

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

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FISCAL IMPACT STATEMENT

LS 6624

BILL NUMBER: HB 1183

NOTE PREPARED: Dec 22, 2023

BILL AMENDED:

SUBJECT: Foreign Ownership of Agricultural Land.

FIRST AUTHOR: Rep. Culp

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that, beginning July 1, 2024, a real estate closing including agricultural land must include an affidavit in which the purchaser affirms that the purchaser is not prohibited from acquiring or leasing agricultural land. It provides that, beginning July 1, 2024, a prohibited person may not acquire or lease agricultural land or a mineral right or water or riparian right on agricultural land located in Indiana. The bill requires the Attorney General to investigate an acquisition or lease of agricultural land if the Attorney General believes the acquisition or lease is in violation of law. It also provides that agricultural land or interests in agricultural land acquired in violation of law are subject to forfeiture to the state.

Effective Date: July 1, 2024.

Explanation of State Expenditures: *Office of the Attorney General:* This bill could increase the administrative workload for the Office of the Attorney General to the extent the office would need to investigate an acquisition or lease of agricultural land by a prohibited person in violation of the bill's provisions.

Explanation of State Revenues: The bill could increase property that is forfeited to the state. To the extent property forfeited to the state is sold, the state General Fund would receive additional revenue from the sale proceeds. The increases in revenue are indeterminable.

Additionally, 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: *City and Town Courts:* This bill could increase the administrative workload for local courts to the extent the courts would need to process cases involving an acquisition or lease of agricultural land by a prohibited person in violation of the bill's provisions.

Explanation of Local Revenues: *Court Fee Revenue:* 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 the Attorney General.

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

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

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