

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

**LS 6027**  
**BILL NUMBER: HB 1057**

**NOTE PREPARED: Sep 25, 2025**  
**BILL AMENDED:**

**SUBJECT:** Public Works Projects.

**FIRST AUTHOR:** Rep. Wesco  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Design-Build Projects*– The bill provides that a contractor that employs 10 or more employees on a design-build public works project must provide its employees access to a training program applicable to the tasks to be performed in the normal course of the employee's employment with the contractor on the public project. The bill provides that a tier 1 or tier 2 contractor that employs 50 or more journeymen must participate in an apprenticeship or training program that meets certain standards. The bill requires design-builders and any member of a team working on a design-build public works project to comply with certain statutes.

*Construction Managers as Constructors Projects*– The bill provides that a public agency awarding a contract for a construction manager as constructor project may not take certain actions based on a bidder's, offeror's, or contractor's entering into, refusing to enter into, adhering to, or refusing to adhere to an agreement with a labor organization.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** *Design-Build Projects*– Under the current higher education outcomes-based performance funding formula, changes to enrollment could affect higher education appropriations for operations in future bienniums. The impact on state expenditures would likely be minor and depend on the higher education formula used in the future. *[SEIs receive state funding through General Fund appropriations.]*

*Construction Managers as Constructors Projects*– This provision of the bill should not impact state expenditures, as the state does not use project labor agreements on state public works projects or union affiliation in its bidder pre-qualifications.

The bill applies to all state agencies, state educational institutions, and bodies corporate and politic created by statute. The bill does not apply to judicial or legislative departments or the Indiana Department of Transportation.

**Additional Information:** CMc (also known as Construction Manager at Risk) is a project management process that generally requires a commitment by the construction manager to deliver a project within a guaranteed maximum price (GMP). The construction manager must manage and control construction costs so that they do not exceed the GMP because the construction manager would have to cover any additional costs if they occur.

The bill specifies that a contractor who is required to provide training for employees may comply with the training requirements through several options, two of which include programs offered by Ivy Tech Community College of Indiana or Vincennes University. State operating support for Indiana state educational institutions (SEIs) is composed of base funding and performance funding.

**Explanation of State Revenues:** *Design-Build Projects*– To the extent that contractors choose to utilize the training programs as described under the bill, tuition revenues could increase in programs offered by higher education institutions such as Ivy Tech and Vincennes University could from increased enrollment.

**Explanation of Local Expenditures:** *Construction Managers as Constructors Projects*– The bill could have an indeterminate impact on expenditures for any local unit that currently uses project labor agreements in its public works projects.

The bill applies to counties, municipalities, townships, school corporations, certain conservancy districts, fire protection districts, departments of aviation, and airport authorities. The CMc provision also applies to public libraries and health and hospital corporations.

**Explanation of Local Revenues:**

**State Agencies Affected:** Ivy Tech Community College of Indiana, Vincennes University; agencies involved in public works projects.

**Local Agencies Affected:** Local units involved in public works projects.

**Information Sources:** Molly Timperman, Communications/Legislative Director, Indiana Department of Administration; <https://www.in.gov/idoa/state-property-and-facilities/public-works/>  
<https://www.in.gov/idoa/state-property-and-facilities/public-works/certification-board/>  
<https://www.in.gov/idoa/state-property-and-facilities/public-works/general-forms-and-manuals/>  
<https://indianalawreview.com/2016/02/19/union-based-bidding-restrictions-unresolved-issues/>  
[https://library.municode.com/in/gary/codes/code\\_of\\_ordinances](https://library.municode.com/in/gary/codes/code_of_ordinances)  
Project Labor Agreements, Congressional Research Service, June 28, 2012  
<https://www.finra.org/investors/learn-to-invest/choosing-investment-professional/registered-financial-professionals>

**Fiscal Analyst:** Chris Baker, 317-232-9851.