

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

LS 6501
BILL NUMBER: HB 1123

NOTE PREPARED: Dec 8, 2025
BILL AMENDED:

SUBJECT: Police Investigations Relating to Prostitution.

FIRST AUTHOR: Rep. Bartlett
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that, after June 30, 2026, a law enforcement agency may not authorize the use of public funds by a law enforcement officer to pay for or engage in sexual intercourse, other sexual conduct, or the fondling of the law enforcement officer's or another individual's genitals as part of an investigation of: (1) prostitution; (2) making an unlawful proposition; or (3) promoting prostitution as a Level 5 felony.

It also provides that a law enforcement officer who knowingly or intentionally:

- (1) engages in sexual intercourse or other sexual conduct with an individual;
- (2) has an individual fondle or agree to fondle the genitals of the law enforcement officer; or
- (3) fondles the genitals of an individual under certain circumstances relating to the law enforcement officer's official duties;

commits unlawful sexual conduct by a law enforcement officer, a Level 5 felony. It also makes exceptions.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Use of Public Funds: See Explanation of Local Expenditures.*

Penalty Provision: A Level 5 felony is punishable by a prison term ranging from 1 to 6 years, with an advisory sentence of 3 years. 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: *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 Level 5 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](#).

Explanation of Local Expenditures: *Use of Public Funds:* This bill limits the use of public funds in investigations into prostitution and related crimes. This may decrease expenditures related to these investigations. Any change in expenditures by local law enforcement is expected to be small.

Penalty Provision: If more defendants are detained in county jails prior to their court hearings, 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](#).

State Agencies Affected: Department of Correction.

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

Information Sources: 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: Alexander Raggio, 317-234-9485.