

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

**LS 6532**  
**BILL NUMBER: HB 1108**

**NOTE PREPARED:** Dec 9, 2025  
**BILL AMENDED:**

**SUBJECT:** Contracts for Road Projects.

**FIRST AUTHOR:** Rep. Haggard  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** State

**Summary of Legislation:** This bill allows the Commissioner of the Indiana Department of Transportation (Commissioner) to let a contract for the construction, improvement, or maintenance of a road to a bidder that is not the lowest and best bidder if all of the following apply: (1) The bidder is responsive and qualified. (2) The bidder commits to employing Indiana residents for not less than 65% of the total workforce for the project. (3) The bidder's bid is not more than: (A) 5% greater than the bid submitted by the lowest and best bidder; and (B) the estimated cost of the project. (4) The Commissioner determines that awarding the contract to the bidder is in the best interests of the project and the community. (5) The bidder demonstrates certain compliance requirements.

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

**Explanation of State Expenditures:** The bill could impact INDOT contracting costs by providing a price preference to certain Indiana-based businesses that meet other conditions included in the bill. The bill's impact on State Highway Fund expenditures is indeterminable.

The bill could also increase INDOT workload to verify information included in requests for proposals for price preference eligibility. Increases in workload are expected to be accomplished within existing resource and funding levels.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** INDOT.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Bill Brumbach, 317-232-9559.