

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

**LS 6460**  
**BILL NUMBER: HB 1064**

**NOTE PREPARED:** Dec 3, 2025  
**BILL AMENDED:**

**SUBJECT:** Unmanned Aerial Vehicles.

**FIRST AUTHOR:** Rep. Culp  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
                          X DEDICATED  
                          FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill makes repeated operation of an unmanned aerial vehicle (UAV) over private real property a nuisance, with both civil and criminal penalties, including an increased penalty for nuisances involving agricultural property. It provides that operating a UAV not more than 100 feet above private real property or landing the UAV on private real property is a civil trespass, with civil penalties, including an increased penalty for trespasses involving agricultural property.

The bill creates various crimes for operating a UAV over certain places, people, or animals such as livestock. It also provides that operating a UAV to collect certain data, recordings, or photographs of an individual or area of real property is a Class A misdemeanor. The bill also provides, however, that the violation is a Level 6 felony if the subject of the data, recordings, or photographs involves certain critical infrastructure.

The bill requires a person who operates a UAV that is at least 55 pounds to carry liability insurance, and requires the Department of Homeland Security to develop and administer a program to verify UAV insurance compliance. It makes conforming changes.

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

**Explanation of State Expenditures:** *Summary* - The bill would increase the workload of the Indiana Department of Homeland Security to implement a liability insurance compliance program. Increases in workload are expected to be accomplished within existing resource and funding levels.

The bill also creates a Level 6 felony for unauthorized operation of a UAV. Any increase in Level 6 felony convictions is indeterminable but expected to be minimal.

*Additional Information* - Federal guidelines require UAVs weighing 55 pounds or more to register with the Federal Aviation Administration (FAA). The IDHS could verify the total number of drones that would be required to maintain insurance policies by working with the FAA.

*Penalty Provision:* A Level 6 felony is punishable by a prison term ranging from 6 to 30 months, with an

advisory sentence of 1 year. The sentence depends on mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,825 annually, or \$13.22 daily, per prisoner. However, any additional expenditures are likely to be small.

**Explanation of State Revenues:** *Summary:* This bill creates criminal penalties associated with the unauthorized operation of unmanned aerial vehicles (UAVs) in the state. The bill could increase revenue from court filings as well as criminal fines, however any increase in state revenue from these sources is indeterminable.

*Additional Information:* It is assumed the criminal penalties created by the bill would only apply to UAV operation at or below an elevation of 400 feet and any UAV operation higher than 400 feet would not be subject to criminal penalties in the bill. Additionally, the civil trespass provisions in the bill apply only to UAV operation above 100 feet in elevation over private real property or landing on private real property.

Current law has criminal prohibitions against UAV operation that mirror some of the prohibitions in the bill. Remote aerial voyeurism [IC 35-45-4-5(g)] is currently punishable as a Class A misdemeanor but can be enhanced to a Level 6 felony.

Some prohibitions contained in the bill are currently punishable under federal law. The Federal Aviation Administration (FAA) has specified that UAVs are prohibited from operating over critical infrastructure. Additionally, one of the most popular UAV manufacturers, DJI, utilizes flight software that will not allow UAV operation over FAA-designated controlled airspace. When an attempt is made to operate a UAV in, or within proximity to, these controlled airspaces, DJI flight software force-lands the UAV and prohibits operation.

*Insurance Requirement:* It is expected that most drones that meet the 55 pound weight requirement are used for commercial purposes and would currently be covered by a commercial liability insurance policy. The insurance requirement is not expected to increase insurance policies sold in the state or impact General Fund revenue from either the adjusted gross income or insurance premium tax collections paid by insurance companies.

*Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a (1) Class A misdemeanor is \$5,000 and (2) a Level 6 felony is \$10,000. The total fee revenue per case would range between \$113 and \$138. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

*Civil Court Filings:* If additional civil cases for civil trespass occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

**Explanation of Local Expenditures:** *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail. If more defendants are detained in county jails prior to their court hearings for felony offenses,

local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions result in a guilty verdict, certain local units will collect more revenue. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#).

*Civil Court Filings:* If additional cases of civil trespass occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases](#).

**State Agencies Affected:** Department of Correction.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**

[https://www.faa.gov/uas/critical\\_infrastructure#:~:text=Drones%20are%20prohibited%20from%20flying,such%20as%20nuclear%20power%20plants](https://www.faa.gov/uas/critical_infrastructure#:~:text=Drones%20are%20prohibited%20from%20flying,such%20as%20nuclear%20power%20plants); Indiana Sheriffs' Association; Indiana Supreme Court; Indiana Trial Court Fee Manual; Department of Corrections; Indiana Gateway for Government Units, 2023 Annual Financial Reports, <https://gateway.ifonline.org/public/download.aspx>; Bureau of Justice Statistics, 2023 Annual Survey of Jails Data Series, <https://www.icpsr.umich.edu/web/NACJD/series/7>.

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