
HOUSE BILL No. 1389

AM138903 has been incorporated into January 27, 2026 printing.

Synopsis: Adoption and foster care matters.

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January 27, 2026

Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

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HOUSE BILL No. 1389

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 31-9-2-5.2 IS ADDED TO THE INDIANA CODE
- 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2026]: **Sec. 5.2. "Adoption or foster care service", for purposes**
- 4 **of IC 31-10-3.5, refers to any one (1) or more of the following:**
- 5 **(1) Promoting foster parenting.**
- 6 **(2) Coordinating placement of a child in a home or facility**
- 7 **licensed under IC 31-27.**
- 8 **(3) Recruiting a foster parent or an adoptive parent.**
- 9 **(4) Licensing or certifying a foster family home.**
- 10 **(5) Promoting adoption.**
- 11 **(6) Assisting with an adoption or supporting an adoptive**
- 12 **parent.**
- 13 **(7) Performing or assisting with a home study.**
- 14 **(8) Assisting with a kinship guardianship or a kinship**
- 15 **caregiver.**
- 16 **(9) Providing any family preservation service.**
- 17 **(10) Providing any family support service or temporary**

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1 **family reunification service.**

2 SECTION 2. IC 31-9-2-40.9 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2026]: **Sec. 40.9. "Discriminate", for**
5 **purposes of IC 31-10-3.5, includes any one (1) or more of the**
6 **following acts when done wholly or partially based on a person's**
7 **sincerely held religious belief:**

8 **(1) Denying or otherwise making unavailable any funding to**
9 **the person, including:**

10 **(A) a state grant;**

11 **(B) a loan;**

12 **(C) a scholarship;**

13 **(D) a guarantee; or**

14 **(E) an entitlement or a state benefit.**

15 **(2) Terminating, altering the terms of, or refusing to enter**
16 **into a contract with the person, including a subcontract or**
17 **cooperative agreement.**

18 **(3) Refusing to recognize or taking any adverse action**
19 **against a person's:**

20 **(A) license;**

21 **(B) certificate;**

22 **(C) custody award or agreement; or**

23 **(D) any other similar status.**

24 **(4) Refusing to place a child with the person, except for the**
25 **reasons set forth in IC 31-10-3.5-1.**

26 **(5) Altering in any way the person's tax treatment, including:**

27 **(A) imposing a tax penalty;**

28 **(B) denying or otherwise making unavailable an**
29 **exemption from taxation; or**

30 **(C) disallowing or otherwise making unavailable a**
31 **deduction for state tax purposes of any charitable**
32 **donation made by or to the person.**

33 **(6) Imposing on the person any of the following:**

34 **(A) A monetary fine.**

35 **(B) A fee.**

36 **(C) A penalty.**

37 **(D) A damages award.**

38 **(E) An injunction.**

39 **(7) Taking any of the following actions:**

40 **(A) Refusing to hire or promote the person.**

41 **(B) Forcing the person to resign.**

42 **(C) Firing, demoting, or disciplining the person.**

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- 1 **(D) Altering the terms or conditions of the person's**
- 2 **employment.**
- 3 **(E) Retaliating against the person.**
- 4 **(F) Taking any other adverse employment action against**
- 5 **the person.**

6 SECTION 3. IC 31-9-2-89, AS AMENDED BY P.L.3-2016,
 7 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2026]: Sec. 89. (a) "Person", for purposes of IC 31-19-19,
 9 IC 31-19-25, and the juvenile law, means:

- 10 (1) a human being;
- 11 (2) a corporation;
- 12 (3) a limited liability company;
- 13 (4) a partnership;
- 14 (5) an unincorporated association; or
- 15 (6) a governmental entity.
- 16 (b) "Person", for purposes of section 44.5 of this chapter, means
- 17 an adult or a minor.
- 18 (c) "Person", for purposes of IC 31-27, means an individual who
- 19 is at least twenty-one (21) years of age, a corporation, a partnership, a
- 20 voluntary association, or other entity.
- 21 (d) "Person", for purposes of the Uniform Child Custody
- 22 Jurisdiction Act under IC 31-21, has the meaning set forth in
- 23 IC 31-21-2-13.
- 24 (e) "Person", for purposes of the Uniform Interstate Family
- 25 Support Act under IC 31-18.5, has the meaning set forth in
- 26 IC 31-18.5-1-2.

- 27 **(f) "Person", for purposes of IC 31-10-3.5, means:**
- 28 **(1) an individual; or**
- 29 **(2) a legal entity, including a religious organization.**

30 SECTION 4. IC 31-9-2-107.2 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2026]: **Sec. 107.2. "Religious organization",**
 33 **for purposes of section 89 of this chapter, refers to any of the**
 34 **following:**

- 35 **(1) A house of worship, including a church, synagogue,**
- 36 **shrine, mosque, or temple.**
- 37 **(2) A religious:**
 - 38 **(A) group;**
 - 39 **(B) corporation;**
 - 40 **(C) association;**
 - 41 **(D) school or educational institution;**
 - 42 **(E) ministry;**



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- 1 (F) order;
- 2 (G) society; or
- 3 (H) entity, regardless of whether the entity is integrated
- 4 or affiliated with a house of worship.

5 (3) Any officer, owner, employee, manager, religious leader,
6 clergy, or minister of an entity described in this section.

7 SECTION 5. IC 31-9-2-119.5 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2026]: **Sec. 119.5. "State benefit", for**
10 **purposes of section 40.9 of this chapter, means any program**
11 **administered, controlled, or funded by the state that provides any**
12 **one (1) or more of the following:**

- 13 (1) Cash.
- 14 (2) Payments.
- 15 (3) Grants.
- 16 (4) Contracts.
- 17 (5) Loans.
- 18 (6) In-kind assistance.

19 SECTION 6. IC 31-10-3.5 IS ADDED TO THE INDIANA CODE
20 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2026]:

22 **Chapter 3.5. Antidiscrimination in Adoption and Foster**
23 **Proceedings**

24 **Sec. 1. (a) Except as provided in subsection (b), a**
25 **governmental entity may not discriminate against any of the**
26 **following:**

- 27 (1) A person that provides, or declines to provide, an
- 28 adoption or foster care service in a manner consistent with
- 29 the person's sincerely held religious belief.
- 30 (2) An adoptive parent (as defined in IC 31-9-2-6) who raises,
- 31 or intends to raise, a child in a manner consistent with the
- 32 adoptive parent's sincerely held religious belief.
- 33 (3) A foster parent (as defined in IC 31-9-2-47) who raises, or
- 34 intends to raise, a child in a manner consistent with the
- 35 foster parent's sincerely held religious belief.
- 36 (4) A person that in a matter concerning adoption or foster
- 37 care service:
 - 38 (A) maintains any policy and procedure; or
 - 39 (B) otherwise acts;
- 40 consistent with the person's sincerely held religious belief.

41 (b) A governmental entity may consider whether a person
42 described in subsection (a) shares the same religion or faith

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1 tradition as:

2 (1) a child when considering placement of the child to

3 prioritize the child's placement with a person of the same

4 religion or faith tradition; or

5 (2) the child's parent or parents when considering placement

6 of the child to prioritize the child's placement with a person

7 who shares the same religion or faith tradition of the parent

8 or parents of the child.

9 (c) A governmental entity may not discriminate against a

10 person described in subsection (a) unless the discriminatory act:

11 (1) as applied to the person described in subsection (a), is

12 required to advance a compelling governmental interest; and

13 (2) is the least restrictive means of advancing the

14 governmental interest.

15 **Sec. 2. (a) Notwithstanding IC 34-13-3-3 and subject to**

16 **subsection (b), a person may:**

17 (1) bring a cause of action against a governmental entity for

18 a violation of section 1 of this chapter; or

19 (2) assert the violation of section 1 of this chapter as a claim

20 or defense in a judicial proceeding.

21 (b) A person may not bring a cause of action against any court

22 under this section.

23 (c) A person does not need to exhaust any administrative

24 remedy before commencing an action under this section.

25 **Sec. 3. Relief against the governmental entity may include any**

26 **of the following:**

27 (1) Declaratory relief.

28 (2) Injunctive relief.

29 (3) Compensatory damages.

30 (4) Reasonable attorney's fees and costs.

31 **Sec. 4. This chapter does not:**

32 (1) prohibit the department from taking an action authorized

33 by state law to prevent child abuse or neglect as defined in

34 IC 31-9-2-14(c); or

35 (2) limit the department from enforcing licensing

36 requirements under IC 31-27 that are consistent with this

37 chapter.

38 SECTION 7. IC 34-11-2-17.1 IS ADDED TO THE INDIANA

39 CODE AS A NEW SECTION TO READ AS FOLLOWS

40 [EFFECTIVE JULY 1, 2026]: **Sec. 17.1. An action against a**

41 **governmental entity for discrimination under IC 31-10-3.5-2 must**

42 **be commenced not more than two (2) years after the date of the act**

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