

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

**LS 6306**  
**BILL NUMBER:** SB 57

**NOTE PREPARED:** Jan 5, 2026  
**BILL AMENDED:**

**SUBJECT:** Historic Sites.

**FIRST AUTHOR:** Sen. Leising  
**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

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

**IMPACT:** State

**Summary of Legislation:** The bill establishes the Division of Historic Sites (Division) in the Department of Natural Resources (DNR). It transfers management of historic sites from the Indiana State Museum and Historic Sites Corporation (ISMHS) to the Division. It makes conforming changes. It makes an appropriation.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** *Board of Trustees:* The bill creates a 13-member Board of Trustees for the Division that is to meet at least quarterly. The DNR Director is to serve as chairperson of the trustees. The Governor is to appoint 12 other members, including one member from each of Indiana's 9 congressional districts. Members are entitled to travel reimbursement, and members who are not state employees are also entitled to a per diem. The director of the new Division serves as the secretary of the trustees.

*Establishment and Administration of Funds:* The bill establishes the new nonreverting State Historic Sites Development Fund. This fund is to be administered by the Division or an entity designated by the Division. Money in the this fund is continuously appropriated, after Budget Committee review and State Budget Agency approval. The bill also establishes the new nonreverting Historic Site Acquisition Fund to be administered by the Division, with money continuously appropriated.

The bill allows the Division to designate a nonprofit subsidiary corporation for fundraising efforts, to be known as the Indiana Historic Sites Foundation, and requires the Division to provide administrative support to this foundation, and allows the Division to provide office facilities.

*Transfer of Historic Sites Management:* The ISMHS Corporation, a quasi-agency, currently manages the State Museum and eleven historic sites throughout the state. The bill establishes the new Division of Historic Sites within the DNR, and transfers all powers, duties, assets, and liabilities *of the state's historic sites* from the ISMHS Corporation to the Division (the ISMHS Corporation's name will change to the Indiana State Museum Corporation).

The State Budget Agency is to determine and transfer any funds used to operate and maintain historic sites

from the State Museum Development Fund (renamed by the bill), and transfer funds from any other account that were intended for the historic sites, to the new nonreverting State Historic Sites Development Fund. However, the majority of historic site net assets are held in external accounts (not within the state treasury) by the Indiana State Museum Foundation, a nonprofit subsidiary corporation that raises funds and accepts gifts and donations for the ISMHS Corporation. If the foundation's existence as a "subsidiary corporation" is sufficient to be considered an asset of the ISMHS Corporation, those net assets will also be divided.

The *combined* net position of the ISMHS Corporation and the Indiana State Museum Foundation, as of June 30, 2025, was \$12.0 M (according to ISMHS Corporation financial statements). The impact of the bill's provision to move management of the historic sites will depend on the amount transferred to the Division from other state funds, and possibly from external funds, to cover the costs of the historic sites, as well as the amounts left untransferred to continue to cover the costs of the Indiana State Museum.

*President Benjamin Harrison Conservation Trust Project Commission:* The bill adds the director of the new Division as a member of the President Benjamin Harrison Conservation Trust Project Commission (now 21 members), and requires nine members present (instead of eight) to constitute a quorum. This additional member would be entitled to reimbursement for travel expenses.

*Additional Information:*

*ISMHS Corporation State Funds:* HEA 1001-2025 appropriated \$10.6 M for each fiscal year of the biennium to the ISMHS Corporation for operating expenses. Personnel expenses for ISMHS Corporation employees are paid from state General Fund appropriations into ISMHS Corporation funds, within the state treasury.

*Background on the ISMHS Corporation:* Legislation in 2011 repealed the DNR's Division of State Museums and Historic Sites, and moved management of those properties to the newly established ISMHS Corporation, a quasi-agency. In the first fiscal year (FY 2012), the DNR transferred \$1.3 M in cash and \$0.5 million in net capital assets to the ISMHS Corporation.

The year-end net position for FY 2012 was \$5.9 M (ISMHS Corporation \$2.0 M; Foundation \$3.9 M). The year-end net position for FY 2025, was \$12.0 M (ISMHS Corporation \$1.1 M; and Foundation \$10.9 M), a decrease of \$1.3 M from the prior FY.

*State Employee Benefits and Retirement:* Under the bill, employees currently working at a historic site will become employees of the state. This should not increase expenditures for salaries, benefits, or retirement plans as the ISMHS Corporation currently participates in these plans. However, expenditures would increase for the Division to contribute to Retirement Medical Benefits Accounts (RMBA) for full time state employees. State employers contribute between \$500-\$1,400 annually per employee depending on the employee's age.

**Explanation of State Revenues:** Revenue to the Division for the management of historic sites will depend on the amount transferred from other state funds, and possibly from external funds, to cover the costs of the historic sites (See *Explanation of State Expenditures*).

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Budget Committee; Department of Natural Resources; ISMHS Corporation; Natural Resources Commission; President Benjamin Harrison Conservation Trust Project Commission; State Budget Agency.

**Local Agencies Affected:**

**Information Sources:**

<https://www.indianamuseum.org/resources/>;  
<https://www.in.gov/sboa/WebReports/B42160.pdf> (June 30, 2012);  
<https://audit.sboa.in.gov/WebReports/33440A.pdf> (June 30, 2025);  
<https://www.indianamuseum.org/wp-content/uploads/2024/11/Audit-Report-for-June-30-2024.pdf>;  
<https://www.indianamuseum.org/wp-content/uploads/2024/06/Form-990-Report-for-June-30-2024.pdf>;  
<https://www.visitindiana.com/listing/ernie-pyle-wwii-museum/14242/>;  
<https://wwbirthplace.com/about-us>.

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