

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

LS 6589
BILL NUMBER: HB 1195

NOTE PREPARED: Feb 17, 2026
BILL AMENDED:

SUBJECT: High School Equivalency Programs.

FIRST AUTHOR: Rep. Davis
FIRST SPONSOR: Sen. Raatz

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill amends Indiana High School Equivalency Diploma Program eligibility requirements for individuals under 18 years of age. The bill also changes the expiration date of the High School Equivalency Pilot Program from June 30, 2026, to June 30, 2028. It makes conforming changes.

Effective Date: June 29, 2026; July 1, 2026.

Explanation of State Expenditures: *Department of Workforce Development (DWD):* The extension of the HSE Pilot Program for an additional two years represents a minor workload increase for DWD related to administrative oversight and reporting. The bill also adds requirements to the Indiana High School Equivalency (HSE) Diploma Program for individuals under age 18. These changes could impact workload related to administration of the HSE, the Indiana Career Explorer Program, and required pre-assessments. It is anticipated these requirements can be accomplished with existing resources.

Explanation of State Revenues: *HSE Eligible Testing Centers:* Under current law, students that attempt the HSE exam may be required to pay a testing fee of up to \$144 and may pay \$10 for optional tests or readiness assessments. The bill's changes to eligibility requirements could impact the number of pre-assessments and tests taken. SEIs that are considered eligible testing centers will experience a potential change in fee revenues, to the extent that they administer either an increase in assessments or a decrease in the number of HSE exams.

Explanation of Local Expenditures: A two year extension for the HSE Pilot Program could impact workload and expenditures at participating schools.

Explanation of Local Revenues: *HSE Eligible Testing Centers:* Public schools that are considered eligible testing centers may experience a change in testing fee revenue. [See *Explanation of State Revenues* for more information.]

State Agencies Affected: Department of Workforce Development, State educational institutions.

Local Agencies Affected: Public Schools.

Information Sources: Department of Workforce Development:
<https://www.in.gov/dwd/career-training-adult-ed/adult-ed/indiana-hse/#testing>

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