

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

LS 6766
BILL NUMBER: HB 1374

NOTE PREPARED: Jan 3, 2026
BILL AMENDED:

SUBJECT: Requirements for Incentive Recipient Employers.

FIRST AUTHOR: Rep. VanNatter
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill specifies additional conditions pertaining to the use of secret ballot elections in unionization efforts and employee personal contact information that an employer must comply with to be eligible to receive a tax credit, tax deduction, grant, loan, or loan guarantee from the Indiana Economic Development Corporation (IEDC).

The bill requires the IEDC to enter into a separate agreement with a recipient of a job creation incentive to recover the value of the job creation incentive if the recipient does not comply with the conditions added by the bill. The bill also specifies the term of the separate agreement in relation to the value of the job creation incentive.

The bill requires the IEDC to investigate reports of noncompliance with the conditions added by the bill during the period when the separate agreement is in effect and to provide those findings to the Office of the Attorney General for the initiation of proceedings for recovery of job creation incentives.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The bill would increase the workload for the IEDC and the Office of the Attorney General. The IEDC would need to enter into separate agreements with job creation incentive recipients. The IEDC would also need to investigate reports of noncompliance with the separate agreement and provide written notice to the Office of the Attorney General and the employer. The Office of the Attorney General would initiate job creation incentive recovery if the employer is found to be noncompliant.

Explanation of State Revenues: The bill could potentially increase state revenue to the extent that job creation incentives are recovered. The bill requires the IEDC to execute a separate agreement with recipients of job creation incentives beginning in FY 2027. The bill authorizes the IEDC to recover the incentive if a recipient fails to comply with the separate agreement.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IEDC; Office of the Attorney General.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Qian Li, 317-232-9671.