

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

LS 6887
BILL NUMBER: HB 1290

NOTE PREPARED: Dec 30, 2025
BILL AMENDED:

SUBJECT: Wage Matters.

FIRST AUTHOR: Rep. Ireland
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill updates or amends certain portions of the definition of "employee". It provides that an employer who knowingly sells merchandise or supplies to an employee for higher than the market price commits a Class C infraction. The bill also provides that an employer must pay each employee at least semimonthly or biweekly the amount due the employee. (Current law gives the employee the choice.)

The bill provides that a wage assignment:

- (1) is not required to have a revocation provision on or after July 1, 2026; and
- (2) may benefit the employer under certain circumstances.

The bill specifies that an employee may bring an action under certain wage provisions if an employer makes an improper wage deduction.

It reorganizes certain minimum wage and wage claim provisions. It also changes the statute of limitations with respect to certain minimum wage and wage claim provisions. The bill makes technical and conforming changes.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The bill could result in a minor workload increase for the Department of Labor for employee claims and civil actions under IC 22-2-9. The bill's requirements are within the agencies' routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

The bill may result in a minor workload reduction for the Attorney General.

Explanation of State Revenues: The bill will have an indeterminable, but likely minor impact on the number of civil actions filed. The bill reduces the period of time after a cause of action arises that an employee can file an action against an employer for minimum wage violations from three years to two years if a violation is not willful. The statute of limitations for willful violations remain at three years. This change

could result in a minor reduction in the number of actions filed for this purpose. The clarifying changes under IC 22-2-9 may increase the number of actions filed in state courts.

When civil cases occur and court fees are collected, revenue to the state General Fund increases. The total revenue per case ranges 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: See *Explanation of State Revenues*.

When civil actions occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county receives \$32 and qualifying municipalities 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: Department of Labor; Attorney General.

Local Agencies Affected: Trial courts, city and town courts.

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

Fiscal Analyst: Camille Tesch, 317-232-5293.