

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

**LS 6717**  
**BILL NUMBER: SB 165**

**NOTE PREPARED:** Dec 19, 2025  
**BILL AMENDED:**

**SUBJECT:** Hobart Counter-Cyclical Fund Loan.

**FIRST AUTHOR:** Sen. Spencer  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** State & Local

**Summary of Legislation:** This bill cancels a 2023 loan or loans from the state of Indiana from the Counter-Cyclical Revenue and Economic Stabilization Fund for the purpose of providing funds to be applied to refunding certain bonds of the city of Hobart and the city of Hobart Redevelopment District and offsetting property tax revenue shortfalls incurred and to be incurred by the city of Hobart. It provides that the city of Hobart is not required to make any further payments to the state of Indiana in satisfaction of the loan or loans.

**Effective Date:** January 15, 2026 (retroactive).

**Explanation of State Expenditures:**

**Explanation of State Revenues:** Revenue to the Rainy Day Fund could decrease if the state would have otherwise charged interest on the loan.

**Explanation of Local Expenditures:** This bill's provisions would result in a decrease in expenditures for certain units in Lake County. This bill forgives certain loans made from the state's Rainy Day Fund to the city of Hobart and the city of Hobart Redevelopment District in order to pay a property tax judgment from the 2011 through 2014 assessment years. In October 2023, the city of Hobart was issued a loan in the amount of \$15.66 M from the state's Rainy Day Fund. As of December 7, 2025, the city of Hobart had an outstanding loan balance of approximately \$12.1 M.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** City of Hobart in Lake County.

**Information Sources:** State Budget Agency Fund Balance Data; Indiana Gateway for Local Government Units Debt Management.

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