

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

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**FISCAL IMPACT STATEMENT**

**LS 7054**

**BILL NUMBER:** HB 1314

**NOTE PREPARED:** Mar 9, 2021

**BILL AMENDED:** Jan 26, 2021

**SUBJECT:** Recorded Discriminatory Covenants.

**FIRST AUTHOR:** Rep. Torr

**FIRST SPONSOR:** Sen. Baldwin

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill permits a person to file a statement or notice that a recorded discriminatory covenant is invalid and unenforceable.

**Effective Date:** July 1, 2021.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill will likely decrease the number of civil suits filed in Indiana courts, thereby decreasing the revenue associated with such filings, though such a decrease is likely to be small. A civil costs fee of \$100 is assessed when a civil case is filed, 70% of which is deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

In addition, some or all of the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Revenue from the pro bono services fee (\$1) is transferred by the State Auditor to the Indiana Bar Foundation for use to assist with pro bono legal services programs in Indiana. Proceeds from the automated record keeping fee (\$20) are deposited into the State User Fee Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**Explanation of Local Expenditures:** This bill will likely decrease the number of civil suits filed in Indiana courts, creating a slight decrease in workload for the courts system.

**Explanation of Local Revenues:** A decrease in civil actions would decrease court fee revenue to local

governments. The overall decrease is likely to be small. The following fees are assessed:

If a civil action is filed in a county court, the county would receive 27% of the \$100 court costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court costs fees. If the case is filed in a city or town court, 20% of the court costs fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge, depending upon the particular type of case.

Persons filing a civil case are also required to pay a document storage fee of \$5, which is deposited into the Clerk Record Perpetuation Fund. Document fees of \$1 per page are charged for preparing transcripts or copies of record or certificate under seal and a civil garnishee defendant service fee (\$10) is collected from the filing party for each defendant beyond the first three garnishee defendants cited in the lawsuit.

**State Agencies Affected:**

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

**Information Sources:** Indiana Trial Court Fee Manual.

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