

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

LS 6524

BILL NUMBER: SB 188

NOTE PREPARED: Dec 15, 2025

BILL AMENDED:

SUBJECT: Parking at Lake Michigan Beaches.

FIRST AUTHOR: Sen. Bohacek

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: The bill prohibits a municipality from charging parking fees at a municipally owned parking lot at a municipal park beach on Lake Michigan, unless the municipality has:

- (1) a lifeguard on duty at the beach during the hours that swimming is allowed; and
- (2) public rescue equipment installed on any pier or public access site of the municipality.

The bill allows a municipality to charge parking fees without satisfying the lifeguard requirement while notes, bonds, leases, or other obligations are outstanding that the municipality:

- (1) issued, incurred, or entered into before July 1, 2026; and
- (2) pays or pledged to pay from parking fee revenues.

The bill also prohibits a municipality from pledging or using parking fees to pay bonds, leases, or other debt obligations issued, incurred, or entered into after June 30, 2026.

Effective Date: July 1, 2026.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill's provisions regarding whether a municipality may charge parking fees and the prohibition regarding future debt obligations paid with parking fees only apply to a municipality that fails to comply with SEA 253-2024, the Lake Michigan Rescue Equipment Act (IC 14-15-14).

The Lake Michigan Rescue Equipment Act required municipalities that own a pier or public access site on Lake Michigan to install public rescue equipment, provide public education concerning the public rescue equipment, and compile and publish a report on their website at least twice a year regarding drownings. It has additional requirements depending on the number of drownings that happen near their site.

Any municipality that fails to comply with the Lake Michigan Rescue Equipment Act would be subject to the following provisions:

After June 30, 2026, revenue from parking fees could still be used on parking-related expenses (purchasing, maintaining, and repairing parking meters, traffic signal devices, and areas where parking facilities or meters are in use), but could not be pledged on or used for payment on a new lease or new bonds to acquire parking facilities, devices, or meters. The impact of the bill on municipal expenditures is indeterminable, but would vary by locality.

Unless a municipality has outstanding notes, bonds, leases, or other obligations prior to July 1, 2026, that are payable with parking fees, the municipality would not be allowed to charge parking fees at a municipal park beach on Lake Michigan until they have a qualified lifeguard on duty during hours in which the beach is open for swimming and have public rescue equipment installed on any pier or public access site (as required under the Lake Michigan Rescue Equipment Act). The bill could increase municipal expenditures to pay lifeguards and install equipment or workload to change its policies to comply with this provision.

Explanation of Local Revenues: Any municipality with a municipal park beach on Lake Michigan would be required have public safety equipment installed and have a qualified lifeguard on duty during hours that the municipal park beach is open for swimming in order to charge parking fees. This provision does not apply to municipalities compliant with IC 14-15-14 or to parking fee revenue used to pay outstanding bonds, leases, or other debt obligations issued, incurred, or entered into before July 1, 2026.

State Agencies Affected:

Local Agencies Affected: Municipality that own a pier or public access site on Lake Michigan.

Information Sources: Indiana's beaches and piers on Lake Michigan:

<https://www.southshorecva.com/things-to-do/beaches/>;
https://www.in.gov/dnr/lake-michigan-coastal-program/files/lmcp-lake_michigan_public_trust.pdf;
https://www.in.gov/dnr/state-parks/files/dunes_trail.pdf.

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