

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

LS 6762

BILL NUMBER: HB 1273

NOTE PREPARED: Dec 22, 2025

BILL AMENDED:

SUBJECT: Requirements for Proxy Advisors.

FIRST AUTHOR: Rep. Pierce K

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that if a proxy advisor makes a recommendation against entity management on an entity proposal or proxy proposal, or makes a default recommendation or policy concerning votes against entity management on entity proposals or proxy proposals, and the proxy advisor does not do so based on a written financial analysis, the proxy advisor shall do the following:

(1) At the time the proxy advisor provides the proxy advisory services, provide a clear and conspicuous disclosure to each interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services, that:

(A) identifies the services being provided by the proxy advisor;
(B) identifies the recommendation at issue; and
(C) states that the proxy advisor has made the recommendation without utilizing a written financial analysis regarding the impact that the recommended action would have on entity interest holders.

(2) If the proxy advisor provides certain proxy advisory services, then at the time the proxy advisor provides the proxy advisory services, the proxy advisor must provide to entity management, the disclosure provided to each interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services.

(3) For the entire time that a proxy advisor is providing proxy advisory services to an interest holder of an entity or any person acting on behalf of an interest holder of an entity, prominently display on the home page of the proxy advisor's website a statement that the proxy advisor has made a recommendation:

(A) against entity management on an entity proposal or proxy proposal; and
(B) without utilizing a written financial analysis regarding the impact that the recommended action would have on entity interest holders.

The bill provides that if a proxy advisor makes a recommendation against entity management on an entity proposal or proxy proposal, or makes a default recommendation or policy concerning votes against entity management on entity proposals or proxy proposals, and the proxy advisor does so based on a written financial analysis, the proxy advisor shall do the following:

(1) At the time the proxy advisor provides the proxy advisory services, provide a clear and

conspicuous disclosure to each interest holder or any person acting on behalf of an interest holder, receiving proxy advisory services, that:

- (A) identifies the services being provided by the proxy advisor;
 - (B) identifies the recommendation at issue;
 - (C) states that the proxy advisor utilized a written financial analysis regarding the impact that the recommended action would have on entity interest holders in making the recommendation; and
 - (D) states that the written financial analysis is available upon request.
- (2) Make the written financial analysis available to an interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services within a reasonable time after an interest holder or any person acting on behalf of an interest holder, receiving the proxy advisory services requests the written financial analysis.
- (3) If the proxy advisor provides certain proxy advisory services, then at the time the proxy advisor provides the proxy advisory services, the proxy advisor must provide a copy of the written financial analysis to entity management.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Deceptive Acts:* This bill adds to the list of 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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