

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

LS 6991

BILL NUMBER: HB 1372

NOTE PREPARED: Jan 1, 2026

BILL AMENDED:

SUBJECT: Commercial Property Services Contracts.

FIRST AUTHOR: Rep. Slager

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill defines a "commercial property services contract" as a contract that: (1) is initially entered into by a service provider and a property owner after June 30, 2026; and (2) provides for the provision of services and any personal property related to providing, or necessary to provide, those services; with respect to the property owner's commercial property.

It provides that any automatic renewal clause included in a commercial property services contract: (1) may not provide for a renewal term that is longer than 12 months; and (2) must specify a time frame during which the property owner may give notice to the service provider of the property owner's intent to terminate the contract, or any subsequent renewal of the contract, at the end of the contract term or renewal term.

It specifies that the time frame during which the property owner may give notice of the property owner's intent to terminate the contract or a renewal of the contract must: (1) begin at least 120 days before; and (2) end not later than 30 days before; the expiration of the contract term or renewal term. It provides that an automatic renewal clause that does not conform to the bill's requirements is void and may not be enforced.

The bill provides that a service provider that does not comply with the bill's requirements commits a deceptive act that is actionable by the Attorney General and the property owner under the statute concerning deceptive consumer sales.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Deceptive Acts:* This bill may increase 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.

Fiscal Analyst: Nate Bodnar, 317-234-9476.