

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

LS 6994
BILL NUMBER: HB 1313

NOTE PREPARED: Jan 8, 2026
BILL AMENDED:

SUBJECT: Education Matters.

FIRST AUTHOR: Rep. Ireland
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Lobbyists:* This bill prohibits a school corporation, public school, governing body of a school corporation, or state educational institution from spending public funds to:

- (1) hire or contract with, for the purpose of lobbying a member of the General Assembly, a person required to register as a lobbyist; or
- (2) pay a nonprofit association or organization that:
 - (A) primarily represents school corporations, public schools, governing bodies, or state educational institutions; and
 - (B) hires or contracts with a person required to register as a lobbyist.

Civil Action: It also provides that a taxpayer or resident of Indiana may bring a civil action for a violation of the prohibited conduct.

Tuition Support Reduction: The bill provides that a school corporation may not convert a scheduled instructional day to virtual instruction because of the planned or coordinated absence of teachers or other personnel for the purpose of participating in a protest, demonstration, or political advocacy event. It also provides that a school corporation that violates this provision is subject to a reduction in state tuition support for each day of violation.

Dues for School Employee Organizations: The bill provides that a school employer may not deduct any dues, fee, assessment, or other sum of money from the wages or other earnings of an employee to hold for or pay to a school employee organization. It also repeals provisions regarding certain deductions of dues from pay by school employers.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Tuition Support Reduction:* Under the bill, if a school corporation converts an instructional day to a virtual instruction day so that staff can participate in a political advocacy event, that day would not count as one of the required 180 school days. Under current law, schools that do

not have 180 instructional days in a school year have their state tuition support distribution reduced based on a formula. State expenditures could decrease if schools do not comply with the provision.

Lobbyists: The bill's prohibition on state educational institutions (SEIs) paying lobbyists could result in an expenditure decrease for SEIs. However, if a civil action is brought, expenditures could increase. [SEIs receive state funding through General Fund appropriations.]

Explanation of State Revenues: *Civil Action:* 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: *Lobbyists:* The bill's prohibition on public schools paying lobbyists could result in an expenditure decrease. However, if a school violates the prohibition and faces a civil action, expenditures could increase.

Explanation of Local Revenues: *Tuition Support Reduction:* If schools convert instructional days to virtual instructional days so staff can participate in a political advocacy event, state tuition support revenue would decrease. See *Explanation of State Expenditures*.

Civil Action: 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: State educational institutions.

Local Agencies Affected: Public schools; trial courts, city and town courts.

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

Fiscal Analyst: Austin Spears, 317-234-9454.