

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

LS 6367
BILL NUMBER: HB 1039

NOTE PREPARED: Nov 26, 2025
BILL AMENDED:

SUBJECT: Various Immigration Matters.

FIRST AUTHOR: Rep. Prescott
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill clarifies that the enforcement of federal immigration laws may be carried out by federal, state, or local law enforcement.

The bill provides that if a law enforcement officer, governmental body, or a postsecondary educational institution is made a party to a civil suit and the Attorney General (AG) determines that the suit has arisen out of certain acts, the AG shall defend the law enforcement officer, the governmental body, or the postsecondary educational institution throughout the action.

The bill removes the mens rea standard in the statute concerning governmental entities or postsecondary institutions violating the citizenship and immigration status information and enforcement of federal laws chapter.

The bill provides that a governmental body that has the custody of an individual who is the subject of an immigration detainer request shall:

- (1) provide the judge authorized to grant or deny the individual's release on bail notice that the individual is subject to an immigration detainer request;
- (2) record in the individual's case file that the individual is subject to an immigration detainer request;
- (3) comply with the immigration detainer request; and
- (4) inform the individual that the individual is being held pursuant to an immigration detainer request.

It also provides immunity to a governmental body or an employee of a governmental body for any action taken concerning an immigration detainer request.

The bill provides that if the AG determines that probable cause exists that a governmental entity has not complied with an immigration detention request, the AG may bring a court action to:

- (1) enjoin an act or practice constituting a violation of an immigration detention request; and
- (2) impose a civil penalty for noncompliance with an immigration detention request.

The bill prohibits a political subdivision from taking certain actions to aid, assist, incentivize, or facilitate the migration of any alien or class of aliens into Indiana.

The bill requires a judge who receives notice that an individual is subject to an immigration detainer request to ensure that the notice of the immigration detainer request is recorded in the court's record.

The bill prohibits an employer from knowingly or intentionally recruiting, hiring, or employing an unauthorized alien. It provides that if the AG determines that probable cause exists that an employer has recruited, hired, or employed an unauthorized alien, the AG may enjoin the action and seek the suspension of the employer's operating authorizations.

The bill provides that a governmental entity that employs a prosecuting official is entitled to investigative costs and costs in an indecent nuisance action.

Effective Date: Upon passage; July 1, 2026.

Explanation of State Expenditures: *Attorney General:* This bill provides that the AG may conduct investigations, enforce compliance, and impose civil penalties in support of the enforcement of immigration laws by federal, state or local law enforcement agencies. It also provides that employers must exercise “reasonable diligence to confirm the work eligibility of an individual,” and that the AG may take a number of actions to enforce this requirement.

The bill requires the AG to defend a law enforcement officer, governmental body, or postsecondary institution in a civil suit if the AG determines that the suit arises from an act authorized or required by this bill. These requirements are likely to result in an increase in workload for the AG’s office, and the impact will vary depending on compliance with existing requirements regarding immigration enforcement. The AG can implement the bill’s provisions within current resources.

Immunity Provision: The bill provides that governmental bodies and their employees may not be held criminally or civilly liable for their efforts to comply with an immigration detainer request. This immunity provision will prevent expenditures from increasing as a result of legal actions taken against a governmental body.

Family and Social Services Agency: The bill requires the Secretary of Family and Social Services to provide certain information to any state officer or member of the General Assembly upon request. The bill also requires the agency to evaluate the use of a political subdivision’s resources for certain migration-related efforts. These requirements create a workload increase for the agency, but the requirements should be met within existing resources.

Mens Rea: This bill provides that a court will enjoin a government body or postsecondary educational institution that attempts to limit or restrict the enforcement of immigration law. Under current law, the body or institution must do so “knowingly or intentionally.” This change could result in a greater number of enjoinders than under current law, but any increase is likely to be small.

Explanation of State Revenues: *Civil Penalties:* Governmental bodies that fail to comply with provisions of this bill pertaining to immigration detainer requests are subject to a civil penalty of \$10,000 per violation. This money will be deposited into the General Fund. [The AG does not pay court fees, so no additional court fee revenue will be generated.]

Indecent Nuisance Investigations: This bill expands the costs for which a governmental entity may be reimbursed to include the investigative costs and court costs associated with the successful prosecution of an indecent nuisance. If the case is prosecuted by the AG, these costs will be deposited in the state General Fund. The impact of this provision will depend on actions by investigators and the AG and is currently indeterminable.

Explanation of Local Expenditures: *Immigration Detainer Requests:* This bill requires government bodies to record, comply with and notify other entities of immigration detainer requests for people in their custody. The bill also includes additional notification requirements for courts and court officials. These requirements will increase the workload for all affected entities, but any increase should be able to be met within existing resources. Failure to comply with these provisions may result in the imposition of a civil penalty of \$10,000 per violation.

Immunity Provision: See *Explanation of State Expenditures*.

Explanation of Local Revenues: *Indecent Nuisance Investigations:* This bill expands the costs for which a governmental entity may be reimbursed to include the investigative costs and court costs associated with the successful prosecution of an indecent nuisance. Collected costs associated with each case will be deposited in the budget or general fund of the local unit that employs the prosecuting official that brings the case. The impact of this provision will depend on actions by investigators and prosecutors and is currently indeterminable.

State Agencies Affected: State educational institutions; Attorney General; state governmental bodies; Department of Correction; Family and Social Services Agency.

Local Agencies Affected: Trial courts, city and town courts; law enforcement agencies; local governmental bodies.

Information Sources: Department of Correction; U.S. Department of Justice Marshals Service.

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