

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

LS 7053

BILL NUMBER: HB 1281

NOTE PREPARED: Jan 13, 2026

BILL AMENDED:

SUBJECT: Restrictions on Lobbying for Foreign Adversary.

FIRST AUTHOR: Rep. Judy

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a lobbyist may not: (1) register as a lobbyist for a foreign adversary client; and (2) contract as a lobbyist to represent a foreign adversary.

Effective Date: July 1, 2026.

Explanation of State Expenditures: (Revised) *Indiana Lobby Registration Commission (ILRC)*: The bill would increase the workload of the ILRC to investigate complaints of lobbyists who are representing a foreign adversary. If additional full-time staff is needed, the salary, fringe, and benefits for each position would range between \$73,500 to \$116,300 in salary and fringe benefits during FY 2027 and between \$76,400 and \$121,000 during FY 2028.

(Revised) *IT Costs*: The bill could increase ILRC costs to update the agency's information technology systems to handle additional filings. The Indiana Office of Technology (IOT) charges fees to provide services to state agencies, and ultimately any costs ILRC pays to IOT would depend on ILRC needs to administer the provisions of the bill.

The IOT currently offers database consultancy for state agencies at a rate of \$100 per hour and database hosting at \$32.68 per month. The IOT also offers guidance to state agencies with itemized checklists to help minimize IT costs.

(Revised) *Attorney General*: The bill could increase the workload of the Attorney General to enforce the provisions of the bill in civil court. Increases in workload are within the routine administrative function of the agency and are expected to be accomplished under existing resource and funding levels.

Explanation of State Revenues: *Summary* - The bill could increase General Fund revenue from civil penalties and civil court fees. Increases in General Fund revenue are indeterminable, but expected to be minimal.

Additional Information -

Civil Penalties: The bill could increase General Fund revenue from civil penalties collected from individuals who illegally lobby on behalf of a foreign adversary. The civil penalty would be equal to the amount of money an individual was paid to represent the foreign adversary.

Civil Actions Filed by the Attorney General: If the Attorney General files a civil action against a nongovernmental party and prevails, court fees may be collected from the defendant [IC 33-37-3-1]. Additional court fees will increase revenue to the state General Fund. 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: The bill could increase the workload of a local prosecuting attorney to act on behalf of the Indiana Lobby Registration Commission to enforce prohibitions in the bill.

Explanation of Local Revenues: *Civil Actions Filed by the Attorney General:* 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: Indiana Lobby Registration Commission; Attorney General; Indiana Office of Technology.

Local Agencies Affected: Courts, local prosecuting attorney.

Information Sources:

<https://www.in.gov/sba/files/Operating-Budget-Instructions-FY26-27.pdf>

<https://www.in.gov/iot/files/819FY-25-Rate-sheet.pdf>

<https://www.in.gov/iot/files/IOT-Services-Catalog.pdf>

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