

FHCCI 2025 Policy Recommendations

The FHCCI works to facilitate open housing for all people by ensuring the availability of affordable and accessible housing; promoting housing choice and homeownership; advocating for an inclusive housing market; working toward stable and equitable communities; and eradicating discrimination within Central Indiana, the State of Indiana, and nationally.



FHCCI data shows that out-of-state investors own **over 20,000 single-family homes** in Hamilton, Hancock, Hendricks, Johnson, and Marion Counties



The FHCCI estimates that nearly **\$36 million** in rent payments, *each month*, for single-family homes leave these five Central Indiana counties to out-of-state investor owners



Out-of-state owners who do not invest in local property management often have higher rates of **health code violations** and **eviction filings**

Repeal State-Level Preemptions Impacting Housing Choice

Indiana has passed the highest number of housing-related preemptions impacting equal housing opportunity, including:

- ◆ Banning local **source of income discrimination** protections (HEA 1300—2015): Housing choice voucher holders and veteran voucher holders may be lawfully denied housing, *for no other reason*, than using a voucher to pay their rent.
- ◆ Banning local ordinances promoting **inclusionary zoning** (SEA 558—2017): Cities are restricted from mandating or requiring affordable housing units as part of any approved development project—they can only incentivize such inclusion. At the time, Bloomington was considering a minimum mandate on development approval in certain neighborhoods to address their affordable housing crisis and this bill was the response.
- ◆ Banning the **regulation of exorbitant rental rate hikes** (SEA 558—2017): Cities may not pass ordinances limiting rent gouging.
- ◆ Banning distribution by **landlords of tenant rights notices** by cities (SEA 148—2021): Indianapolis had passed an ordinance in 2020 requiring housing providers to provide a flyer informing tenants of their rights under law related to issues of habitability and/or legal resources—SEA 148 banned this.
- ◆ Banning local **landlord enforcement or regulation** (SEA 148—2021): SEA 148 is broad legislation to limit any Indiana city's involvement in most aspects of the tenant-landlord relationship. This legislation was driven by the housing industry to impede any future tenant-based protections at a city level following a minimal ordinance passed in Indianapolis to help tenants with significant habitability issues.
- ◆ Banning of court mandated **eviction mediation** (HEA 1214—2022): Although this legislation allows for some forms of eviction expungement, the passed law preempts local courts from mandating any form of pre-filing eviction mediation.
- ◆ Banning **oversight of short-term rentals** (HEA 1035—2018): Unless an ordinance is already in place, cities are limited in types of oversight of short-term rentals.

In addition, Indiana has passed laws which have placed barriers on cities and/or tenants in being able to ensure accountability and safe housing conditions:

- ◆ Landlord Registries: Several laws limit the ability of cities to run strong **landlord registry programs** to hold bad actors accountable (HEA 1403—2014, HEA 1165—2015, SEA 148—2021). For example, some landlords pay the fines of *not* registering, rather than to register and be held accountable. This makes it challenging for tenants or cities to hold bad owners responsible.
- ◆ Inspections for Habitability/Substandard Housing Conditions: Laws have also been passed limiting the ability of cities to run **effective inspection programs** to ensure basic housing habitability (HEA 1165—2015, HEA 1454—2023).

To learn more about these laws, visit the Indiana General Assembly website: <https://iga.in.gov/> or the FHCCI Public Policy Page

Additional FHCCI 2025 Policy Recommendations



- ◆ Support robust **rental inspection** programs for better and quicker enforcement
- ◆ Empower municipalities to bring large-scale habitability violators into compliance through **nuisance lawsuits**
- ◆ Rescind the current preemption so cities can **challenge retaliation** against tenants who complain about substandard housing conditions and face retaliation
- ◆ Establish a **rent escrow** program for tenants when dealing with issues of habitability
 - * *Indiana is one of only FIVE states that has no statute to allow tenants to withhold rent until necessary repairs are made*

**Ensure
Habitability and
Eliminate
Substandard
Housing**

- ◆ Implement effective **landlord registries** to ensure ownership accountability
- ◆ Require the hiring of **local property managers** for ease of contact
- ◆ Mandate and fund **right-to-counsel** programs statewide

**Transparency and
Accountability**

- ◆ Expand **downpayment assistance programs** to help more home buyers compete and **support ITIN** programs when alternative financing programs are needed
- ◆ Require **right of purchase** options for a renter of a single-family home if an out-of-state investor plans to sell or goes to foreclosure
- ◆ For **large owners of single-family homes**, consider programs which charge additional fees when over a set size, tax at higher rates, and/or limit their tax deductions
- ◆ In **land contract transactions**, mandate contract recording and right to reconsider options, require additional disclosures, advance stricter forfeiture/cancellation terms, promote alternative language options, and add restrictions to eliminate contract churning
- ◆ In **manufactured home communities**, clean up titling barriers to expand mortgage options and wealth building, offer right to purchase by residents prior to a community sale, and add more clarity on upkeep and responsibility of common area repairs and maintenance
- ◆ Support a workforce development program to advance diversity in the **appraisal industry** and **ensure affordable homeowner insurance options**
- ◆ Expand **continuing education** on fair housing laws for real estate agents, mortgage lenders, and appraisers and require **additional training** on redlining, racial covenants, blockbusting, and how to identify bias in their field

**Protect
Homeownership
and Expand Home
Buying
Opportunities**

- ◆ Expand **homeowner repair programs** for seniors, those with disabilities, or with lower incomes who have lived in their homes for extensive time periods
- ◆ Allow neighborhood protection from **wholesaler harassment**
- ◆ **Rescind the preemption** on inclusionary zoning to allow for more affordable housing unit development and **require LIHTC properties** provide notice two years in advance to tenants and city for any plans to leave program
- ◆ Allow for reasonable rent increases but **restrict rent gouging** and **use of "junk fees"**
- ◆ **Seal evictions** until a court determines violation of law
- ◆ **Protect veterans and low income renters from discrimination** when using public programs to pay their rent

**Fight
Displacement**

Learn more at www.fhcci.org/programs/public-policy/

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