

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

LS 6756

BILL NUMBER: HB 1003

NOTE PREPARED: Jan 23, 2026

BILL AMENDED: Jan 22, 2026

SUBJECT: Boards and Commissions.

FIRST AUTHOR: Rep. Bartels

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) 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, and other governmental bodies. It modifies or establishes various funds. It also makes changes to the membership, duties, and operations of various boards, commissions, and other governmental bodies.

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 bill repeals the Fire Prevention and Building Safety Commission (Commission) and transfers the Commission's responsibilities and administrative rules to the Department of Homeland Security (IDHS). The bill also makes certain changes to the administration of building and safety statutes and building and safety codes and provides for the codification of administrative rules setting forth building and safety codes into statute.

The bill also makes an appropriation.

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

Explanation of State Expenditures: *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.

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).

(Revised) *Professional Board Changes*– Overall, the elimination/merging (with administrative duties assumed by other existing or newly created boards) would have a likely neutral to slight increase in annual professional board member per diem and mileage expenditures assuming a similar number of board meetings. However, with fewer boards, PLA staff may see a reduction in administrative staff time to staff the remaining professional boards assuming they meet for the same amount of time compared to current practice.

(Revised) *Board Of Animal Health (BOAH)* - The bill transfers the duties and responsibilities of the State Egg Board and the Creamery Examining Board to BOAH. These boards are currently housed within Purdue University, with expenditures paid by the Purdue Treasurer using board collected funds. The bill also creates the Creamery Inspection Fund, made up of license and inspection fees, to support BOAH's new responsibilities for creamery licensing and inspection. However, all new egg fees collected by BOAH must be deposited into the General Fund, potentially reducing the money available for BOAH to carry out its transferred duties. If the revenue currently collected by either board is insufficient to cover their expenditures, BOAH may require additional funding to implement these changes.

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.

(Revised) *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 existing rules for the building code continue to be in effect with no expiration until codified by the General Assembly. Beginning in FY 2027, the Indiana Department of Homeland Security must make recommendations to Legislative Council. The bill also allows the Department of Homeland Security authorize more recent versions of model building code to be compliant. These provisions can be implemented with current resources.

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. The bill also removes compensation for members of certain advisory 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.

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: (Revised) *Board of Animal Health (BOAH)* -The funds paid to the State Egg Board will be collected by the BOAH and deposited in the General Fund. [In FY 2025, the State Egg Board reported \$800,166 in total revenue, with \$213,025 coming from grants. The bill is expected to terminate the State Egg Board's current grants and contracts.]

The fees paid to the Creamery Examining Board and transferred to the Purdue University Treasurer will now be collected by BOAH and deposited in the Creamery Inspection Fund. Additionally, the balance of any funds held by the Purdue University Treasurer to administer the Creamery Examining Board will be transferred to the Creamery Inspection Fund. [In CY 2024, the Creamery License Division reported \$115,222 in revenue and ending balance of \$354,355.]

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: (Revised) *Commissions, Committees, Boards, and Councils* - The bill also makes changes to local commissions, districts, authorities, and boards. The local boards that repealed by the bill are included in the Appendix.

The bill changes the membership of the following entities:

- 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.
- Northwest Indiana Professional Sports Development Commission: The bill expires the commission and transfers responsibilities to the Northwest Indiana Regional Development Authority.

Explanation of Local Revenues:

State Agencies Affected: All

Local Agencies Affected: Waterway Management Districts; Northwest Indiana Professional Sports Development Commission; Northwest Indiana Regional Development Authority

Information Sources: Available upon request

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Appendix**(Revised) Expiring State Commissions, Committees, Boards, Task Forces, and Councils**

211 Advisory Committee	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	Main Street Council	Commission on the Social Status of Black Males
Native American Affairs Commission	Law Enforcement Academy Building Commission	Indiana Recycling Market Development Board
Indiana War Memorials Commission	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
Paths to Quality Steering Council	Division of Family Resources Advisory Council	Electronic Benefits Transfer Commission
Spinal Cord and Brain Injury Research Board	Nonemergency Medical Transportation Commission	Commission on Health Care Interpreters
Children Health Policy Board	Indiana Land Resources 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
Indiana Seed Arbitration Council	Pesticide Review Board	Invasive Species Council
Creamery Examination Board	State Egg Board	Indiana Emergency Medical Services Commission
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 Database Advisory Board
Indiana Kids First Trust Board	Electronic Recording Commission	Interagency State Council on Black and Minority Health
Board for Proprietary Education	Commission on Seclusion and Restraint in Schools	Occupational Safety Standards Commission
Mining Board	Board of Firefighting Personnel Standards and Education	Board of Podiatric Medicine
Midwifery Committee	Board of Registration for Professional Engineers	Occupational Therapy Committee

Board of Registration of Architects and Landscape Architects	Board of Physical Therapy	INSPECT oversight committee
Indiana Athletic Trainers Board	Indiana Fertilizer Advisory Board	Historic Preservation and Archeology Advisory Council