

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

LS 6444
BILL NUMBER: HB 1106

NOTE PREPARED: Dec 11, 2025
BILL AMENDED:

SUBJECT: Various Family Matters.

FIRST AUTHOR: Rep. Manning
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 X FEDERAL

IMPACT: State & Local

Summary of Legislation: *Child Care Centers* - This bill allows a provider to remain eligible to receive a voucher payment until a final determination is made that the provider's license or eligibility is no longer in good standing. The bill provides that a child care center is exempt from licensure if the child care center complies with all of the requirements for child care ministries, including registration. It also provides certain qualifications that a child care center's director must meet.

False Reporting: The bill provides that the crime of false reporting is a Level 6 felony if the alleged conduct, if true, would constitute certain felonies.

Medical History Form: The bill requires the Department of Child Services (DCS) to create and periodically update a medical history form and ensure that certain people receive the medical history form. The bill requires that, if a child is alleged to be a child in need of services and has been removed from the child's home and placed in an out-of-home placement, a court must order each biological parent who retains visitation or parenting time rights to complete a medical history form and may, under certain circumstances, temporarily suspend a biological parent's visitation or parenting time. It allows a biological parent to amend or complete the medical history form. It requires the court to reconsider any previous order suspending visitation or parenting time if the court makes certain findings. The bill also makes conforming changes.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Child Care Centers:* The bill could minimally reduce workload and administrative expenditures for the Family and Social Services Administration (FSSA) if child care centers are registered rather than licensed. However, there will be a slight increase in workload and administrative expenditures for FSSA to ensure the directors of both registered and licensed child care centers meet the education requirements established in the bill. These changes should be accomplished within existing staff and resources.

Additionally, the bill may increase expenditures for FSSA to make Child Care and Development Fund (CCDF) voucher payments to providers who are subject to enforcement actions until a final ruling is made

that determines the provider's license is no longer in good standing. In October 2025, the average weekly CCDF voucher payment was \$159.

False Reporting: The bill enhances the penalty from a Class A misdemeanor to a Level 6 felony for a person who intentionally files a false report of child abuse or neglect that, if true, would constitute certain felonies. State expenditures could increase if an offender is incarcerated in a state prison rather than in a local jail. However, any expenditure increase is likely to be small. A Level 6 felony is punishable by a prison term ranging between 6 to 30 months, with an advisory sentence of 1 year. The period of incarceration will depend upon mitigating and aggravating circumstances. If offenders can be housed in existing facilities with no additional staff, the marginal cost per offender for medical care, food, and clothing is approximately \$4,825 annually, or \$13.22 daily.

Additional Information -

Child Care Centers: The federal CCDF voucher program requires minimal health and safety standards be incorporated into licensing requirements or separated for providers who are license-exempt. The CCDF program requires enforcement actions to gain compliance with the health and safety requirements. As of October 2025, there are 791 licensed child care centers and 769 registered child care ministries. In 2024, 6 child care center licenses and 3 ministry registrations were revoked.

Medical History Form: Completing a medical history information form with information obtained from biological parents for out-of-home placements is current procedure as detailed in the DCS Child Welfare Policy Manual Chapter 8, Section 27. Codifying this practice is expected to have no fiscal impact. Any potential suspension of visitation rights for failure to complete a medical history information form is not expected to have a fiscal impact.

Explanation of State Revenues: *Child Care Centers* - If child care centers choose to register under the same requirements as child care ministries rather than be licensed, revenues will increase for two funds that do not revert to the state General Fund. Child care ministries pay a \$50 registration fee, which is deposited in Family Resources Child Care Fund, as well as a \$50 processing fee for the State Fire Marshal, which is deposited in the Fire and Building Services Fund.

False Reporting: More revenue to the Common School Fund could be collected if a larger criminal fine is assessed by the sentencing court. However, any increase in revenue is likely to be small. The maximum fine for a Class A misdemeanor is \$5,000, while the maximum fine for a Level 6 felony is \$10,000. Court fees for both misdemeanors and felonies are the same.

Explanation of Local Expenditures: *Locally Owned Child Care Centers* - Locally owned child care centers would have increased registration and state fire marshal fees if they choose to register rather than be licensed.

False Reporting: If an offender is sentenced to state prison rather than to a county jail, the costs to the county may be reduced. However, any cost reduction is likely to be small. The maximum term of imprisonment for a Class A misdemeanor is up to one year.

Explanation of Local Revenues: *Locally Owned Child Care Centers* - Locally owned child care centers that are subject to enforcement actions will continue to receive voucher payments until the outcome of their proceeding reflects a final determination that their license or eligibility is no longer in good standing.

False Reporting: Court fees for both misdemeanors and felonies are the same.

State Agencies Affected: Department of Child Services; Family and Social Services Administration; Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies; locally owned child care centers.

Information Sources: https://www.in.gov/dcs/files/Child_Welfare_Policy_Manual.pdf;

<https://www.in.gov/fssa/carefinder/files/CCLicensingMonthlyYTDReport.pdf>;

<https://web.archive.org/web/20250210205732/>;

<https://www.in.gov/fssa/carefinder/files/CCLicensingMonthlyYTDReport.pdf>;

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.ifionline.org/public/download.aspx>; Bureau of Justice Statistics, 2023 Annual Survey of Jails Data Series, <https://www.icpsr.umich.edu/web/NACJD/series/7>.

Fiscal Analyst: Zachary Katopodis, 317-234-2106; Bill Brumbach, 317-232-9559.