

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

LS 6533
BILL NUMBER: HB 1098

NOTE PREPARED: Dec 9, 2025
BILL AMENDED:

SUBJECT: Work Based Learning Liability.

FIRST AUTHOR: Rep. Commons
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill sets forth the responsibilities of an intermediary and an employer if an intermediary connects a student with an employer to obtain work experience as part of a work based learning course. It requires an intermediary to assume liability for any legal or administrative claims arising from the student's employment as part of a work based learning course.

This bill prohibits an insurer from taking certain actions relating to a policy of employer's liability insurance, worker's compensation insurance, or any other class of insurance to provide coverage for a participant of a work based learning course solely on the basis that a student to be covered under the policy is less than 18 years of age or is enrolled in a work based learning course. It also provides that any underwriting decision made by an insurer or rating factor applied to a participant must be based on objective risk based criteria that are applied uniformly and without regard to the age of the student to be covered under the policy.

Effective Date: July 1, 2026.

Explanation of State Expenditures: To the extent that private sector intermediaries begin to assume liability, the bill would reduce expenditures for state agencies and state educational institutions that provide insurance coverage for students participating in work based learning courses.

The bill may increase workload for the Department of Education (DOE) and the Indiana Department of Insurance (DOI) to ensure compliance, but should be able to be implemented using existing staffing and resources. *[The DOI is funded through a dedicated agency fund.]*

Additional Information: Currently, IC 20-20-38.5 provides for instances where the DOE shall contract or maintain an MOU for employer liability and worker's compensation insurance coverage for work based learning courses. Students may also be covered by a participating local school district or employer.

Explanation of State Revenues:

Explanation of Local Expenditures: To the extent that private sector intermediaries assume insurance

liability, the bill would reduce expenditures for schools and other local units that provide insurance coverage to students participating in work based learning courses.

Explanation of Local Revenues:

State Agencies Affected: Department of Education; Indiana Department of Insurance; State Educational Institutions; state agencies serving as work based learning intermediaries.

Local Agencies Affected: Public schools; local units serving as work based learning intermediaries.

Information Sources: Commission for Higher Education:

[www.in.gov/che/files/240214 RELEASE Intermediary-Capacity-Building-Grant-Recipients -A.pdf](http://www.in.gov/che/files/240214_RELEASE_Intermediary-Capacity-Building-Grant-Recipients_-A.pdf).

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