

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

LS 6810

BILL NUMBER: HB 1185

NOTE PREPARED: Jan 8, 2026

BILL AMENDED:

SUBJECT: Department of Agriculture.

FIRST AUTHOR: Rep. Aylesworth

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill adds a purpose for which money in the Clean Water Indiana Fund may be used. It renames the Value Added Research Fund to the Agricultural Market Development Fund and makes various changes to the purposes for which money in the Agricultural Market Development Fund may be used.

The bill allows the Agricultural Market Development Fund to accept grants, donations, and money received from any other source. It requires the Division of Soil Conservation to work in collaboration with state and federal agencies and research institutions in the installation and maintenance of mesonet sites.

The bill allows money in the Grain buyers and Warehouse Licensing Agency License Fee Fund to be used to augment and supplement funding for the implementation of the Indiana Grain Buyers and Warehouse Licensing and Bonding law subject to approval by the Budget Agency. The bill also makes conforming changes.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Agricultural Market Development Fund:* This bill renames the Value Added Research Fund to the Agricultural Market Development Fund and changes the purposes for which the money may be used. Contingent on administrative decisions and the availability of funds, these changes may result in an increase in workload and expenditures for the Indiana State Department of Agriculture (ISDA).

Grain Buyers and Warehouse Licensing Agency License Fee Fund: This bill allows, with approval of the State Budget Agency, the money allocated to the Grain Buyers and Warehouse Licensing Agency License Fee Fund be used to augment and supplement the money appropriated for the implementation of the Indiana Grain Buyers and Warehouse Licensing and Bonding law. The current authority to utilize money in the Fund for this purpose expires after FY 2026, meaning this bill could result in increased expenditures from the Fund starting in FY 2027.

Mesonet Sites: This bill will increase workload for the Division of Soil Conservation (under ISDA), and may increase expenditures from the Clean Water Indiana Fund, to collaborate with certain entities on the installation, maintenance, and use of mesonet sites.

Additional Information - The Indiana Mesonet is Indiana's only statewide mesonet system. It is comprised of the Indiana Water Balance Network operated by the Indiana Geological and Water Survey at Indiana University and the Purdue Mesonet operated by the Indiana State Climate Office at Purdue University.

At the end of FY 2025, the Clean Water Indiana Fund had a balance of \$10.17 M and the Value Added Research Fund had a balance of \$195,637.

Explanation of State Revenues: *Agricultural Market Development Fund:* The bill allows for the Agricultural Market Development Fund to receive donations and grants. If the fund receives money from non-state sources, revenue will increase.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana State Department of Agriculture; State Budget Agency.

Local Agencies Affected:

Information Sources: indianamesonet.org/about-the-mesonet.

Fiscal Analyst: Zachary Katopodis, 317-234-2106.