

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

LS 7115
BILL NUMBER: HB 1417

NOTE PREPARED: Jan 29, 2026
BILL AMENDED: Jan 27, 2026

SUBJECT: Causes of Action and Damages.

FIRST AUTHOR: Rep. Lehman
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Public Nuisance Limitation:* The bill limits a civil cause of action concerning a public nuisance. It provides that the limitations shall not affect a local administrative code or ordinance, unless the local administrative code or ordinance provides for a civil cause of action and is in conflict with certain provisions.

Attorney's Fees for Qualified Settlement Offers Not Accepted: The bill provides that the award of attorney's fees, costs, and expenses may not total more than \$100,000 (rather than \$5,000) if a recipient does not accept a qualified settlement offer and the final judgment is less favorable to the recipient than the terms of the qualified settlement offer.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Attorney's Fees for Qualified Settlement Offers Not Accepted:* This provision could potentially increase state expenditures to the state receives a final judgment for a lower amount than what was offered in the qualified settlement offer. The court shall award attorney's fees, costs, and expenses to the offeror against the recipient, and the bill increases the total amount of certain expenses that may be awarded. The fiscal impact is indeterminate.

Public Nuisance Limitation: The bill places certain limitations on public nuisance actions which could potentially reduce the workload of the OAG in representing the state. The bill provides that an action or condition that is otherwise permitted by a local ordinance, state or federal law, or a court order is not a public nuisance. It specifies that a public nuisance cause of action is available to a governmental entity if the public nuisance is occurring within their jurisdiction.

Explanation of State Revenues: *Court Fee Revenue:* The bill may impact the number of civil court cases that are filed indeterminately by limiting public nuisance causes of action and by increasing attorney fees that may be awarded if a settlement offer is rejected (under certain circumstances). The total revenue per case ranges between \$100 and \$122, 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.](#)

Public Nuisance Cause of Action: A governmental entity may only seek prospective injunctive relief for the abatement of the public nuisance. They may recover damages that are reasonably necessary to abate the public nuisance, and may not recover money damages associated with a potential future harm.

Explanation of Local Expenditures: *Attorney's Fees for Qualified Settlement Offers Not Accepted:* This provision could potentially increase local expenditures to the extent local units receive a final judgment for a lower amount than what was offered in the qualified settlement offer. The court shall award attorney's fees, costs, and expenses to the offeror against the recipient, and the bill increases the total amount of certain expenses that may be awarded. The fiscal impact is indeterminate.

Court Caseloads: The bill could potentially reduce court caseloads by providing requirements for public nuisance cause of actions available to governmental entities and private persons. Conversely, the bill could potentially increase court caseloads by increasing attorney fees that may be awarded if a settlement offer is rejected (under certain circumstances).

Public Nuisance Cause of Action: A governmental entity may file a public nuisance cause of action if the public nuisance is occurring within their jurisdiction.

Explanation of Local Revenues: *Court Fee Revenue:* The bill may impact the number of civil court cases that are filed indeterminately. For a case that is filed in a court of record, the county receives \$32 and qualifying municipalities receive a share of \$3. For a case that is filed in a municipal court, the county receives \$20, and the municipality receives \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Public Nuisance Cause of Action: A governmental entity may only seek prospective injunctive relief for the abatement of the public nuisance. They may recover damages that are reasonably necessary to abate the public nuisance, and may not recover money damages associated with a potential future harm.

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

Local Agencies Affected: All local units; trial courts, city and town courts.

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

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