

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

LS 6708
BILL NUMBER: SB 256

NOTE PREPARED: Jan 20, 2026
BILL AMENDED: Jan 20, 2026

SUBJECT: Foreign Agent Registration and Foreign Terrorist Organizations.

FIRST AUTHOR: Sen. Garten
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires certain persons acting on behalf of a hostile foreign country to register with the Attorney General. It also establishes a procedure to deny state benefits to persons who aid a foreign terrorist organization.

Effective Date: July 1, 2026.

Explanation of State Expenditures: (Revised) The bill could increase the workload of the Office of the Attorney General (AG) by requiring the AG to ensure that appropriate agents and foreign supported political organizations have registered with the AG. A registrant must update the information required at least once every quarter. The AG may impose sanctions, including civil penalties, issue civil investigative demands, the authority to suspend or permanently bar an agent or organization. If the AG determines that an individual or entity is an affiliate of a foreign terrorist organization, the AG shall notify the Office of the Governor.

(Revised) *Office of Governor:* The bill requires the Governor to review the results of the investigation conducted by the AG and the response of the appropriate parties, and determine if an individual or entity is an affiliate of a foreign terrorist organization. If the determination was found to be erroneous or occurred more than five years ago, the Governor shall rescind a designation.

The bill's requirements are within the agencies routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

(Revised) *Additional Information - Other Benefits:* If an individual or entity is designated an affiliate of a foreign terrorist organization, the individual or entity shall be denied state fund, benefits, any employment, state contracts, tax benefits, privileges, and other forms of a state benefit or privilege, whether provided or received directly or indirectly.

Explanation of State Revenues: (Revised) *Registration:* The bill requires a foreign supported political organization to pay a fee of \$500 at the time the agent files an application for initial registration and renewal of registration. The bill also creates a \$100 fee for supplemental registration under this section.

(Revised) *Civil Penalties*: The bill allows the AG to assess a civil penalties of \$500 for violating the bill's requirements, and \$10,000 if the AG finds that the violation was intentional or that the person committed repeated violations. As a result, the bill could increase the number of civil court cases if the AG finds that an agent or foreign-supported political organization has violated or repeatedly violated the bill's provisions governing the registration of agents of hostile nations. Therefore, the General Fund could receive additional revenue from civil penalties and court case filings.

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.](#)

Explanation of Local Expenditures:

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.](#)

State Agencies Affected: Office of Attorney General; Office of Governor.

Local Agencies Affected: Trial courts, city and town courts.

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

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