

Department of local government finance. Requires a municipal entity that hires or retains a municip...

Track

LEGISLATORS

[Indiana Code 32-31-1-20 \(2002\)](#) and HEA 1210 address local governments' ability to regulate rental properties, with the latter tightening existing restrictions on municipal control. While the Indiana Code broadly prohibits local regulation of rental rates and landlord-tenant relationships, HEA 1210 specifically targets local ordinances that attempt to cap the percentage of rental homes in a community, such as those in Fishers and Carmel.

Lawmakers say a patchwork of local rental rules would choke development and undermine property rights. Local officials say the state just narrowed their ability to respond to investor-driven housing changes.

The bill's author, Rep. [Craig Snow](#), R-Warsaw, and Sen. [Travis Holdman](#), R-Markle, who sponsored the bill in the Senate, declined a request from *State Affairs* for an interview.

"With that bill, they basically said we have two years, and then our ordinance will go away," Fadness said. "We fought the special interest groups that came out against us two years ago, and then they came back again this year. It really seemed as though they didn't want anything way of maximizing commissions and values. I understand the need for personal property owners to maximize the value of their properties, but there's also a balance that comes with ensuring the long-term sustainability of a community. We just disagreed on where that balance needed to be struck, and ultimately, the Legislature came in on the side of the Realtors."

HOA component

A component of HEA 1210 is that it applies only to municipal governments, not to any private homeowners associations. However, it limits HOA voting to residents who use their property as a homestead, potentially altering how investors can vote in communities. The law was largely driven by a desire to prevent municipalities from stopping investors from purchasing homes and converting them to rentals.