

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

**LS 7099**  
**BILL NUMBER:** SB 4

**NOTE PREPARED:** Jan 28, 2026  
**BILL AMENDED:** Jan 28, 2026

**SUBJECT:** Various Fiscal Matters.

**FIRST AUTHOR:** Sen. Mishler  
**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

*Executive Order Fiscal Notes:* It requires the Legislative Services Agency to perform a fiscal impact analysis for all executive orders issued by the Governor within seven days of an order's issuance. (Under current law, this requirement only applies to a Governor's declaration of a disaster emergency by executive order.)

*Pokagon Indiana Education Fund:* It amends the Pokagon Indiana Education Fund to allow payments to be made to both public and private Indiana institutions of higher learning for the purposes of the fund.

*Tax Credits:* It amends provisions regarding Budget Committee review of tax credits in determining the annual aggregate tax credit cap.

*Community Mental Health Centers:* It makes the following changes (effective July 1, 2028) regarding community mental health centers (CMHC): (1) Allows a county to meet CMHC funding requirements from any funding source in lieu of or in combination with property taxes but excluding federal funds. (2) Adds provisions concerning the location where certain CMHC services may be provided. (3) Specifies additional items that are required to be reported by a CMHC.

*Study of Court Fees and Fines:* It urges the Legislative Council to assign to the Interim Study Committee on Courts and the Judiciary the task of undertaking a comprehensive study of all court fees and fines.

**Effective Date:** (Amended) Upon passage; July 1, 2025 (retroactive); July 1, 2028.

**Explanation of State Expenditures:** *CCDF Funding:* Depending on actions taken by the Budget Agency and Budget Committee, the bill would affect spending from the Financial Responsibility and Opportunity Growth Fund in FY 2026 and FY 2027. The bill allows the Budget Agency, with Budget Committee approval, to use the appropriation to this fund or augment the fund to provide funding to the Child Care and Development Fund voucher program.

HEA 1001-2025 made a biennial appropriation of \$300 M to the Financial Responsibility and Opportunity Growth Fund. Currently, this money may be used to augment the following appropriations:

- State correctional facilities operations appropriation made to the Department of Correction,
- Medicaid assistance appropriation made to the Family and Social Services Administration, and
- Family and Children Fund appropriation made to the Department of Child Services.

*Executive Order Fiscal Notes:* The Legislative Services Agency should be able to publish the required fiscal impact analysis with current resources.

*Pokagon Indiana Education Fund:* This provision has no state or local fiscal impact.

*Tax Credits:* The State Budget Committee and the Indiana Economic Development Corporation can implement this provision with current resources.

*Study of Court Fees and Fines:* If the Interim Study Committee on Courts and the Judiciary were to hold additional meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget, which is established by the Legislative Council.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Community Mental Health Centers:* The bill could reduce impact property tax funding for community mental health centers (CMHCs) after July 1, 2028. The impact will depend on the decisions made and actions taken by each county. [Indiana has 24 CMHCs, which are nonprofits that provide comprehensive behavioral health care to adults, adolescents, and children experiencing mental illness or substance use disorder.]

**Explanation of Local Revenues:**

**State Agencies Affected:** Legislative Services Agency; State Budget Agency; Indiana Economic Development Corporation; Family and Social Services Administration; General Assembly.

**Local Agencies Affected:** Counties.

**Information Sources:**

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