

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 582 be amended to read as follows:

- 1 Page 13, between lines 32 and 33, begin a new paragraph and insert:
- 2 "SECTION 5. IC 24-7-2-2.5 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 2011]: **Sec. 2.5. "Cash price", with respect to property that is the**
- 5 **subject of a rental purchase agreement, means the price that:**
- 6 **(1) is disclosed in the rental purchase agreement under**
- 7 **IC 24-7-3-3(a)(5)(A); and**
- 8 **(2) represents the price that the lessee may pay in cash, as of**
- 9 **the date of the consummation of the rental purchase**
- 10 **agreement, to the lessor in order to acquire ownership of the**
- 11 **property.**
- 12 SECTION 6. IC 24-7-2-3.3 IS ADDED TO THE INDIANA CODE
- 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 14 1, 2011]: **Sec. 3.3. "Cost of rental", with respect to property that is**
- 15 **the subject of a rental purchase agreement, means the cost that:**
- 16 **(1) is disclosed in the rental purchase agreement under**
- 17 **IC 24-7-3-3(a)(5)(B); and**
- 18 **(2) represents the difference between:**
- 19 **(A) the total amount of rental payments, as disclosed in the**
- 20 **rental purchase agreement under IC 24-7-3-3(a)(4)(B);**
- 21 **minus**
- 22 **(B) the cash price of the property, as disclosed in the rental**
- 23 **purchase agreement under IC 24-7-3-3(a)(5)(A).**
- 24 SECTION 7. IC 24-7-2-8.5 IS ADDED TO THE INDIANA CODE

1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
2 1, 2011]: **Sec. 8.5. "Renewal period", with respect to a rental  
3 purchase agreement, means:**

- 4 (1) a day;
- 5 (2) a week;
- 6 (3) a month; or
- 7 (4) another part of a year;

8 **during which the lessee is entitled to the use and possession of the**  
9 **property that is the subject of the rental purchase agreement, upon**  
10 **the lessee's payment of the rental payment required under the**  
11 **rental purchase agreement for the particular period described in**  
12 **subdivisions (1) through (4).**

13 SECTION 8. IC 24-7-2-8.7 IS ADDED TO THE INDIANA CODE  
14 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
15 1, 2011]: **Sec. 8.7. "Rental payment", with respect to a rental  
16 purchase agreement, means a payment:**

- 17 (1) the amount of which:
  - 18 (A) is disclosed in the rental purchase agreement under
  - 19 IC 24-7-3-3(a)(3)(C); and
  - 20 (B) includes taxes paid to or through the lessor;
- 21 (2) that, under the terms of the rental purchase agreement, is
- 22 required to be made by the lessee with respect to a renewal
- 23 period; and
- 24 (3) that entitles the lessee, during the renewal period for
- 25 which the payment is made, to the use and possession of the
- 26 property that is the subject of the rental purchase agreement.

27 SECTION 9. IC 24-7-2-8.8 IS ADDED TO THE INDIANA CODE  
28 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
29 1, 2011]: **Sec. 8.8. "Rental period", with respect to a rental  
30 purchase agreement, means the period that:**

- 31 (1) is disclosed in the rental purchase agreement under
- 32 IC 24-7-3-3(a)(3)(B); and
- 33 (2) represents the duration of the rental purchase agreement
- 34 if all regularly scheduled rental payments are made.

35 SECTION 10. IC 24-7-2-10 IS ADDED TO THE INDIANA CODE  
36 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
37 1, 2011]: **Sec. 10. "Total amount of rental payments" means the  
38 amount that:**

- 39 (1) is disclosed in a rental purchase agreement under
- 40 IC 24-7-3-3(a)(4)(B); and
- 41 (2) represents the total dollar amount of all rental payments
- 42 that the lessee must make under the rental purchase
- 43 agreement in order to acquire ownership of the property if
- 44 the lessee:
  - 45 (A) does not exercise an early purchase option; and
  - 46 (B) makes all regularly scheduled rental payments.

47 SECTION 11. IC 24-7-3-3 IS AMENDED TO READ AS

1       FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) **Subject to**  
 2       **subsections (b) and (c) and sections 4 and 6 of this chapter, the**  
 3       lessor shall disclose the following **in the rental purchase agreement**  
 4       **or in a separate writing that references the rental purchase**  
 5       **agreement, as permitted by section 4(b) of this chapter:**

6           (1) **In the case of a rental purchase agreement that is**  
 7           **consummated after June 30, 2011, the following:**

8               (A) **The name, business address, and telephone number of**  
 9               **the lessor.**

10              (B) **The name and address of the lessee.**

11              (C) **The date on which the rental purchase agreement is**  
 12              **consummated.**

13       ~~(1)~~ (2) **A brief description of the property sufficient to identify the**  
 14       **property to the lessee and lessor.**

15       (3) **In the case of a rental purchase agreement that is**  
 16       **consummated after June 30, 2011, the following:**

17              (A) **The minimum period for which the lessee is obligated**  
 18              **under the rental purchase agreement.**

19              (B) **The rental period.**

20              (C) **The amount of each rental payment.**

21       ~~(2)~~ (4) **The following information:**

22              (A) ~~The total number total amount, and timing of all rental~~  
 23              **payments including taxes paid to or through the lessor,**  
 24              **necessary to acquire ownership of the property.**

25              (B) **The total amount of rental payments.**

26       (5) **In the case of a rental purchase agreement that is**  
 27       **consummated after June 30, 2011, the following:**

28              (A) **The cash price of the property that is the subject of the**  
 29              **rental purchase agreement.**

30              (B) **The cost of rental.**

31       ~~(3)~~ (6) **A statement that the lessee will not own the property until**  
 32       **the lessee has:**

33              (A) **made the number of rental payments and the total amount**  
 34              **of rental payments necessary to acquire ownership of the**  
 35              **property; or**

36              (B) **exercised an early purchase option.**

37       ~~(4)~~ (7) **A statement that charges in addition to the total amount of**  
 38       **rental payments necessary to acquire ownership of the leased**  
 39       **property may be imposed under the agreement and that the lessee**  
 40       **should read the contract rental purchase agreement for an**  
 41       **explanation of these charges.**

42       ~~(5)~~ (8) **A brief explanation of all additional charges that may be**  
 43       **imposed under the agreement, including any late charges or**  
 44       **security deposits. If a security deposit is required, the**  
 45       **explanation must include an explanation of the conditions under**  
 46       **which the deposit will be returned to the lessee.**

- 1           ~~(6)~~ **(9)** A statement indicating who is responsible for property if
- 2           it is lost, stolen, damaged, or destroyed.
- 3           ~~(7)~~ **(10)** **If the lessee is liable for lost, stolen, damaged, or**
- 4           **destroyed property, as disclosed under subdivision (9), a**
- 5           statement indicating that the **maximum dollar amount for which**
- 6           **the lessee will be liable with respect to the lost, stolen,**
- 7           **damaged, or destroyed property is the fair market value of the**
- 8           lost, stolen, damaged, or destroyed property **is its fair market**
- 9           **value** on the date that it is lost, stolen, damaged, or destroyed.
- 10          ~~(8)~~ **(11)** A statement indicating whether the property is new or
- 11          used. However, property that is new may be described as used.
- 12          ~~(9)~~ **(12)** A statement that the lessee has an early purchase option
- 13          to purchase the property at any time during the period that the
- 14          rental purchase agreement is in effect. The statement must specify
- 15          the price or the formula or other method for determining the price
- 16          at which the property may be purchased.
- 17          ~~(10)~~ **(13)** A brief explanation of the lessee's right to reinstate a
- 18          rental purchase agreement and a description of the amount, or
- 19          method of determining the amount, of any penalty or other charge
- 20          applicable under IC 24-7-5 to the reinstatement of a rental
- 21          purchase agreement.
- 22          **(14) In the case of a rental purchase agreement that is**
- 23          **consummated after June 30, 2011, the following statement,**
- 24          **surrounded by black lines:**
- 25          **"NOTICE:**
- 26          **You are renting this property. You will not own it until you**
- 27          **make all of the scheduled rental payments or you use the early**
- 28          **purchase option. You do not have the right to keep the**
- 29          **property if you do not make required rental payments or do**
- 30          **not use the early purchase option. If you miss a scheduled**
- 31          **rental payment, (name of lessor) can repossess the property,**
- 32          **but you may have the right to the return of the same or**
- 33          **similar property if you meet the requirements for**
- 34          **reinstatement set forth in this agreement."**
- 35          **(b) This subsection applies to a rental purchase agreement that**
- 36          **is consummated after June 30, 2011. The information required to**
- 37          **be disclosed under subsection (a)(4)(B) and (a)(5) must be set forth**
- 38          **in the rental purchase agreement in a format that incorporates the**
- 39          **following text, surrounded by black lines:**
- 40                 **"TOTAL OF           COST OF RENTAL   CASH PRICE**
- 41                 **PAYMENTS**
- 42                 **\$ (total amount   \$ (cost of rental)   \$ (cash price)**
- 43                 **of rental payments)**
- 44                 **You must pay       Amount over cash   Property available**
- 45                 **this amount to     price you will pay if   at this price for cash**
- 46                 **own the property   you make all       from (name of lessor).**

1           **if you make all           scheduled rental           Please consult this**  
 2           **scheduled rental           payments.           agreement for**  
 3           **payments. You           can buy the           your early purchase**  
 4           **can buy the           property for less           option rights.**  
 5           **under the early**  
 6           **purchase option."**

7           **The rental purchase agreement must include a space reserved for**  
 8           **the lessee's signature immediately below the disclosures required**  
 9           **under this subsection.**

10           **(c) This subsection applies to a rental purchase agreement that**  
 11           **is consummated after June 30, 2011. The information required to**  
 12           **be disclosed under subsection (a)(3)(B), (a)(3)(C), and (a)(4)(A)**  
 13           **must be set forth in the rental purchase agreement in a format that**  
 14           **incorporates the following text, surrounded by black lines:**

15 <b>"AMOUNT OF</b>	15 <b>NUMBER OF</b>	15 <b>RENTAL</b>
16 <b>EACH</b>	16 <b>PAYMENTS</b>	16 <b>PERIOD</b>
17 <b>PAYMENT</b>		
18 <b>\$ (amount to be</b>	18 <b>(number to be</b>	18 <b>(period to be</b>
19 <b>disclosed under</b>	19 <b>disclosed under</b>	19 <b>disclosed under</b>
20 <b>subsection</b>	20 <b>subsection</b>	20 <b>subsection</b>
21 <b>(a)(3)(C))</b>	21 <b>(a)(4)(A))</b>	21 <b>(a)(3)(B))</b>
22 <b>per (applicable</b>		
23 <b>renewal period)".</b>		

24           **The rental purchase agreement must include a space reserved for**  
 25           **the lessee's signature immediately below the disclosures required**  
 26           **under this subsection.**

27           **SECTION 12. IC 24-7-3-4 IS AMENDED TO READ AS**  
 28           **FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) The disclosures**  
 29           **required under section 3 of this chapter shall be stated:**

- 30           (1) clearly and conspicuously; and  
 31           (2) in words and phrases that have a nontechnical meaning.

32           **(b) Except as provided in the rules adopted by the department; In**  
 33           **the case of a rental purchase agreement that is consummated**  
 34           **before July 1, 2011, the disclosures required under section 3 of this**  
 35           **chapter may be included in the rental purchase agreement or in a**  
 36           **separate writing that references the rental purchase agreement. In the**  
 37           **case of a rental purchase agreement that is consummated after**  
 38           **June 30, 2011, a rental purchase agreement and the disclosures**  
 39           **required under section 3 of this chapter must be contained in a**  
 40           **single document that sets forth all the agreements of the lessor and**  
 41           **the lessee with respect to the rights and obligations of each party**  
 42           **under the rental purchase agreement.**

43           **(c) Except as provided in the rules adopted by the department, the**  
 44           **disclosures required under section 3 of this chapter may be provided in**  
 45           **a different sequence than the sequence set forth in section 3 of this**  
 46           **chapter.**

1 (d) Additional information or explanations supplied by the lessor  
 2 may not have the effect of circumventing, evading, or unduly  
 3 complicating the information required to be disclosed.

4 **(e) The department may adopt a standard rental purchase  
 5 agreement form that:**

6 **(1) may be used by lessors that enter into rental purchase  
 7 agreements with lessees after June 30, 2011; and**

8 **(2) is formatted in a manner that allows a lessor to make the  
 9 disclosures required under section 3 of this chapter.**

10 SECTION 13. IC 24-7-3-7 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. The terms of the  
 12 rental purchase agreement shall be set forth in not less than:

13 **(1) 8 point type, in the case of a rental purchase agreement  
 14 that is consummated before July 1, 2011; or**

15 **(2) 10 point bold type, in the case of a rental purchase  
 16 agreement that is consummated after June 30, 2011.**

17 SECTION 14. IC 24-7-4-11 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. **(a)** Except as  
 19 provided in section 1 of this chapter, a lessee may not be required to:

20 (1) make any payment in addition to regular rental payments in  
 21 order to acquire ownership of the property; or

22 **(2) subject to subsections (b) and (c), pay rental payments  
 23 totaling more than the cost to acquire ownership stated in the  
 24 rental purchase agreement.**

25 **(b) This subsection applies to a rental purchase agreement that  
 26 is consummated after June 30, 2011. The total amount of rental  
 27 payments under a rental purchase agreement, as disclosed in the  
 28 rental purchase agreement under IC 24-7-3-3(a)(4)(B), may not  
 29 exceed the product of:**

30 **(1) the cash price of the property that is the subject of the  
 31 rental purchase agreement, as disclosed in the rental purchase  
 32 agreement under IC 24-7-3-3(a)(5)(A); multiplied by**

33 **(2) two and twenty-five hundredths (2.25).**

34 **(c) This subsection applies to a rental purchase agreement that  
 35 is consummated after June 30, 2011. If a lessor intentionally  
 36 discloses or charges a total amount of rental payments that exceeds  
 37 the amount permitted by subsection (b):**

38 **(1) the rental purchase agreement is void;**

39 **(2) the lessee may retain the property that is the subject of the  
 40 rental purchase agreement without any further obligation;  
 41 and**

42 **(3) the lessor shall refund to the lessee all amounts paid by the  
 43 lessee under the rental purchase agreement.**

44 SECTION 15. IC 24-7-5-10 IS AMENDED TO READ AS  
 45 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. If a lessee is liable  
 46 to a lessor for the replacement cost of property leased under a rental  
 47 purchase agreement, the lessor may not charge the lessee more than the

1 fair market value for the property **on the date the property being**  
 2 **replaced was lost, stolen, damaged, or destroyed.**

3 SECTION 16. IC 24-7-5-11 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) In addition to  
 5 the other charges permitted by this chapter, a lessor and a lessee may  
 6 contract for a liability waiver fee in the following amounts:

7 (1) In the case of a rental purchase agreement with weekly or  
 8 biweekly renewal dates, the liability waiver fee may not exceed  
 9 the greater of:

10 (A) ten percent (10%) of a periodic lease payment due; or

11 (B) two dollars (\$2).

12 (2) In the case of a rental purchase agreement with monthly  
 13 renewal dates, the liability may not exceed the greater of:

14 (A) ten percent (10%) of a periodic lease payment due; or

15 (B) five dollars (\$5).

16 (b) The selling or offering for sale of a liability damage waiver  
 17 under this section is subject to the following prohibitions and  
 18 requirements:

19 (1) A lessor may not sell or offer to sell a liability damage waiver  
 20 unless all restrictions, conditions, and exclusions are:

21 (A) printed:

22 (i) in the rental purchase agreement, or in a separate  
 23 agreement, in 8 point type or larger, **in the case of a rental**  
 24 **purchase agreement that is consummated before July 1,**  
 25 **2011; or**

26 (ii) **in the rental purchase agreement in at least 10 point**  
 27 **bold type, in the case of a rental purchase agreement that**  
 28 **is consummated after June 30, 2011; or**

29 (B) written in ink or typewritten in or on the face of the rental  
 30 purchase agreement in a blank space provided therefor.

31 (2) The liability damage waiver may exclude only loss or damage  
 32 to the property that is the subject of the rental purchase agreement  
 33 caused by moisture, scratches, mysterious disappearance,  
 34 vandalism, abandonment of the property, or any other damage  
 35 intentionally caused by the lessee or that results from the lessee's  
 36 willful or wanton misconduct.

37 (3) The liability damage waiver agreement must include a  
 38 statement of the total charge for the liability damage waiver. The  
 39 liability damage waiver agreement must display in 8 point  
 40 boldface type the following:

41 "NOTICE: THIS CONTRACT OFFERS, FOR AN  
 42 ADDITIONAL CHARGE, A LIABILITY DAMAGE  
 43 WAIVER TO COVER YOUR RESPONSIBILITY FOR  
 44 DAMAGE TO THE PROPERTY. BEFORE DECIDING  
 45 WHETHER TO PURCHASE THE LIABILITY DAMAGE  
 46 WAIVER, YOU MAY WISH TO DETERMINE WHETHER

1 YOUR OWN HOMEOWNERS OR CASUALTY  
 2 INSURANCE AFFORDS YOU COVERAGE FOR DAMAGE  
 3 TO THE RENTAL PROPERTY, AND THE AMOUNT OF  
 4 THE DEDUCTIBLE UNDER YOUR OWN INSURANCE  
 5 COVERAGE. THE PURCHASE OF THIS LIABILITY  
 6 DAMAGE WAIVER IS NOT MANDATORY AND MAY BE  
 7 DECLINED."

8 **In the case of a rental purchase agreement that is**  
 9 **consummated after June 30, 2011, the statement required by**  
 10 **this subdivision must be included in at least 10 point bold type**  
 11 **in the rental purchase agreement.**

12 (4) The restrictions, conditions, and exclusions of the liability  
 13 damage waiver must be disclosed on the agreement or on a  
 14 separate agreement, sheet, or handout given to the lessee before  
 15 entering into the rental purchase agreement. The separate  
 16 contract, sheet, or handout must be signed or otherwise  
 17 acknowledged by the lessee as being received before entering into  
 18 the rental purchase agreement. **In the case of a rental purchase**  
 19 **agreement that is consummated after June 30, 2011, the**  
 20 **restrictions, conditions, and exclusions of the liability damage**  
 21 **waiver must be disclosed on the rental purchase agreement,**  
 22 **and the rental purchase agreement must include a space**  
 23 **reserved for the lessee's signature immediately below the**  
 24 **disclosures required under this subdivision.**

25 (5) The lessor shall keep and maintain records as prescribed by  
 26 the director of the department. The director of the department may  
 27 inspect the records and determine whether the rates charged under  
 28 this section are fair and reasonable.

29 SECTION 17. IC 24-7-6-1 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. **(a) This subsection**  
 31 **applies to a rental purchase agreement that is consummated before**  
 32 **July 1, 2011.** A lessee who fails to make timely rental payments has the  
 33 right to reinstate the original rental purchase agreement without losing  
 34 any rights or options previously acquired under the rental purchase  
 35 agreement if:

36 (1) subsequent to having failed to make a timely rental payment,  
 37 the lessee promptly surrenders the property to the lessor, if  
 38 requested by the lessor; and

39 (2) not more than sixty (60) days elapse after the lessee returns  
 40 the property.

41 **(b) This subsection applies to a rental purchase agreement that**  
 42 **is consummated after June 30, 2011. A lessee who fails to make**  
 43 **timely rental payments has the right to reinstate the original rental**  
 44 **purchase agreement without losing any rights or options previously**  
 45 **acquired under the rental purchase agreement if either of the**  
 46 **following applies:**



1           **(1) The lessee pays the amounts described in section 2(a)(1)**  
 2           **and 2(a)(3) of this chapter not later than the later of:**

3               **(A) seven (7) days; or**

4               **(B) one-half (1/2) the number of days in a regular renewal**  
 5               **period under the rental purchase agreement;**  
 6           **after the due date of the last accrued rental payment due**  
 7           **under the rental purchase agreement.**

8           **(2) Both of the following apply:**

9               **(A) The lessee surrenders the property to the lessor within**  
 10              **the time specified in subdivision (1).**

11              **(B) The lessee pays the amounts described in section**  
 12              **2(a)(1), 2(a)(2), and 2(a)(3) of this chapter not later than**  
 13              **one (1) year after the date the lessee returns the property**  
 14              **to the lessor.**

15           SECTION 18. IC 24-7-7-2, AS AMENDED BY P.L.35-2010,  
 16           SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17           JULY 1, 2011]: Sec. 2. (a) A person subject to this article shall make  
 18           the books and records of the person reasonably available for inspection  
 19           by the department or the department's representative. At a minimum,  
 20           every lessor shall keep a record of **the following:**

21              **(1) In the case of property that is acquired by the lessor after**  
 22              **June 30, 2011, the following information for each item of**  
 23              **property that is acquired by the lessor for lease by the lessor**  
 24              **under one (1) or more rental purchase agreements:**

25               **(A) A brief description of the property sufficient to identify**  
 26               **the property.**

27               **(B) The name of the wholesaler, distributor, supplier,**  
 28               **manufacturer, or other person from whom the property**  
 29               **was acquired.**

30               **(C) The date the lessor accepted delivery of the property.**

31               **(D) The cost paid for the property by the lessor to the**  
 32               **wholesaler, distributor, supplier, manufacturer, or other**  
 33               **person from whom the property was acquired. For**  
 34               **purposes of this subdivision, the cost paid by the lessor**  
 35               **includes any freight charges paid by the lessor and is net of**  
 36               **any:**

37                   **(i) discounts;**

38                   **(ii) rebates; or**

39                   **(iii) incentives;**

40               **that the lessor received in purchasing the property and**  
 41               **that are vested and calculable as of the date the lessor**  
 42               **accepted delivery of the property. The cost paid for the**  
 43               **property by the lessor shall be evidenced by a receipt,**  
 44               **invoice, bill of sale, or other document setting forth the**  
 45               **cost.**

46               **(E) Each rental purchase agreement, identified by the**  
 47               **name of the lessee or some other unique identifier assigned**

1                   **by the lessor to the rental purchase agreement, under**  
 2                   **which the lessor rents the item of property to a lessee.**

3                   **(2)** All payments remitted by the lessee on a rental purchase  
 4                   agreement, including the following:

- 5                   ~~(1)~~ **(A)** The name of the lessee.  
 6                   ~~(2)~~ **(B)** The date of each transaction.  
 7                   ~~(3)~~ **(C)** The total amount of each payment.  
 8                   ~~(4)~~ **(D)** A breakdown of each payment reflecting:  
 9                   ~~(A)~~ **(i)** each type of charge; and  
 10                   ~~(B)~~ **(ii)** the amount of each type of charge.

11                   The method of maintaining ~~this~~ **the data required under this**  
 12                   **subsection** is at the discretion of the lessor, if hard copies of the  
 13                   required data are readily available. The record keeping system of the  
 14                   lessor shall be made available in Indiana for examination. The director  
 15                   shall determine the sufficiency of the records and whether the lessor  
 16                   has made the required information reasonably available.

17                   (b) In administering this article and in order to determine  
 18                   compliance with this article, the department or the department's  
 19                   representative may examine the books and records of persons subject  
 20                   to the article and may make investigations of persons necessary to  
 21                   determine compliance. For this purpose, the department may  
 22                   administer oaths or affirmations, and, upon the department's own  
 23                   motion or upon request of any party, may subpoena witnesses, compel  
 24                   their attendance, compel testimony, and require the production of any  
 25                   matter that is relevant to the investigation, including the existence,  
 26                   description, nature, custody, condition, and location of any books,  
 27                   documents, or other tangible things and the identity and location of  
 28                   persons having knowledge of relevant facts, or any other matter  
 29                   reasonably calculated to lead to the discovery of admissible evidence.

30                   (c) If the person's records are located outside Indiana, the person  
 31                   shall, at the person's option, either make them available to the  
 32                   department at a convenient location in Indiana, or pay the reasonable  
 33                   and necessary expenses for the department or the department's  
 34                   representative to examine them at the place where they are maintained.  
 35                   The department may designate representatives, including comparable  
 36                   officials of the state in which the records are located, to inspect them  
 37                   on the department's behalf.

38                   (d) Upon failure without lawful excuse to obey a subpoena or to  
 39                   give testimony and upon reasonable notice to all persons affected  
 40                   thereby, the department may apply to a court for an order compelling  
 41                   compliance.

42                   (e) The department may not make public the name or identity of a  
 43                   person whose acts or conduct the department investigates under this  
 44                   section or the facts disclosed in the investigation, but this subsection  
 45                   does not apply to disclosures in actions or enforcement proceedings  
 46                   under this article.

- 1 (f) A lessor shall use generally accepted accounting principles and  
 2 practices in keeping books and records so that the department or the  
 3 department's representative may determine if the lessor is in  
 4 compliance with this article or a rule adopted under this article.
- 5 (g) A lessor shall keep the lessor's books and records that pertain to  
 6 a rental purchase agreement for at least two (2) years after the rental  
 7 purchase agreement has terminated.
- 8 (h) If a lessor contracts with an outside vendor to provide a service  
 9 that would otherwise be undertaken internally by the lessor and be  
 10 subject to the department's routine examination procedures, the person  
 11 that provides the service to the lessor shall, at the request of the  
 12 director, submit to an examination by the department. If the director  
 13 determines that an examination under this subsection is necessary or  
 14 desirable, the examination may be made at the expense of the person  
 15 to be examined. If the person to be examined under this subsection  
 16 refuses to permit the examination to be made, the director may order  
 17 any lessor that receives services from the person refusing the  
 18 examination to:
- 19 (1) discontinue receiving one (1) or more services from the  
 20 person; or  
 21 (2) otherwise cease conducting business with the person."
- 22 Page 31, between lines 18 and 19, begin a new paragraph and insert:  
 23 "SECTION 29. IC 24-7-2-7 IS REPEALED [EFFECTIVE JULY 1,  
 24 2011]."  
 25 Renumber all SECTIONS consecutively.  
 (Reference is to ESB 582 as printed April 5, 2011.)

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Representative Goodin