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

**LS 6528 NOTE PREPARED:** Dec 9, 2025

BILL NUMBER: SB 154 BILL AMENDED:

**SUBJECT:** Prohibition of Race Based Hair Discrimination.

FIRST AUTHOR: Sen. Ford J.D. BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$ 

<u>Summary of Legislation:</u> This bill prohibits race discrimination based on traits historically associated with race, such as hair texture and protective hairstyles.

Effective Date: July 1, 2026.

**Explanation of State Expenditures:** *Indiana Civil Rights Commission (ICRC):* The bill may increase the number of race-based discrimination complaints received by the ICRC, which would increase the workload of the commission depending on the number and nature of complaints and claims received. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Office of Administrative Law Proceedings: The bill's provisions may increase the workload for the Office of Administrative Law Proceedings if additional administrative law judges are appointed to assist the ICRC in making decisions regarding civil rights complaints.

State Agencies as Employers and State Educational Institutions (SEIs): If state agencies as employers or SEIs are subject to civil actions under this bill, the state could see increased costs for attorney's fees and costs of prosecution. [This bill has the potential to impact all agencies as employers, thus impacting all funds that could provide operating funds to agency staff.]

Explanation of State Revenues: If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary 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.

<u>Explanation of Local Expenditures:</u> Local Units as Employers and Public Schools: If local units as employers or public schools are subject to civil actions under this bill, the school could see increased costs for attorney's fees and costs of prosecution.

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Explanation of Local Revenues: If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: Court fees imposed in civil, probate, and small claims cases.

<u>State Agencies Affected:</u> Indiana Civil Rights Commission; Office of Administrative Law Proceedings; state educational institutions; all agencies as employers.

**Local Agencies Affected:** Trial courts, city and town courts; public schools; all units as employers.

**Information Sources:** Indiana Supreme Court, Indiana Trial Court Fee Manual;

Indiana Civil Rights Commission 2023 Annual Report, https://www.in.gov/icrc/files/ICRC-2023-Annual-Report-20.pdf

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