

2025 Indiana End of Legislative Session Report

Community Associations Institute (CAI) and the Indiana Legislative Action Committee (IN LAC) spent the 2025 legislative session advocating on behalf of the <u>approximately 874,000 Hoosiers living in 348,100 homes in more than 5,150 community associations</u> across the state. Indiana's 2025 legislative session began January 8 and adjourned April 24.

Over 1,200 bills were introduced during the 2025 session, and IN LAC actively monitored over 50 bills that either directly or indirectly affected community associations. Below is a brief overview:

SB 445 - HOMEOWNERS ASSOCIATION MATTERS

IN LAC opposed this legislation, which addressed several issues impacting community associations. While the LAC could support some parts of the bill, the harmful provisions in the bill caused the overall opposition.

The legislation would have required contact information for community association board members to be distributed annually to members, modifying the provisions regarding annual notices. IN LAC had concerns about the misuse and abuse of board member personal information, should there be a mandate that it be distributed. Additionally, the requirement to provide envelopes for distribution of certain information is a very costly mandate, which many Indiana associations could not absorb without raising assessments.

The bill would also have required an association to create and maintain a website with certain information to be available to its members. The creation and maintenance of a website can be costly, and many Indiana associations do not have the funds to create and maintain a website. Not all communities have residents who would actively use a website, so the mandate may pose an undue burden. Additionally, the cost of such a mandate would be passed along directly to homeowners, who may be unable to absorb this cost. An association's governing documents are publicly recorded and available to all owners at all times as most Recorder's Offices maintain the records on websites.

The LAC supported the bill's inclusion of language allowing for voting in HOAs via electronic means and allowing for voting to be conducted electronically via a paper ballot. IN LAC also supported the bill's inclusion of language allowing for electronic voting, but recommended revisions to the mandate of a 30-day notice prior to the meeting.

Status: Bill Died - Left in Committee



HB 1055 - LICENSING OF HOA MANAGEMENT COMPANIES

IN LAC opposed this legislation, which would have required any person who manages property on behalf of a homeowner's association to obtain a broker license. The legislation also provided that a managing broker that works for a person who manages property on behalf of a homeowners' association is not subject to a two-year licensing prerequisite until June 30, 2028, if certain conditions are met.

Community association management and real estate brokerage require different knowledge and skill sets. Requiring community association managers to take real estate educational courses eliminates the distinction between the two professions and inadequately prepares managers for community association management. The LAC sought amendments to help this bill better align with CAI's public policy on manager licensing.

Status: Bill Died - Left in Committee

HB 1401 - HOMEOWNERS ASSOCIATION GOVERNANCE

IN LAC supported some aspects of this legislation and opposed others. This bill contained a number of provisions related to administration in an Association. The IN LAC supported the inclusion of language allowing for voting in HOAs via electronic means and allowing for voting to be conducted electronically via a paper ballot. The IN LAC recommended revisions to a portion of the bill which initially mandated a 14-day notice prior to a members' meeting.

The bill also would have allowed for virtual attendance to board meetings, providing that a member of an HOA is considered to be in attendance at a meeting of the HOA if they attend by remote or virtual means in accordance with the procedures for remote meetings set forth in the statute governing nonprofit corporations. The IN LAC supported the portion of the bill capping quorum for a members' meeting at no more than 25% of the members. CAI supports legislation that allows a community association board and membership to hold meetings virtually and increases the likelihood of achieving quorum during a meeting for voting purposes.

HB 1401 also would have authorized all associations in Indiana, not just those associations whose governing documents contain requisite language, to assess a fine to homeowners who violate a covenant, with some limiting provisions to promote reasonable fines and advance notice to owners. The IN LAC supported the inclusion of language allowing for greater enforcement ability for Associations in lieu of costly litigation.



The IN LAC opposed the portion of the legislation that would mandate that all associations create and maintain a website, and mandated Board training for Board member volunteers.

Status: Bill Successfully Died - Left in Committee

<u>HB 1083/SB 157</u> – SQUATTERS

IN LAC supported this legislation, which defines "squatter" and specifies circumstances in which a property owner may obtain an expedited removal of a squatter from their residential real property.

Status: SB 157 Signed by Governor, Public Law 191

SB 69 - HOMEOWNERS ASSOCIATION CHILD SAFETY REQUIREMENTS

IN LAC monitored this bill, which would have required certain homeowners associations in Indiana to erect a barrier that: (1) is at least four feet in height; and (2) surrounds the perimeter of a retention pond or other pond or lake that is located on property owned or maintained by the homeowners association or owned in common by the members of the homeowners association.

Status: Bill Died - Left in Committee

HB 1477 – MOBILE HOME COMMUNITY MATTERS

IN LAC monitored this legislation, which would have required property owners in a mobile home community to receive written notice at least 30 days before the notice that the water service will be disconnected. Under this legislation, if the owner of a mobile home community receives written notice from a water utility that the mobile home community will be disconnected from water service, the mobile home community would be in violation of the mobile home community's statutory obligation to provide water as of the date on which the owner receives the notice. The legislation also specifies that a comprehensive plan or ordinance adopted by a county, city, or town may not categorically preclude installation of all manufactured homes that meet specified requirements as permanent residences on a lot on which any other type of dwelling unit may be placed.

Status: Signed by Governor, Public Law 175

HB 1124 – RESIDENCY RESTRICTIONS FOR OFFENDERS AGAINST CHILDREN

IN LAC monitored this legislation, which would have provided that offenders against children who are required to register as sex offenders for life and knowingly or intentionally



reside within 1,000 feet of certain areas owned, maintained, and governed by a homeowners association or property owner's association commit a sex offender residency offense classified as a Level 6 felony.

Status: Bill Died - Left in Committee

SB 327 - MARION COUNTY SMALL CLAIMS CASES

IN LAC sought amendments to this legislation, which requires a clerk to collect a small claims service fee of \$26 in each action filed in a Marion County small claims court. As originally introduced, this legislation would have required all cases under \$10,000 to be filed in small claims court rather than the circuit or superior court. IN LAC sought amendments to remove concerning language. The amendment was successfully incorporated into the legislation, leaving the \$26 service fee in place.

Status: Passed Senate, Died in House Committee

HB 1287 – POLITICAL SIGN REGULATIONS

IN LAC opposed this legislation, which addressed the display of political signs on properties in community associations and would have restricted self-regulation by community associations. This bill would have extended the beginning of the period within which a community association may not prohibit a community member from displaying a political sign on their property from 30 days to 60 days before the date of the election to which the sign relates. It also would have removed the provision that authorizes a community association to adopt and enforce rules restricting the number of political signs that may be displayed on a community member's property. (5) Prohibits a community association from restricting the number of political signs that a community member may display and removes an exemption for gated communities from the statute's prohibition against community association rules or covenants that prohibit candidates or elected officials (or their spouses or volunteers) from entering onto community association property to conduct political activity. The legislation would have also permitted a member of a homeowners association who is aggrieved by an alleged violation of the statute by a homeowners association to assert a claim against the association or its board and seek relief in court.

Status: Bill Died - Left in Committee



HB 1189 – EVICTIONS

IN LAC monitored this legislation, which would have specified circumstances under which a residential property owner may obtain the removal of an unauthorized person from the residential property owner's residential real property and established a cause of action for wrongful removal from residential property. Under this legislation, if a person without either the consent of the owner of a dwelling or a contractual interest in the dwelling knowingly or intentionally enters the dwelling and knowingly or intentionally causes more than \$10,000 in damages to the dwelling, the person would commit a Level 6 felony.

Status: Bill Died - Left in Committee

HB 1328 - LANDLORD-TENANT MATTERS

IN LAC monitored this legislation, which defines certain utility services as "essential services." Under this legislation, a landlord would have been required to repair or replace an essential system not later than 48 hours after being notified by a tenant that the tenant's rental unit is without essential services as a result of a malfunction in the essential system or the landlord's failure to maintain the system in good and safe working condition. The landlord would have been responsible for all penalties or fines imposed by a political subdivision for violation of the landlord's obligations with regard to a rental premises. The bill also outlines a tenant's right to initiate a court action in relation to a landlord's failure to provide essential services.

Status: Bill Died - Left in Committee

HB 1175 – REPAIR OF RESIDENTIAL RENTAL PROPERTIES

IN LAC monitored this legislation, which would have required a landlord to repair or replace an essential item not later than 24 hours after being notified by a tenant that the tenant's rental unit is without certain essential services. Under this bill, a tenant would have been able to request an agency tasked with enforcing unsafe building provisions (enforcement authority) to conduct an inspection and replace or repair an essential item within 24 hours of the inspection. The enforcement authority would have been authorized to replace or repair an essential item within 24 hours and to charge the landlord for certain costs and to order a \$500 civil penalty to be paid.

Status: Bill Died - Left in Committee



HB 1330 – CHILD OPERATED REFRESHMENT STANDS

IN LAC monitored this legislation, which would have prevented community associations from implementing laws or regulations that limit the sale of lemonade or other nonalcoholic beverages by individuals under 18 years of age from stands on private property. This legislation has been introduced in previous sessions and elucidates the potential impacts on community association governance. The bill specified that homeowners associations would not be held liable for injuries related to beverage sales by minors, except in cases of willful or wanton acts or gross negligence, offering clarity on liability concerns surrounding such activities within communities.

Status: Bill Died - Left in Committee

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