall judicial
 30 caseload.
 31 (6) A description of the:
 32 (A) county's population growth in the ten (10) years before
 33 the date of the request; and
 34 (B) projected population growth in the county for the ten
 35 (10) years after the date of the request, to the extent
 36 available;
 37 and any documentation to support the information provided
 38 under this subdivision.
 39 (7) A description of the county's use of pre-incarceration
 40 diversion services and post-incarceration reentry services in an
 41 effort to decrease recidivism.
 42 (8) If the request is a request for a new court or new courts, an

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1 acknowledgment from the county fiscal body (as defined in
2 IC 36-1-2-6) with the funding sources and estimated costs the
3 county intends to pay toward the county's part of the operating
4 costs associated with the new court or new courts.

5 The office of judicial administration shall post the list of required
6 information provided under this subsection on its website.

7 (e) In each even-numbered year, in addition to the issues assigned
8 under subsection (a), the interim study committee on courts and the
9 judiciary shall **do the following**:

10 (1) Review the most recent weighted caseload measurement
11 system report published by the office of judicial administration
12 and do the following:

13 (1) (A) Identify each county in which the number of courts
14 or judicial officers exceeds the number used by the county
15 in that report year.

16 (2) (B) Determine the number of previous report years in
17 which the number of courts or judicial officers in a county
18 identified in ~~subdivision (1) clause (A)~~ exceeded the
19 number used by the county in that particular report year.

20 (3) (C) Make a recommendation on whether the number of
21 courts or judicial officers in the county should be decreased.
22

23 The office of judicial administration shall post a list of the
24 number of courts or judicial officers used in each county for each
25 report year, and the number of years in which the number of
26 courts or judicial officers in the county has exceeded the number
27 used by the county, on its website.

28 (2) **Study and recommend to the general assembly needed
29 changes to the following**:

30 (A) **The probate code (IC 29-1).**

31 (B) **The trust code (IC 30-4).**

32 (C) **Any other statute affecting the administration of a
33 decedent's estate, guardianship, probate jurisdiction,
34 trust, or fiduciary.**

35 (f) In addition to studying the issues assigned under subsection (a),
36 the interim study committee on child services shall:

37 (1) review the annual reports submitted by:

38 (A) each local child fatality review team under
39 IC 16-49-3-7;

40 (B) the statewide child fatality review committee under
41 IC 16-49-4-11; and

42 (C) the department of child services under IC 31-25-2-24;

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1 during the immediately preceding twelve (12) month period, and
 2 may make recommendations regarding changes in policies or
 3 statutes to improve child safety; and

4 (2) report to the legislative council before November 1 of each
 5 interim, in an electronic format under IC 5-14-6, the results of:

6 (A) the committee's review under subdivision (1); and

7 (B) the committee's study of any issue assigned to the
 8 committee under subsection (a).

9 (g) In each even-numbered year, in addition to the issues assigned
 10 under subsection (a), the interim study committee on government shall
 11 do the following:

12 (1) Determine whether a group has met in the immediately
 13 preceding two (2) years.

14 (2) Review reports submitted to the committee in accordance
 15 with IC 1-1-15.5-4.

16 (3) Identify all interstate compacts that have been fully
 17 operational for at least two (2) years to which the state is a party.

18 (4) Consider whether to:

19 (A) remain a party to; or

20 (B) withdraw from;

21 each interstate compact.

22 (5) If the committee determines that the state should withdraw
 23 from an interstate compact, identify the steps needed to
 24 withdraw.

25 (6) Report before November 1 to the legislative council, in an
 26 electronic format under IC 5-14-6 the committee's:

27 (A) recommendations for proposed legislation to repeal
 28 groups:

29 (i) that have not met during the immediately preceding
 30 two (2) years; and

31 (ii) after reviewing a group's report under subdivision
 32 (2); and

33 (B) findings and recommendations regarding the interstate
 34 compacts.

35 As used in this subsection, "group" refers to an authority, a board, a
 36 commission, a committee, a council, a delegate, a foundation, a panel,
 37 or a task force that is established by statute, has at least one (1)
 38 legislator assigned to it, and is not staffed by the legislative services
 39 agency.

40 (h) In 2026 and 2027, in addition to the issues assigned under
 41 subsections (a) and (f), the interim study committee on child services
 42 shall review the report submitted by the child welfare task force under

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1 IC 2-5-55.7-8. This subsection expires December 31, 2027.

2 SECTION 2. IC 2-5-16.1 IS REPEALED [EFFECTIVE JULY 1,
3 2026]. (Probate Code Study Committee).

4 SECTION 3. IC 2-5-56 IS ADDED TO THE INDIANA CODE AS
5 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
6 1, 2026]:

7 **Chapter 56. Guardianship Code Revision Task Force**

8 **Sec. 1. As used in this chapter, "task force" refers to the**
9 **guardianship code revision task force established by section 2 of**
10 **this chapter.**

11 **Sec. 2. The guardianship code revision task force is established**
12 **as a temporary task force serving the general assembly.**

13 **Sec. 3. (a) The task force consists of the following eleven (11)**
14 **voting members:**

15 (1) Two (2) members of the senate, appointed as follows:

16 (A) One (1) member appointed by the president pro
17 tempore.

18 (B) One (1) member appointed by the minority leader of
19 the senate.

20 (2) Two (2) members of the house of representatives,
21 appointed as follows:

22 (A) One (1) member appointed by the speaker.

23 (B) One (1) member appointed by the minority leader of
24 the house of representatives.

25 (3) A representative from an area agency on aging appointed
26 by the governor.

27 (4) A representative of the Indiana supreme court's adult
28 guardianship office appointed by the chief justice of the
29 supreme court.

30 (5) Two (2) private attorneys who practice guardianship or
31 elder law appointed by the governor.

32 (6) A manager or trained volunteer from a volunteer
33 advocates for seniors and incapacitated adults (VASIA)
34 recipient program appointed by the governor.

35 (7) One (1) probate court judge appointed by the governor.

36 (8) A representative of Indiana Disability Rights appointed
37 by the governor.

38 (b) Not later than July 31, 2026, the:

39 (1) chairperson of the legislative council shall select a
40 member of the task force to serve as the chairperson of the
41 task force; and

42 (2) vice chairperson of the legislative council shall select a

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1 member of the task force to serve as the vice chairperson of
2 the task force.

3 The members selected under subdivisions (1) and (2) shall serve as
4 chairperson and vice chairperson, respectively, for the duration of
5 the task force.

6 (c) A member of the task force serves for the duration of the
7 task force.

8 (d) If a vacancy occurs on the task force, the appointing
9 authority that appointed the member whose position is vacant shall
10 appoint an individual to fill the vacancy. An individual appointed
11 to fill a vacancy must have the qualifications that the vacating
12 member must have. An individual appointed to fill a vacancy
13 serves for the remainder of the task force's duration.

14 (e) Appointments to the task force under this section must be
15 made not later than July 30, 2026.

16 Sec. 4. (a) Six (6) members of the task force constitute a
17 quorum.

18 (b) The affirmative vote of at least a majority of the members
19 at a meeting at which a quorum is present is necessary for the task
20 force to take action on any measure, including final reports, other
21 than to meet and take testimony.

22 (c) The task force shall meet at the call of the chairperson.

23 Sec. 5. All meetings of the task force shall be open to the public
24 in accordance with and subject to IC 5-14-1.5. All records of the
25 task force shall be subject to the requirements of IC 5-14-3.

26 Sec. 6. The task force shall study the following:

27 (1) Recodification of IC 29-3 (guardianships and protective
28 proceedings) in a style that is clear, concise, and easy to
29 interpret and apply.

30 (2) Improvements to the guardianship code that:

31 (A) increase procedural protections for minors and
32 adults who are subject to a guardianship procedure,
33 including enforcement mechanisms concerning
34 supported decision making;

35 (B) clearly distinguish between adult and minor
36 guardianships; and

37 (C) update terminology, including the use of people first
38 and person centered language.

39 Sec. 7. The task force shall make recommendations based upon
40 the study conducted under section 6 of this chapter.

41 Sec. 8. (a) The task force may, not later than November 1,
42 2026, prepare a status report describing the progress made under

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1 section 6 of this chapter. The status report may also contain
 2 proposed legislation based on recommendations made under this
 3 chapter.

4 (b) If the report submitted under subsection (a), does not
 5 contain proposed legislation, the task force shall, not later than
 6 November 1, 2027, submit a report of proposed legislation based on
 7 recommendations made under this chapter.

8 (c) A report issued under this section must be submitted:

9 (1) in an electronic format under IC 5-14-6 to the executive
 10 director of the legislative services agency for distribution to
 11 the members of the general assembly; and

12 (2) to the governor.

13 Sec. 9. The legislative services agency shall provide staff
 14 support to the task force.

15 Sec. 10. (a) Each legislative member and each lay member of
 16 the task force is entitled to receive the same per diem, mileage, and
 17 travel allowances paid to individuals serving as legislative and lay
 18 members, respectively, on an interim study committee established
 19 by the legislative council.

20 (b) A member of the task force who is a state employee is not
 21 entitled to a per diem. However, the member is entitled to receive
 22 the same travel allowances paid to members of the task force
 23 described in subsection (a).

24 Sec. 11. The task force's expenses, including the payment of
 25 per diem, mileage, and travel allowances under section 10 of this
 26 chapter, are payable from amounts appropriated to the legislative
 27 council.

28 Sec. 12. This chapter expires December 31, 2027.

29 SECTION 4. IC 29-3-3-1 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) Any person
 31 indebted to a minor or having possession of property belonging to a
 32 minor in an amount not exceeding ~~ten~~ **twenty-five** thousand dollars
 33 ~~(\$10,000)~~ **(\$25,000)** may pay the debt or deliver the property without
 34 the appointment of a guardian, giving of bond, or other order of court
 35 directly to:

36 (1) any person having the care and custody of the minor with
 37 whom the minor resides; or

38 (2) a custodian for the benefit of the minor under
 39 IC 30-2-8.5.

40 (b) Persons receiving property for a minor under this section are
 41 obligated to apply the property to the support, use, and benefit of the
 42 minor.

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1 (c) This section does not apply if the person paying or delivering
 2 the property knows that a guardian has been appointed for the minor or
 3 that proceedings for appointment of a guardian for the minor are
 4 pending.

5 (d) A person who pays or delivers property in accordance with this
 6 section in good faith is not responsible for the proper application of that
 7 property.

8 SECTION 5. IC 29-3-4-1, AS AMENDED BY P.L.6-2010,
 9 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2026]: Sec. 1. (a) Upon petition by any person and after a
 11 hearing under IC 29-3-5, the court may issue, without the appointment
 12 of a guardian, any protective order for the benefit of a person who has
 13 been adjudicated an incapacitated person or is a minor.

14 (b) Notice of the filing of a petition under this chapter for the
 15 issuance of a protective order and the hearing on the petition shall be
 16 given under IC 29-3-6.

17 (c) Incapacitated persons and minors have the same rights at the
 18 hearing on a petition filed under this chapter for the issuance of a
 19 protective order as they would have at a hearing for the appointment of
 20 a guardian.

21 (d) The court may issue a protective order concerning an
 22 incapacitated person if the court finds that:

23 (1) the incapacitated person:

24 (A) owns property or has income requiring management or
 25 protection that cannot otherwise be provided;

26 (B) has or may have financial or business affairs that may
 27 be jeopardized or impaired; or

28 (C) has property that needs to be managed to provide for the
 29 support or protection of the incapacitated person;

30 (2) the incapacitated person is unable to manage the
 31 incapacitated person's property and financial or business affairs
 32 effectively; and

33 (3) the protection sought is necessary.

34 The court shall make the orders that it considers proper and appropriate
 35 to protect the person, business affairs, and property of the incapacitated
 36 person.

37 (e) The court may issue a protective order concerning a minor if
 38 the court finds that:

39 (1) the minor:

40 (A) owns property or has income requiring management or
 41 protection that cannot otherwise be provided;

42 (B) has or may have financial or business affairs that may

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- 1 be jeopardized or impaired; or
 2 (C) has property that needs to be managed to provide for the
 3 support or protection of the minor; and
 4 (2) the protection sought is necessary.

5 The court shall make the orders it considers proper and appropriate to
 6 protect the person, business affairs, and property of the minor.

7 (f) If the court finds grounds for a protective order under
 8 subsection (d) or (e), it may, without appointing a guardian, declare the
 9 person to be a protected person and authorize or ratify any transaction
 10 necessary or desirable to meet the needs of the protected person.
 11 Protective arrangements include the following:

- 12 (1) The payment, delivery, deposit, or retention of property,
 13 **including delivery of property to a custodian under**
 14 **IC 30-2-8.5.**
 15 (2) The sale, mortgage, lease, or other transfer of property.
 16 (3) The entry into an annuity contract, a contract for life care, a
 17 deposit contract, or a contract for training and educating a
 18 person.
 19 (4) The addition to or establishment of a suitable trust.

20 **A court may order a trustee, custodian, or other person to file**
 21 **periodic reports concerning a transaction involving property of a**
 22 **minor ordered under subdivisions (1) through (4).**

23 SECTION 6. IC 29-3-9-7, AS AMENDED BY P.L.56-2020,
 24 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2026]: Sec. 7. (a) Whenever it is proposed to compromise any
 26 claim by or against a protected person or the protected person's
 27 property, the court, on petition of the guardian, may enter an order
 28 authorizing the compromise to be made if satisfied that the compromise
 29 will be in the best interest of the protected person.

30 (b) Whenever a minor has a disputed claim against another person,
 31 whether arising in contract, tort, or otherwise, and a guardian for the
 32 minor and the minor's property has not been appointed:

- 33 (1) the parents of the minor; or
 34 (2) **any other person having the care and custody of the**
 35 **minor with whom the minor resides;**

36 may **petition a court to** compromise the claim. However, before the
 37 compromise is valid, it must be approved by the court upon filing of a
 38 petition requesting the court's approval. **A petition filed under this**
 39 **subsection may be combined with a petition for a protective order**
 40 **filed under IC 29-3-4-1. The court must hold a hearing on a**
 41 **petition filed under this subsection before issuing an order to**
 42 **approve the compromise. A guardian ad litem, an attorney, or**

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1 **another representative may be appointed to represent the best**
2 **interest of the minor in a proceeding held under this subsection.**

3 (c) If the court approves the compromise, it may direct that the
4 settlement be paid in accordance with IC 29-3-3-1 **or in accordance**
5 **with a protective order entered under IC 29-3-4-1.** If IC 29-3-3-1 is
6 **or IC 29-3-4-1** are not applicable, the court shall require that a
7 guardian be appointed and that the settlement be delivered to the
8 guardian upon the terms that the court directs.

9 (d) Any exhibit demonstrating a compromise on behalf of a
10 protected person or a minor and any testimony related to such
11 compromise that is offered or admitted into evidence in a legal
12 proceeding commenced under this section shall be maintained by the
13 court as a confidential court record. The confidential exhibits and
14 record may not be used in any other proceeding or for any other person.

15 (e) Subsection (d) does not prohibit the following persons
16 from having access to the confidential exhibits and record for the
17 purpose of learning, confirming, and enforcing the economic terms of
18 the compromise, for the purpose of enforcing or modifying any trust
19 that is funded under the compromise, or for the purpose of obtaining a
20 qualified order with respect to a structured settlement under IC 34-50-2
21 and 26 U.S.C. 5891(b):

- 22 (1) The attorney of record for the incapacitated person or minor.
- 23 (2) A guardian or guardian ad litem appointed for the
- 24 incapacitated person or minor by a court of competent
- 25 jurisdiction, and the attorney, if any, for the guardian or guardian
- 26 ad litem.
- 27 (3) Each current trustee or trust director that participates in the
- 28 administration of a trust funded under the compromise and the
- 29 attorneys of record for each current trustee or trust director.
- 30 (4) A prospective successor trustee or successor trust director
- 31 that is proposed to serve in the administration of a trust funded
- 32 under the compromise.

33 SECTION 7. IC 30-2-8.5-22 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) A person not
35 subject to section 20 or 21 of this chapter that holds property of or owes
36 a liquidated debt to a minor not having a guardian may make an
37 irrevocable transfer to a custodian for the benefit of the minor under
38 section 24 of this chapter.

39 (b) If a person having the right to nominate a custodian under
40 section 18 of this chapter has nominated a custodian under that section
41 to receive the custodial property, the transfer shall be made to the
42 custodian.

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1 (c) A trustee or administrator of a retirement plan, life
2 insurance plan, or employee profit or stock sharing plan of which
3 a minor is a designated beneficiary may transfer funds due under
4 the plan to the minor under subsection (a).

5 SECTION 8. IC 30-2-8.5-29, AS AMENDED BY P.L.95-2007,
6 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2026]: Sec. 29. (a) A custodian may deliver or pay to the
8 minor or expend for the minor's benefit so much of the custodial
9 property as the custodian considers advisable for the use and benefit of
10 the minor, without court order and without regard to:

11 (1) the duty or ability of the custodian personally or of any other
12 person to support the minor; or

13 (2) any other income or property of the minor that may be
14 applicable or available for the support of the minor.

15 (b) At any time and without a court order, a custodian may transfer
16 part or all of the custodial property to:

17 (1) a trust, including a trust created by the custodian, in which:

18 (1) (A) the minor is the sole beneficiary of the trust; and

19 (2) (B) the terms of the trust satisfy the requirements of
20 Section 2503(c) of the Internal Revenue Code and the
21 regulations under that section;

22 The transfer terminates the custodianship of the property to the extent
23 of the transfer:

24 (2) an account, including an account created by the
25 custodian, in which:

26 (A) the minor is the sole beneficiary of the account; and

27 (B) the terms of the account satisfy the requirements of:

28 (i) Section 529 of the Internal Revenue Code; or

29 (ii) IC 21-9 (education savings programs);

30 (3) a qualified disability trust, including a qualified disability
31 trust created by the custodian, in which:

32 (A) the minor, who has been determined to have a
33 qualifying disability, is the sole beneficiary of the
34 qualified disability trust; and

35 (B) the terms of the qualified disability trust satisfy the
36 requirements of Section 642(b)(2)(C)(ii) of the Internal
37 Revenue Code;

38 (4) an account established within a pooled trust managed by
39 a nonprofit organization in which:

40 (A) the minor, who has been determined to have a
41 qualifying disability, is the sole beneficiary of the
42 account; and

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- 1 **(B) the pooled trust satisfies the requirements of 42**
- 2 **U.S.C. 1396p(d)(4)(C); or**
- 3 **(5) a qualified ABLE account, including an ABLE account**
- 4 **created by a custodian, in which:**
- 5 **(A) the minor is the exclusive designated beneficiary of**
- 6 **the ABLE account; and**
- 7 **(B) the ABLE account satisfies the requirements of:**
- 8 **(i) Section 529A of the Internal Revenue Code; and**
- 9 **(ii) IC 12-11-14 (Achieving a Better Life Experience**
- 10 **(ABLE) program).**

11 **A transfer made under this subsection terminates the**
 12 **custodianship of the property to the extent of the transfer.**

13 (c) On petition of an interested person or the minor if the minor is
 14 at least fourteen (14) years of age, the court may order the custodian to
 15 deliver or pay to the minor or expend for the minor's benefit as much
 16 of the custodial property as the court considers advisable for the use
 17 and benefit of the minor.

18 (d) A delivery, payment, or expenditure under this section is in
 19 addition to, not in substitution for, and does not affect an obligation of
 20 a person to support the minor. **A custodian may not use custodial**
 21 **property to satisfy any legal support obligation owed to the minor**
 22 **by the custodian.**

23 SECTION 9. IC 30-4-5-26, AS ADDED BY P.L.61-2024,
 24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2026]: Sec. 26. (a) If the trustee has the full, unrestricted
 26 power to alienate trust property and the trust expressly states that this
 27 exception applies to the trust, IC 32-17-8-3 shall apply to a nonvested
 28 property interest or power of appointment contained in the trust by
 29 substituting three hundred sixty (360) years instead of ninety (90) years
 30 in each place where the term appears in IC 32-17-8-3, unless the terms
 31 of the trust require that all beneficial interests in the trust vest or
 32 terminate within a lesser period.

33 (b) When a power of appointment in a trust ("~~first power~~")
 34 ("~~earlier power~~") is exercised to create another power of appointment
 35 ("~~second power~~"); ("~~subsequent power~~") or **another nonvested**
 36 **property interest**, then ~~a the subsequent power or~~ nonvested
 37 property interest ~~or second power~~ created through the exercise of the
 38 **first earlier** power is considered to have been created at the time of
 39 irrevocable ~~exercise the creation~~ of the **first earlier** power, unless:

- 40 **(1) the instrument exercising creating the first earlier power; or**
- 41 **(2) the instrument exercising the earlier power;**
- 42 **explicitly provides that the ~~second~~ subsequent power was or**

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1 **nonvested property interest is considered to have been** created at the
2 time of ~~creation~~ **the irrevocable exercise** of the ~~first~~ **earlier** power.

3 SECTION 10. IC 30-5-5-12 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 12. (a) Language
5 conferring general authority with respect to **personal maintenance or**
6 family maintenance means the principal authorizes the attorney in fact
7 to do the following:

8 (1) Perform acts necessary for maintaining the customary
9 standard of living of the **principal and the principal's** spouse,
10 children, and other persons customarily supported by the
11 principal, including the power to provide the following:

12 (A) Living quarters by purchase, lease, or other contract, or
13 by payment of operating costs, including interest,
14 amortization payments, repairs, and taxes on premises
15 owned by the principal and occupied by the **principal or**
16 **the principal's** family, or dependents.

17 (B) Normal domestic help for the operation of the
18 household.

19 (C) Usual vacation and travel expenses.

20 (D) Usual educational facilities.

21 (E) Funds for all the current living costs of the **principal**
22 **and the principal's** spouse, children, and other dependents,
23 including shelter, clothing, food, and incidentals.

24 (2) Pay for necessary medical, dental, and surgical care,
25 hospitalization and custodial care for the **principal and the**
26 **principal's** spouse, children, and other dependents. ~~of the~~
27 ~~principal:~~

28 (3) Continue provisions made by the principal before or after the
29 execution of the power of attorney for the **principal and the**
30 **principal's** spouse, children, and other persons customarily
31 supported by the principal with respect to automobiles or other
32 means of transportation, including the power to license, insure,
33 and replace automobiles owned by the principal and customarily
34 used by the **principal or the principal's** spouse, children, or
35 other persons customarily supported by the principal.

36 (4) Continue charge accounts that have been operated by the
37 principal before or after the execution of the power of attorney
38 for the convenience of the **principal or the principal's** spouse,
39 children, or other persons customarily supported by the
40 principal, open new accounts the attorney in fact considers
41 desirable to accomplish a purpose permitted under this section
42 and pay the items charged on those accounts by a person

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1 authorized or permitted by the principal to make charges prior to
 2 the execution of the power of attorney.
 3 (5) Continue payments incidental to membership or affiliation of
 4 the principal in a church, a club, a society, an order, or other
 5 organization and continue contributions to those organizations.
 6 (6) Demand, receive, or obtain by action or proceeding money or
 7 other things of value to which the principal is or may become
 8 entitled as salary, wages, commission, or other remuneration for
 9 services performed, as a dividend or distribution on a stock, as
 10 interest or principal on an indebtedness, or as a periodic
 11 distribution of profits for a partnership or business in which the
 12 principal has or claims an interest and endorse, collect, or
 13 otherwise realize upon an instrument for the payment received.
 14 (7) Use an asset of the principal for the performance of a power
 15 permitted under this section, including the power to draw money
 16 by check or otherwise from a bank deposit of the principal, sell
 17 an interest in real property, a bond, a share, a commodity
 18 interest, tangible personal property, or other asset of the
 19 principal, borrow money and pledge as security for a loan an
 20 asset, including insurance, that belongs to the principal.
 21 (8) Execute, acknowledge, verify, seal, file, and deliver an
 22 application, a consent, a petition, a notice, a release, a waiver, an
 23 agreement, or other instrument that the attorney in fact considers
 24 useful to accomplish a purpose permitted under this section.
 25 (9) Hire, discharge, and compensate an attorney, accountant,
 26 expert witness, or other assistant when the attorney in fact
 27 considers the action to be desirable for the proper execution by
 28 the attorney in fact of a power described in this section and keep
 29 needed records.
 30 (10) Perform any other acts for the welfare of the spouse,
 31 children, or other persons customarily supported by the principal
 32 or for the preservation and maintenance of other personal
 33 relationships of the principal to parents, relatives, friends, and
 34 organizations as are appropriate.

35 (b) The powers described in this section are exercisable equally
 36 whether the acts required for their execution relate to real or personal
 37 property owned by the principal at the time of the giving of the power
 38 of attorney or acquired after that time, whether located in Indiana or in
 39 another jurisdiction.

40 SECTION 11. IC 30-5-5-16, AS AMENDED BY P.L.38-2023,
 41 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2026]: Sec. 16. (a) This section does not prohibit an individual

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1 capable of consenting to the individual's own health care or to the
2 health care of another from consenting to health care administered in
3 good faith under the religious tenets and practices of the individual
4 requiring health care.

5 (b) Language conferring general authority with respect to health
6 care powers means the principal authorizes the attorney in fact to do
7 the following:

8 (1) Employ or contract with ~~servants, companions, or~~ health care
9 providers to care for the principal.

10 (2) Consent to or refuse health care for the principal who is an
11 individual in accordance with IC 16-36-4 and IC 16-36-1 by
12 properly executing and attaching to the power of attorney a
13 declaration or appointment, or both.

14 (3) Admit or release the principal from a hospital or health care
15 facility.

16 (4) Have access to records, including medical records,
17 concerning the principal's condition.

18 (5) Make anatomical gifts on the principal's behalf.

19 (6) Request an autopsy.

20 (7) Make plans for the disposition of the principal's body,
21 including executing a funeral planning declaration on behalf of
22 the principal in accordance with IC 29-2-19.

23 (c) Except as provided in subsection (d), if an individual has
24 executed both:

25 (1) a power of attorney under this article that authorizes an
26 attorney in fact to apply for public benefits on behalf of the
27 individual; and

28 (2) an advance directive under IC 16-36-7 that authorizes a
29 health care representative to apply for public benefits on behalf
30 of the individual under IC 16-36-7-36(a)(6);

31 the authority of the attorney in fact described in subdivision (1) to
32 apply for public benefits on behalf of the individual and to access the
33 individual's assets, income, and banking and financial assets supersedes
34 the authority of the health care representative described in subdivision
35 (2).

36 (d) The authority of a health care representative described in
37 subsection (c)(2) supersedes the authority of an attorney in fact
38 described in subsection (c)(1) to apply for public benefits on behalf of
39 the individual if the individual has specifically granted the authority of
40 the health care representative to supersede the authority of the attorney
41 in fact in the executed power of attorney.

42 (e) Notwithstanding any other law, a document granting health

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1 care powers to an attorney in fact for health care may not be executed
2 under this chapter after December 31, 2022. However, if a power of
3 attorney that is executed after December 31, 2022, is written to grant
4 both:

- 5 (1) health care powers; and
- 6 (2) nonhealth care powers under this chapter;

7 to an attorney in fact, the health care powers are void, but all other
8 powers granted by the power of attorney will remain effective and
9 enforceable under this article.

10 SECTION 12. IC 32-17-8-3.5, AS ADDED BY P.L.61-2024,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 3.5. When ~~the an~~ initial power of appointment in
13 a ~~legacy~~ trust is exercised to create a ~~second~~ **subsequent** power of
14 appointment **or nonvested property interest, the subsequent power**
15 **of appointment or** a nonvested property interest **or the second power**
16 **of appointment** created through the exercise of the initial power of
17 appointment is considered to have been created at the time of the
18 **irrevocable exercise creation** of the initial power of appointment,
19 unless:

- 20 (1) the instrument ~~exercising~~ **creating** the initial power of
- 21 appointment; **or**
- 22 (2) ~~the instrument exercising the initial power of~~
- 23 **appointment;**

24 **explicitly** provides that the ~~second subsequent~~ power of appointment
25 **was is considered to have been** created at the time of the ~~creation~~
26 **irrevocable exercise** of the initial power of appointment.

27 SECTION 13. IC 32-17-8-4.5 IS ADDED TO THE INDIANA
28 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 2026]: **Sec. 4.5. For all purposes under this**
30 **chapter and IC 30-4-5-26, this section applies only to a lifetime or**
31 **inter vivos transfer of property to a trust or similar arrangement**
32 **under which the spouse of the transferor is granted a limited power**
33 **of appointment ("earlier power") that can be exercised during the**
34 **spouse's lifetime or upon the spouse's death to create a subsequent**
35 **limited power of appointment or another nonvested property**
36 **interest. The exercise of the earlier power or another nonvested**
37 **property interest is considered to have been created at the time of**
38 **the creation of the earlier power by the transferor.**

39 SECTION 14. IC 32-28-15-1, AS ADDED BY P.L.62-2024,
40 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2026]: Sec. 1. (a) Except as otherwise provided in this
42 chapter, this chapter does not apply to a residential real estate service

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- 1 agreement entered into before March 15, 2024.
- 2 (b) This chapter does not apply to any of the following:
- 3 (1) A home warranty or similar product that covers the cost of
- 4 maintenance of a major home system, such as:
- 5 (A) a plumbing system;
- 6 (B) a heating, cooling, and ventilation system; or
- 7 (C) electrical wiring;
- 8 for a fixed period.
- 9 (2) An insurance contract.
- 10 (3) An option to purchase residential real estate or a right of
- 11 refusal to purchase residential real estate.
- 12 (4) A declaration that is created in the formation of:
- 13 (A) an association of co-owners (as defined in
- 14 IC 32-25-2-2) for a condominium (as defined in
- 15 IC 32-25-2-7); or
- 16 (B) a homeowners association (as defined in
- 17 IC 32-25.5-2-4);
- 18 including any amendment to the declaration.
- 19 (5) A maintenance or repair agreement entered into by:
- 20 (A) an association of co-owners (as defined in
- 21 IC 32-25-2-2) for a condominium (as defined in
- 22 IC 32-25-2-7); or
- 23 (B) a homeowners association (as defined in
- 24 IC 32-25.5-2-4).
- 25 (6) A mortgage loan or a commitment to make or receive a
- 26 mortgage loan.
- 27 (7) A security agreement under IC 26-1 concerning the sale or
- 28 rental of personal property or fixtures.
- 29 (8) Providers of:
- 30 (A) utility services, including water, sewer, gas, or electric
- 31 service; or
- 32 (B) communications service (as defined in IC 8-1-32.5-3).
- 33 (9) A land contract (as defined in IC 24-9-2-9.5).
- 34 (10) An attorney's lien authorized by IC 33-43-4.
- 35 (11) A statutory lien authorized by this article, including:
- 36 (A) the lien of a broker company (as defined in
- 37 IC 32-28-12.5-0.5) upon commercial real estate under
- 38 IC 32-28-12.5-5; or
- 39 (B) a mechanic's or materialman's lien under IC 32-28-3.
- 40 **(12) A written agreement executed between an individual**
- 41 **who owns residential real property and:**
- 42 **(A) a family member of the individual;**

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1 **(B) the individual's attorney in fact through a power of**
2 **attorney;**
3 **(C) the individual's health care representative through**
4 **a health care advanced directive; or**
5 **(D) a guardian of the individual's person or estate;**
6 **in which the person described in clauses (A) through (D)**
7 **agrees to pay or provide for the maintenance, repair, costs,**
8 **or upkeep of the residential real property. An agreement**
9 **under this subdivision may grant or convey an interest in the**
10 **residential real property to a person described in clauses (A)**
11 **through (D) or the interest in the residential real property**
12 **may be secured by a lien.**

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