

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

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

**NOTE PREPARED:** Feb 27, 2026  
**BILL AMENDED:** Feb 27, 2026

**SUBJECT:** Various Fiscal Matters.

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

**BILL STATUS:** Enrolled

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

**IMPACT:** State & Local

**Summary of Legislation:** *Executive Order Fiscal Notes:* This bill 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.)

*Implementation and Compliance Cost Threshold:* The bill provides that if the implementation and compliance costs of a proposed rule are expected to exceed \$500,000 (instead of \$1 M) over a two-year period, the publisher may not publish the proposed rule until the Budget Committee has reviewed the rule.

*Pokagon Indiana Education Fund:* The bill 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.

*Community Mental Health Centers:* The bill 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 in its annual report.

*Study of Court Fees and Fines* The bill 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.

*CCDF Funding:* The bill allows the Budget Agency, subject to Budget Committee review, to use the appropriation to the Financial Responsibility and Opportunity Growth Fund in HEA 1001-2025 or augment the fund for the purpose of providing funding to the Child Care and Development Fund (CCDF) voucher program in addition to the uses for the appropriation as authorized in HEA 1001-2025.

**Effective Date:** Upon passage; July 1, 2025 (retroactive); July 1, 2026; 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:* This bill requires that the LSA perform a fiscal impact analysis for all executive orders issued by the Governor within seven days of an order's issuance. This requirement will result in increased workload for the agency and potentially increased costs dependent upon the prevalence, complexity, and timing of the executive orders.

*Implementation and Compliance Cost Threshold:* The bill would increase the number of administrative rules requiring review by the Budget Committee. Under current law, any proposed administrative rule (regular, provisional, or interim rule) that has combined implementation and compliance costs exceeding \$1 M over any two-year period [for businesses, local units, and individuals, as estimated in the rule's regulatory analysis] must be reviewed by the Budget Committee prior to the proposed rule being published in the Indiana Register or approved by the SBA or OMB, with a few exceptions. The bill reduces this threshold to \$500,000.

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

*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:**

**Explanation of Local Revenues** *Community Mental Health Centers:* The bill could decrease property tax funding for a Community Mental Health Center (CMHC) by allowing the county to meet CMHC funding requirements with any funding source in lieu of or in combination with property taxes but excluding federal funds. The impact on property tax distributions 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.]*

**State Agencies Affected:** Legislative Services Agency; State Budget Agency; Family and Social Services Administration; General Assembly; Budget Committee; Potentially all state agencies with rulemaking authority under IC 4-22 or IC 13-14-9.

**Local Agencies Affected:** Community mental health centers.

**Information Sources:**

<https://www.in.gov/sba/files/FMC-5.2-Requirements-for-Regulatory-Analysis-July-1-2024-UPDATE.pdf>

<https://www.in.gov/omb/rule-approval-process/administrative-rulemaking-rulemaking-process-overview/>

<https://www.in.gov/fssa/dfr/snap-benefit-fraud-by-card-skimming/>

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