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

LS 6017
BILL NUMBER: SB 24

NOTE PREPARED: Sep 17, 2025
BILL AMENDED:

SUBJECT: State Administered Retirement Program.

FIRST AUTHOR: Sen. Becker
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill establishes a board to design, establish, and operate a state administered retirement program (program) that automatically enrolls specified private sector employees. This bill requires program compliance by certain employers that have not, in the previous two calendar years, offered a qualified retirement plan to employees. It specifies the powers and duties of the board. It also specifies program requirements, including default contribution levels and program fees. The bill requires the board to contract with investment managers, private financial institutions, or other service providers to invest money and administer the program. It limits the liability of particular parties associated with the program. It specifies board requirements for disclosure, audits, and reports. The bill requires the board to adopt certain rules. It makes an appropriation.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Program Administration:* The Treasurer of State's Office may need additional funding to hire staff to support the administration and oversight of the program, to contract with outside entities, and to provide staff support for the board. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. It is unclear to what extent fees on member deposits could be used to cover costs incurred by the Treasurer of State's Office. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

The bill establishes the Hoosier Crossroads Retirement Fund. Money in the fund would be used to implement and administer the Hoosier Crossroads Retirement program. Money in the fund is continuously appropriated for purposes of implementing and administering the program.

The program may create additional workload for the following state agencies to provide outreach, technical assistance, or compliance services: the Secretary of State, the Department of State Revenue, the Department of Labor, and any other agency that the Board deems appropriate. The bill tasks the Department of Labor to work with the Treasurer of State's Office to establish a process for enforcing employer compliance.

Board: The Treasurer of State and the State Comptroller or their designee would become members of the board along with seven members appointed by the Governor. Members of the board are entitled to reimbursement for mileage and traveling expenses and other expenses actually incurred in connection with the member's duties. Board member reimbursements will be paid from the Hoosier Crossroads Retirement Fund.

The board has extensive responsibilities to design, establish, manage, operate, and report on the plan. The requirements to serve on the board for the Treasurer of State and the State Comptroller could increase workload [and/or expenditures] for these offices, beyond what would be reimbursed from the administrative fund.

Additional Information - The bill establishes the Hoosier Crossroads Retirement Program, a defined contribution retirement plan for employees of for-profit and non-profit employers with five or more employees who otherwise do not have access to an employer sponsored retirement plan. Participating individuals would be automatically enrolled at a contribution rate of 5% of wages which would go into a separate account for each member.

Explanation of State Revenues: *Hoosier Crossroads Retirement Fund:* The fund may consist of money appropriated to the fund by the General Assembly; money received from federal, state, or local governments; money received from fees and penalties; and money received from donations, gifts, grants, and investments. Noncompliant employers are required to pay a fine for each employee per year who is eligible to participate in the program, not to exceed an aggregate amount of $5,000 in a calendar year.

Additional Information - In the first three years, member fees would be capped at 1% of the program's assets and would be set by the board in years thereafter as a total flat fee rate. The bill defines fees as investment management charges, administrative charges, investment advice charges, trading fees, marketing and sales fees, revenue sharing, broker fees, and other costs necessary to operate the program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Treasurer of State, State Comptroller, Governor, Department of Labor, General Assembly, Secretary of State, Department of State Revenue.

Local Agencies Affected:

Information Sources:

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