

LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6756

BILL NUMBER: HB 1003

NOTE PREPARED: Jan 7, 2026

BILL AMENDED:

SUBJECT: Boards and Commissions.

FIRST AUTHOR: Rep. Bartels

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill contains the following provisions:

Administrative Rule Promulgation - The bill makes changes to requirements for the readoption of administrative rules.

Commissions, Committees, Boards, and Councils- The bill repeals, merges, consolidates, or otherwise modifies various boards, commissions, committees, councils, authorities, and funds. It removes certain appointed members from various boards, commissions, and districts. It also modifies the appointing authority for particular funds, boards, and councils. The bill also establishes certain funds.

Compact- The bill establishes the athletic trainer interstate compact.

Professional Licensing Agency - The bill provides that the Professional Licensing Agency (PLA) may adopt and enforce procedural rules for the administration of a board if the rule: (1) will affect multiple boards; and (2) is not inconsistent with any rule adopted by the affected board.

State Building Code- The repeals the Fire Prevention and Building Safety Commission (Commission). The bill transfers the Commission's responsibilities and administrative rules to the Department of Homeland Security (IDHS). The bill provides that variances relating to the building code shall be administered by the IDHS or, with the approval of the IDHS, the State Building Commissioner. The bill requires the IDHS, on or before July 1, 2028, to adopt rules to supersede certain building rules. The bill provides that, if the rules adopted incorporate provisions included in a model code, rule, or requirement, the provisions: (1) may not be incorporated by reference and must be included in the rule; and (2) must be free and accessible to the public. The bill provides that, on or before July 1, 2027, the IDHS shall submit a report to the Legislative Council that includes any provision that is included in the current building code rules on July 1, 2026, which the IDHS recommends be codified by the General Assembly. The bill makes conforming amendments and relocates certain provisions pertaining to the adoption of building rules.

The bill also makes an appropriation.

Effective Date: Upon passage; May 15, 2026; July 1, 2026; January 1, 2027.

Explanation of State Expenditures: *State Building Code*- The bill repeals the Fire Prevention and Building Safety Commission, and the bill moves those duties to the Indiana Department of Homeland Security. The current administrative code references publications by the International Code Council along and the administrative code describes changes to the source publication. The bill says the new rules may not be incorporated by rule and included in the rule. International Code Council publications are copyrighted. The Indiana Department of Homeland Security could require significant resources and expenditures to publish the rules as prescribed.

Compact- The bill contains the model language for participation in the Compact along with the responsibilities of Compact members. Joining the Compact would increase workload for the PLA, Board, and the Indiana Athletic Trainers Board beyond routine administrative functions. Implementation of the Compact is expected to require between \$170 and \$36,700 in FY 2027 for the start-up costs to begin operation. After implementation, the PLA would incur between \$0 and \$7,860 in ongoing annual operating expenses related to administering the Compact. There will be additional expenses for travel to Compact meetings, maintaining data quality, and to pay any fees the Compact imposes on member states. [PLA operating expenses are paid from state General Fund appropriations.]

Office of Indiana State Chemist (OISC)- The OISC is integrated into the Purdue University budget. The bill establishes the OISC as a division of the ISDA beginning CY 2028. Purdue University and the ISDA both receive state General Fund appropriations. The fees collected by the OISC for various licenses, registrations, and inspections currently go to Purdue University. The bill establishes several non-reverting funds for deposit of these fees. If the revenues collected by the OISC are insufficient to cover their expenditures, amounts currently appropriated to Purdue University for these costs may be reduced in order to increase ISDA appropriations.

Under the bill, employees of the OISC will become employees of the state, with their employment under Purdue University included for purposes of computing employment and retirement benefits. The OISC is estimated to be fully staffed at 90 employees. To the extent that OISC salaries and employee benefits change with the transition to state employment, expenditures for payroll and benefits may increase. Expenditures would also increase for the state's match for the deferred compensation retirement account (Hoosier Start), for Retirement Medical Benefits Accounts (RMBA), and for contributions to the Public Employees Retirement Fund (PERF).

Administrative Rule Promulgation- The bill would require all state agencies to compare rules adopted in neighboring states or other states identified by the State Budget Agency as part of the rule promulgation process. For new rules adopted by each state agency, a written report is required to be submitted to the Office of Management and Budget as well as Legislative Council.

Commissions, Committees, Boards, and Councils- The bill (1) expires a number of, (2) changes membership of several, and (3) expires and transfers the responsibilities of certain, state Commissions, Committees, Boards, and Councils. These changes are expected to have a minimal decrease on state expenditures and workload. For a full listing of the entities that are repealed by this bill, please refer to the listing in the Appendix at the end of this fiscal note.

Indiana Civil Rights Commission- Effective FY 2027, the bill replaces four cultural commissions comprised of 62 members with the 15-member Indiana Cultural Commission established in the bill. The bill also

establishes the Dr. Martin Luther King Jr. Indiana Holiday Commission Special Fund and the Indiana Cultural Commission Special Fund. Money in the special funds are continually appropriated and non-reverting.

Coordination of Programs Serving Vulnerable Individuals- The bill creates a director to coordinate programs serving vulnerable individuals under the Civil Rights Commission. The State Budget Agency will determine the director's salary, but other division directors receive a salary ranging from \$93,000 to \$153,000 including benefits.

State Agency Workload- The bill also has several provisions affecting state workload, which are expected to be accomplished within existing resource and funding levels.

Interim Study Committee on Government- The bill would require the Interim Study Committee on Government to perform a biennial review of boards and commissions that met during the previous two years and file findings and recommendations with Legislative Council by November of that year.

Explanation of State Revenues: Compact- The estimated reduction in state General Fund revenue could range from \$7,250 to \$20,000 over an athletic trainer licensing cycle. However, the bill provides that member states may charge a fee for granting Compact privileges. Therefore, Indiana could potentially recoup some or all of this lost revenue through Compact privilege fees depending on rules adopted by the Compact Commission. Any revenue impact would not be expected until the fiscal year that Compact privileges begin to be granted in Indiana (FY 2027 at the earliest).

[The Indiana biennial renewal licensing fee for athletic trainers is \$50. The number of athletic trainers with an active license in Indiana has ranged from 1,500 to 1,700 from FY 2022 to FY 2025, with 9% to 24% having an address that is out of state.]

Breed Development Fund- Starting July 1, 2026, the bill replaces the three separate Breed Funds with one Breed Development Fund. It outlines the source of revenue and provides guidelines for use of the funds. The new breed Development Fund will receive all the revenues deposited in the current three Breed Funds and the Stallion Registration Fees deposited in the Standardbred Horse Fund repealed by the bill. These provisions will have no net fiscal impact.

Lewis and Clark License Plate Revenue- The bill will transfer special group revenue from the Lewis and Clark Expedition Commission to the state General Fund. The Lewis and Clark special group recognition license plate current has a \$25 special group fee. In FY 2025, this Fund received \$8,125 in revenue from license plate sales.

Department of Natural Resources (DNR)- The bill provides that the DNR is the successor agency for the Lewis and Clark Expedition Commission and the Advisory Council, with all records, property, and funds, if any, transferred to the DNR. After July 1, 2026, if the DNR receives any amounts that were previously owed to either entity repealed by the bill, they are to be transferred to the state General Fund.

Transfer of the Office of Indiana State Chemist (OISC)- The fees collected by the OISC for various licenses, registrations, and inspections currently go to Purdue University. The bill establishes several non-reverting state funds for deposit of these fees.

Explanation of Local Expenditures: *School Corporations:* The bill changes the reporting requirements for school corporations for their annual report of student health and safety by adding the Civil Rights Commission to the list of report recipients.

Commissions, Committees, Boards, and Councils - The bill also makes changes to local commissions, districts, authorities, and boards. The local boards that are repealed by the bill are included in the Appendix. The bill changes the membership of the following entities:

- Regional Planning Commission: The bill reduces the number of voting members appointed by the Governor.
- Northwestern Indiana Regional Planning Commission: The bill reduces the number of voting members appointed by the Governor.
- Waterway Management Districts: The bill changes the number of members of the board from seven to five. It also removes the requirement that a member be appointed by the Governor.
- New Harmony and Wabash River Bridge Authority: The bill changes who appoints specific members of the Authority from the Governor to the fiscal body of Posey County.
- Gary Metro Center Station Revitalization Project Board: The bill changes membership of the Board from one member who is appointed by the Governor to a member who is appointed by the Mayor of Gary.

Explanation of Local Revenues:

State Agencies Affected: All

Local Agencies Affected: School corporations; Northwestern Indiana Regional Planning Commission; Regional Planning Commission; Waterway Management Districts; New Harmony and Wabash River Bridge Authority; City of Gary; Trial courts, local law enforcement agencies.

Information Sources: Available upon request

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Appendix

Expiring State Commissions, Committees, Boards, Task Forces, and Councils

Indiana Commission to Combat Substance Abuse	Affirmative Action Advisory Committee	Commission on Forensic Sciences
State Library Advisory Board	Historical Bureau Advisory Board	Indiana Commission for Arts and Humanities in Education
Indiana Commission for Women	Advisory Committee for Children with Special Needs	Children's Health Policy Board
Commission on Hispanic/Latino Affairs	Board for the Coordination of Programs Serving Vulnerable Individuals	Commission on the Social Status of Black Males
Native American Affairs Commission	Law Enforcement Academy Building Commission	Integrated Public Safety Commission
Certification Appeal Board	Wine Grape Market Development Council	Utility Consumer Counselor Advisory Council
Local Bridge Grant Board	Driver Education Advisory Board	Motorcycle Operator Advisory Board
Criminal Justice Advisory Committee	Security and Privacy Council	Memorial Art Commission
Division of Disability and Rehabilitative Services Advisory Council	Division of Family Resources Advisory Council	Electronic Benefits Transfer Commission
211 Advisory Committee	Nonemergency Medical Transportation Commission	Paths to Quality Steering Council
Children Health Policy Board	Mental Health and Addiction Planning Council	Board of Trustees of Regional Districts
Board of Trustees of Regional Districts	Natural Resources Cultural Advisory	Natural Resources Commission
Little Calumet River Basin Project Advisory Board	River Marina Development Commission	Ohio River Greenway Development Commission
Lewis and Clark Bicentennial Commission	Lewis and Clark Expedition Commission Citizen Advisory Board	Historic Preservation and Archeology Advisory Council
Indiana Seed Arbitration Council	Pesticide Review Board	Invasive Species Council
Indiana Standardbred Advisory Board	Committee for the Purchase of Products and Services of Person with a Disability	Commission on Health Care Interpreters
Indiana Excellence in Teaching Council	Mental Health and Addiction Services Development Programs Board	Geological and Water Survey Advisory Council
Fire Prevention and Building Safety Commission	Insurance Producer Education and Continuing Education Commission	All Payer Claims Data Base Advisory Board
Indiana Kids First Trust Board	Electronic Recording Commission	