

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

**LS 6705**  
**BILL NUMBER: HB 1153**

**NOTE PREPARED:** Dec 21, 2025  
**BILL AMENDED:**

**SUBJECT:** Auto Dealer Matters.

**FIRST AUTHOR:** Rep. Lawson  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** State & Local

**Summary of Legislation:** *Tax Warrants and Child Support Liens:* This bill requires the Department of State Revenue (DOR) to provide certain tax warrant information to the Dealer Services Division within the Secretary of State (SOS). The bill also requires the Department of Child Services (DCS) to provide a list of each person against whom a child support obligation lien is held to the SOS.

*Purchaser Information:* The bill requires a dealer to collect and retain certain identifying information from a potential purchaser.

*Interim License Plate Extensions:* The bill allows a dealer to submit a request to the SOS for: (1) an additional interim license plate; and (2) an extension of time to deliver a certificate of title to a purchaser; if there is an issue obtaining the certificate of title for a motor vehicle.

*Transport Operators:* Beginning July 1, 2026, the bill requires a transport operator to have an established place of business with a physical Indiana address to apply for a registration number.

*Criminal Penalties:* Provides that a dealership that operates without a license from the SOS commits a Class A infraction.

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

**Explanation of State Expenditures:** *Tax Warrants and Child Support Liens:* The Department of Revenue (DOR) currently generates a tax warrant list for transmission to the Bureau of Motor Vehicles (BMV). Additionally, the Department of Child Services (DCS) currently generates a list of individuals who have a child support obligation lien. The bill would require these lists to be transmitted to the Dealer Services Division within the Secretary of State. This increase in workload is expected to be accomplished within existing resource and funding levels.

*Interim License Plate Extensions:* The bill allows the Secretary of State to issue extensions on interim license plates for delays in filing certificates of title requests. The bill is silent on any fees for extension applications.

This provision would increase Secretary of State workload to review and approve interim license plate extensions, which can be accomplished within existing resource and funding levels.

**Explanation of State Revenues: Summary** - The bill could have the following impact on civil penalties deposited in the Dealer Enforcement Account (1) reduce revenue from late title applications and (2) increase revenue from motor vehicle dealers who fail to collect purchaser information and transport operators who do not maintain a physical place of business within the state. The bill's net impact on civil penalty revenue deposited in the Dealer Enforcement Account is indeterminable.

The bill could also increase revenue to the General Fund from court fees and Class A infraction judgements for operating as a motor vehicle dealer without a license. Increases in General Fund revenue are indeterminable.

Last, the bill could reduce revenue to the Dealer Enforcement Account, State Highway Fund, Crossroads 200 Fund, and State Construction Fund from decreases in transport operator license plates. Decreases in revenue to these Funds is expected to be minimal.

**Additional Information -**

*Interim License Plate Extensions:* If the Secretary of State opts to provide an extension on an interim license plates, less individuals could be cited for failure to submit a title application with the Secretary. As a result, the Dealer Enforcement Account would receive less revenue from penalties assessed for late title applications. Under current law, a first offense in a calendar year carries a \$100 penalty, \$250 for a second, and \$500 for all subsequent violations.

*Violations Discovered by the Secretary of State:* To the extent (1) a motor vehicle dealer fails to collect the purchaser information required by the bill and (2) transport operators are discovered to not maintain a physical place of business within the state, the number of enforcement actions taken by the Secretary of State could increase. The maximum civil penalty for violation of any provision of motor vehicle dealer regulations is a maximum civil penalty of \$10,000 per offense that is deposited in the Dealer Enforcement Account. Any increase in state revenue is indeterminable.

*Transport Operators License Plates:* By requiring transport operators to maintain a physical place of business within the state, this requirement could decrease state revenue from fees paid for transport operator license plates. The fee for a first set of transport operator license plates is \$139.25 and for each additional plate is \$34.25. The following table shows the distribution of fees for transport operator license plates.

State Fund	First Set Transport Plates	Each Add'l Set Transport Plates
State Construction Fund	\$0.25	\$0.25
SOS Dealer Compliance Fund	\$9.00	\$9.00
Crossroads 2000 Fund	\$5.00	\$9.00
Highway Road and Street Account*	\$30.00	--
Motor Vehicle Highway Account*	\$95.00	\$15.00
<b>Total</b>	<b>\$139.25</b>	<b>\$34.25</b>

\*The State Highway Fund receives a distribution from revenue deposited in this Account

*Dealer Licensing:* The bill adds a criminal provision to operating as an unlicensed dealer in the state. Currently, individuals that sell more than 12 vehicles in a calendar year are required to register as a dealer. The current penalty for failure to obtain a dealer license would be under the Secretary's existing enforcement mechanism of any violation of IC 9-32; with a maximum \$10,000 civil penalty per offense that is deposited in the Dealer Enforcement Account. The bill will add a Class A infraction for failure to obtain a dealer's license from the Secretary of State, which could be cited in addition to the existing civil penalties the Secretary of State can collect.

The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund. Fee revenue per case ranges from \$85.50 and \$103, 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:**

**Explanation of Local Revenues:** *Transport Operators Place of Business* - Local units of government receive distributions of Motor Vehicle Highway Account and Highway Road and Street Account funds based on a formula using vehicle registrations, population, and lane miles. Decreases in transport operator license plate fee revenue deposited in each Account will decrease local revenue, however any decrease is expected to be minimal.

*Dealer Licensing* - 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:** Secretary of State, Department of Revenue, Department of Child Services.

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

**Information Sources:** Indiana Supreme Court, Indiana Trial Court Fee Manual

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