

HOUSE BILL No. 1196

DIGEST OF INTRODUCED BILL

Citations Affected: IC 22-4-15-1; IC 22-5-4.6; IC 22-5-9.4.

Synopsis: Employment and vaccinations. Provides that an employer may require an immunization only if the employer respects the employee's right to refuse an immunization. Provides that an employee shall be free from coercion or an adverse action based on the employee's refusal of an immunization. Requires an employer that offers an immunization at no cost to an employee to provide certain notice to the employee. Provides that a violation may be reported to the department of labor (department). Requires the department to impose a civil penalty of \$5,000 per incident. Allows an employee to bring a civil action against an employer to enforce the provisions. Repeals provisions concerning exemptions from COVID-19 immunization requirements. Makes a corresponding change.

Effective: Upon passage.

Borders

January 5, 2026, read first time and referred to Committee on Employment, Labor and Pensions.



Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1196

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-4-15-1, AS AMENDED BY P.L.186-2025,
- 2 SECTION 121, IS AMENDED TO READ AS FOLLOWS
- 3 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Regarding an individual's
- 4 most recent separation from employment before filing an initial or
- 5 additional claim for benefits, an individual who voluntarily left the
- 6 employment without good cause in connection with the work or was
- 7 discharged from the employment for just cause is ineligible for waiting
- 8 period or benefit rights for the week in which the disqualifying
- 9 separation occurred and until:
- 10 (1) the individual has earned remuneration in employment in at
- 11 least eight (8) weeks; and
- 12 (2) the remuneration earned equals or exceeds the product of the
- 13 weekly benefit amount multiplied by eight (8).
- 14 If the qualification amount has not been earned at the expiration of an
- 15 individual's benefit period, the unearned amount shall be carried
- 16 forward to an extended benefit period or to the benefit period of a
- 17 subsequent claim.



(b) When it has been determined that an individual has been separated from employment under disqualifying conditions as outlined in this section, the maximum benefit amount of the individual's current claim, as initially determined, shall be reduced by an amount determined as follows:

(1) For the first separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim, as initially determined; multiplied by

(B) seventy-five percent (75%);

rounded (if not already a multiple of one dollar (\$1)) to the next higher dollar.

(2) For the second separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (1); multiplied by

(B) eighty-five percent (85%);

rounded (if not already a multiple of one dollar (\$1)) to the next higher dollar.

(3) For the third and any subsequent separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (2); multiplied by

(B) ninety percent (90%);

rounded (if not already a multiple of one dollar (\$1)) to the next higher dollar.

(c) The disqualifications provided in this section shall be subject to the following modifications:

(1) An individual shall not be subject to disqualification because of separation from the individual's employment if:

(A) the individual left to accept with another employer previously secured permanent full-time work which offered reasonable expectation of continued covered employment and betterment of wages or working conditions and thereafter was employed on said job;

(B) having been simultaneously employed by two (2) employers, the individual leaves one (1) such employer voluntarily without good cause in connection with the work but remains in employment with the second employer with a



- 1 reasonable expectation of continued employment; or
2 (C) the individual left to accept recall made by a base period
3 employer.
- 4 (2) An individual whose unemployment is the result of medically
5 substantiated physical disability and who is involuntarily
6 unemployed after having made reasonable efforts to maintain the
7 employment relationship shall not be subject to disqualification
8 under this section for such separation.
- 9 (3) An individual who left work to enter the armed forces of the
10 United States shall not be subject to disqualification under this
11 section for such leaving of work.
- 12 (4) An individual whose employment is terminated under the
13 compulsory retirement provision of a collective bargaining
14 agreement to which the employer is a party, or under any other
15 plan, system, or program, public or private, providing for
16 compulsory retirement and who is otherwise eligible shall not be
17 deemed to have left the individual's work voluntarily without
18 good cause in connection with the work. However, if such
19 individual subsequently becomes reemployed and thereafter
20 voluntarily leaves work without good cause in connection with the
21 work, the individual shall be deemed ineligible as outlined in this
22 section.
- 23 (5) An otherwise eligible individual shall not be denied benefits
24 for any week because the individual is in training approved under
25 Section 236(a)(1) of the Trade Act of 1974, nor shall the
26 individual be denied benefits by reason of leaving work to enter
27 such training, provided the work left is not suitable employment,
28 or because of the application to any week in training of provisions
29 in this law (or any applicable federal unemployment
30 compensation law), relating to availability for work, active search
31 for work, or refusal to accept work. For purposes of this
32 subdivision, the term "suitable employment" means with respect
33 to an individual, work of a substantially equal or higher skill level
34 than the individual's past adversely affected employment (as
35 defined for purposes of the Trade Act of 1974), and wages for
36 such work at not less than eighty percent (80%) of the individual's
37 average weekly wage as determined for the purposes of the Trade
38 Act of 1974.
- 39 (6) An individual is not subject to disqualification because of
40 separation from the individual's employment if:
41 (A) the employment was outside the individual's labor market;
42 (B) the individual left to accept previously secured full-time



work with an employer in the individual's labor market; and
 (C) the individual actually became employed with the
 employer in the individual's labor market.

(7) An individual who, but for the voluntary separation to move
 to another labor market to join a spouse who had moved to that
 labor market, shall not be disqualified for that voluntary
 separation, if the individual is otherwise eligible for benefits.
 Benefits paid to the spouse whose eligibility is established under
 this subdivision shall not be charged against the employer from
 whom the spouse voluntarily separated.

(8) An individual shall not be subject to disqualification if the
 individual voluntarily left employment or was discharged due to
 circumstances directly caused by domestic or family violence (as
 defined in IC 31-9-2-42). An individual who may be entitled to
 benefits based on this modification may apply to the office of the
 attorney general under IC 5-26.5 to have an address designated by
 the office of the attorney general to serve as the individual's
 address for purposes of this article.

(9) An individual shall not be subject to disqualification if the
 individual

~~(A) has requested an exemption from an employer's
 COVID-19 immunization requirement;~~

~~(B) has complied with the requirements set forth in
 IC 22-5-4.6; and~~

~~(C) was discharged from employment for failing or refusing to
 receive an immunization against COVID-19.~~

As used in this subsection, "labor market" means the area surrounding
 an individual's permanent residence, outside which the individual
 cannot reasonably commute on a daily basis. In determining whether
 an individual can reasonably commute under this subdivision, the
 department shall consider the nature of the individual's job.

(d) "Discharge for just cause" as used in this section is defined to
 include but not be limited to:

(1) separation initiated by an employer for falsification of an
 employment application to obtain employment through
 subterfuge;

(2) knowing violation of a reasonable and uniformly enforced rule
 of an employer, including a rule regarding attendance;

(3) if an employer does not have a rule regarding attendance, an
 individual's unsatisfactory attendance, if good cause for absences
 or tardiness is not established;

(4) damaging the employer's property through willful and wanton



misconduct;

(5) refusing to obey instructions;

(6) conduct endangering safety of self or coworkers;

(7) incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction; or

(8) any breach of duty in connection with work which is reasonably owed an employer by an employee.

(e) To verify that domestic or family violence has occurred, an individual who applies for benefits under subsection (c)(8) shall provide one (1) of the following:

(1) A report of a law enforcement agency (as defined in IC 10-13-3-10).

(2) A protection order issued under IC 34-26-5.

(3) A foreign protection order (as defined in IC 34-6-2.1-76).

(4) An affidavit from a domestic violence service provider verifying services provided to the individual by the domestic violence service provider.

SECTION 2. IC 22-5-4.6 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Exemptions from COVID-19 Immunization Requirements).

SECTION 3. IC 22-5-9.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 9.4. Immunization Requirements

Sec. 1. As used in this chapter, "coercion" means the use of intimidation, threats, or force intended to convince an individual to take an immunization against the individual's will.

Sec. 2. As used in this chapter, "employee" means an individual who works for an employer on a full-time or part-time basis, either paid or unpaid. The term includes:

(1) an independent contractor;

(2) a subcontractor; and

(3) a student who works as a trainee or an intern.

Sec. 3. As used in this chapter, "employer" means:

(1) the state;

(2) any board, commission, department, division, bureau, committee, agency, governmental subdivision, military body, authority, or other instrumentality of the state;

(3) a state educational institution (as defined in IC 21-7-13-32);

(4) a political subdivision (as defined in IC 36-1-2-13); or

(5) a sole proprietor, corporation, partnership, limited



liability company, or other entity that has one (1) or more employees.

The term does not include the United States and its agencies and instrumentalities.

Sec. 4. As used in this chapter, "immunization" means the treatment of an individual with a vaccine intended to produce immunity.

Sec. 5. (a) An employer may require an immunization only if the employer respects the employee's right to refuse an immunization.

(b) An employee shall be free from:

(1) coercion; or

(2) an adverse action, including discrimination with respect to:

(A) the employee's tenure, compensation, and benefits;

(B) terms, conditions, and privileges of employment;

(C) uniform or attire;

(D) use of areas open to immunized employees; or

(E) testing in the absence of symptoms when immunized employees are not equally required to submit to testing;

based on the employee's refusal of an immunization.

Sec. 6. A:

(1) contract;

(2) bid specification; or

(3) agreement;

that is entered into, issued, amended, or renewed after March 31, 2026, may not contain a provision requiring an employee to receive an immunization that limits in any way the rights and protections provided to an employee under this chapter.

Sec. 7. (a) Nothing in this chapter shall be construed to:

(1) require an employer to impose a requirement that employees receive an immunization; or

(2) preclude an employer from offering an immunization at no cost to an employee.

(b) If an employer offers an immunization at no cost to an employee, the employer must notify the employee at the time of the offer in writing that the employee has the right to refuse the immunization free from coercion or an adverse action with the following statement: "IC 22-5-9.4-7 requires that an employer notify an employee that an employee's acceptance of an immunization is voluntary. An employee has the right to refuse the immunization free from coercion or an adverse action, including discrimination with respect to:



- (1) the employee's tenure, compensation, and benefits;
- (2) terms, conditions, and privileges of employment;
- (3) uniform or attire;
- (4) use of areas open to immunized employees; or
- (5) testing in the absence of symptoms when immunized employees are not equally required to submit to testing.

If an employee believes that the employee is being coerced into receiving an immunization or if the employee refuses the immunization and suffers an adverse action, the employee has the right to report the violation to the department of labor, the employer may be subject to a civil penalty, and the employee may bring a civil action against the employer."

Sec. 8. (a) A violation of this chapter may be reported to the department of labor.

(b) The department of labor shall impose a civil penalty of five thousand dollars (\$5,000) per incident for a violation of this chapter.

(c) A civil penalty collected under this section shall be deposited in the state general fund.

Sec. 9. (a) An employee may bring a civil action against an employer to enforce this chapter.

(b) If an employer is found to have violated this chapter, the court may do the following:

- (1) Award:
 - (A) actual damages; and
 - (B) court costs and reasonable attorney's fees; to the prevailing employee.
- (2) Enjoin further violation of this chapter.

Sec. 10. This chapter does not limit an employee's rights or remedies under any other state or federal law.

SECTION 4. An emergency is declared for this act.

