

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

LS 6884
BILL NUMBER: HB 1232

NOTE PREPARED: Dec 30, 2025
BILL AMENDED:

SUBJECT: Schools, Funding, and Religion.

FIRST AUTHOR: Rep. Haggard
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a public school, including a charter school, to teach the Bible as literature. The bill prohibits a governmental entity from denying benefits to any person on the basis of:

- (1) Article 1, Section 6 of the Constitution of the State of Indiana;
- (2) Separation of church and state; or
- (3) The establishment clause; and establishes certain exceptions.

The bill also permits a person adversely affected by a violation to file a civil action against the governmental entity. It authorizes a:

- (1) Prevailing plaintiff in a suit brought against a governmental entity; and
- (2) Prevailing party, in a suit brought by a governmental entity; to obtain court costs and reasonable attorney's fees.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The state and any governmental entity subject to a civil suit under the bill could see increased costs for attorney's fees and costs of prosecution. The Attorney General will also experience a workload increase to provide certain guidance to public schools and to represent the schools in certain civil cases if requested.

Explanation of State Revenues: 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: *Civil Suits:* If governmental entities are subject to civil actions under this bill, they could see increased costs for attorney's fees and costs of prosecution. [Public school expenditures would only increase if they elect not to be defended by the Attorney General as allowed under the bill.]

Literature Curriculum: The bill requires public schools to provide instruction on the Bible in every grade level. This would require public schools to adjust time spent on other areas of instruction in order to incorporate the bill's requirements into their existing literacy education.

Explanation of Local Revenues: 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: Attorney General, state governmental entities.

Local Agencies Affected: Public schools, local governmental entities, trial courts, city and town courts.

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

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