

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

LS 7060
BILL NUMBER: SB 253

NOTE PREPARED: Jan 4, 2026
BILL AMENDED:

SUBJECT: Deed Fraud.

FIRST AUTHOR: Sen. Goode
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill establishes the Deed Fraud Task Force.

County Recorder - The bill provides that a county recorder may: (1) refuse to record a suspicious instrument, unless a court of competent jurisdiction finds that the county recorder's finding that the instrument is a suspicious instrument is erroneous; (2) report a suspicious instrument to the appropriate law enforcement agency; or (3) notify a notarial officer or notary public who has purported to acknowledge or prove a suspicious instrument of the reason for the county recorder's finding that the instrument is a suspicious instrument.

Property Alert Notification System - The bill also requires each county recorder to establish a property alert notification system. It requires each county recorder to establish an instrument alert notification system.

Notarial Officers - The bill provides that a notarial officer may refuse to perform a notarial act if the notarial officer is not satisfied that the individual executing the record has provided sufficient information to conduct identity proofing. It requires a notary public to present proof of the notary public's commission to a person that sells or otherwise provides a stamping device to the notary public.

Secretary of State - The bill requires an applicant seeking a commission as a notary public to complete a background check administered by the Secretary of State. It also requires the Secretary of State to establish certain security procedures and access controls with respect to the electronic data base of active notaries public.

Cause of Action - The bill provides that a person that alleges damages arising from the recording of a forged deed or mortgage has a cause of action against certain persons.

Effective Date: July 1, 2026.

Explanation of State Expenditures: Summary - This bill could increase state expenditures during FY 2027 to finance costs related to the Deed Fraud Task Force. Increases in General Fund expenditures are expected

to be minimal.

Additional Information -

Deed Fraud Task Force: The bill establishes a 13-member task force consisting of four legislators, one representative from the Indiana Supreme Court, Attorney General's Office, Indiana State Police, Treasurer of State, and five lay members for FY 2027. Meetings are to be held as requested by the co-chairs, receive support staff from the Legislative Services Agency, and provide a report to Legislative Council by June 30, 2027.

Legislative and lay members of the Task Force are entitled to the same per diem and travel allowance as interim study committees whereas state employees are entitled to travel compensation. Legislative Council resolutions for interim study committees in the past have established budgets for interim study committees in the amount of \$13,500 per interim for committees with fewer than 16 members.

Secretary of State: The bill codifies existing practice of the Secretary of State concerning notary public officers.

Explanation of State Revenues: Background Checks - The application process to become a notary public with the Secretary of State currently requires a limited criminal history background check. Codifying this requirement as part of the application process is expected to have no fiscal impact.

Civil Immunity Expansions - Provisions of the bill expanding civil immunity are not expected to impact state revenue from civil court filings.

Explanation of Local Expenditures: Most counties in Indiana have access to a free property alert notification system. These systems also include notifications to property owners via text message or email when a registered property is part of a new deed transaction to prevent fraud. These current systems also allow notary public officers to receive notifications based on self-selected criteria, which could act as an instrument alert notification system required by the bill.

Participation has no reported cost to land owners and is normally provided by a county's Land Records Office or County Recorders Office. Requiring counties to utilize a property alert notification system is expected to have a minimal impact on county workload.

Explanation of Local Revenues:

State Agencies Affected: Legislative Service Agency, Attorney General, Indiana Supreme Court, Indiana State Police, Secretary of State.

Local Agencies Affected: Counties.

Information Sources:

<https://inbiz.in.gov/certification/notary>

<https://watch.doxpop.com/property/>

<https://propertyfraudalert.com/select>

<https://inbiz.in.gov/Assets/NotaryGuide.pdf>

<https://www.in.gov/dfi/general-information/policies-and-guidance/mortgage-lending-and-fraud-prevention>

n-taskforce-publications

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