

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

LS 6820
BILL NUMBER: HB 1184

NOTE PREPARED: Feb 23, 2026
BILL AMENDED: Feb 23, 2026

SUBJECT: Towing Matters.

FIRST AUTHOR: Rep. Haggard
FIRST SPONSOR: Sen. Tomes

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that the proceeds from the sale of abandoned vehicles or parts by a city, county, or town shall first be credited against the costs of removal, storage, and disposal of the vehicle incurred by the towing company or storage facility.

The bill allows a towing company responding to a summons for an emergency towing to utilize the shoulder of the roadway as necessary to reach the scene of a disabled motor vehicle. It provides that a commercial private property owner that establishes a tow-away zone must post a tow-away zone sign at the location of the tow-away zone that is at a height of more than five feet and less than seven feet from the ground. It prohibits a towing company from towing a motor vehicle from a tow-away zone if the tow-away zone sign is not at the required height.

The bill provides that a towing company or storage facility shall accept a credit card or debit card as a form of payment. It prohibits a towing company or storage facility from charging a credit card service fee of more than three percent (3%).

The bill establishes requirements for the storage of collateral by collateral recovery agencies.

The bill also specifies the time within which a self-service storage facility owner may tow or remove a motor vehicle, trailer, or watercraft.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Deceptive Acts:* This bill may increase unfair and deceptive acts that are actionable by the Attorney General. Agency workload could increase to investigate and prosecute allegations. The Attorney General should be able to enforce the bill's provisions within existing resource levels.

Explanation of State Revenues: *Deceptive Acts:* If the bill increases the number of deceptive acts discovered, General Fund revenue will increase. Actual increases in revenue are unknown but expected to

be small. Deceptive acts discovered by the Attorney General carry a civil penalty up to \$5,000.

Court Fee Revenue: If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount 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 civil, probate, and small claims cases.](#)

Explanation of Local Expenditures:

Explanation of Local Revenues: *Court Fee Revenue:* If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: Trial courts, city and town courts.

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

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