

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

LS 7717
BILL NUMBER: HB 1392

NOTE PREPARED: Jan 28, 2025
BILL AMENDED: Jan 27, 2025

SUBJECT: State Comptroller Matters.

FIRST AUTHOR: Rep. Clere
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Salary Increase Timing:* This bill specifies the timing of annual salary increases for state elected officials.

Calculations by State Comptroller: The bill provides that the State Comptroller calculates distributions of financial institutions tax revenue to taxing units. It also provides that a taxing unit may deposit a distribution of financial institutions tax revenue in any fund.

The bill also requires the State Comptroller to calculate and provide the distribution amounts of commercial vehicle excise tax revenue for each taxing unit in a county to the county auditor. It provides that the county auditor may deposit a distribution of commercial vehicle excise tax revenue in any fund.

State Contracts: The bill requires state agencies and offices of statewide elected officials to upload a copy of a contract entered into to the Indiana transparency website. It provides that the purchasing agency of a governmental body must use a purchasing procedure when purchasing services. The bill also provides that a purchasing agent may only make a purchase without soliciting bids or proposals if the purchase qualifies for a special purchase.

Notification Requirements: The bill removes a requirement that a prosecuting attorney notify the State Comptroller of the prosecuting attorney's election to devote full professional time to the duties of the office. It provides that an individual is not required to file any notification with the State Comptroller that the individual has been elected or appointed to a judgeship.

PMOC: The bill requires the State Comptroller and Indiana Public Retirement System (INPRS) to develop and present to the Pension Management Oversight Committee (PMOC) a proposed plan for a transition from the use of, and contribution of state revenue to, retirement medical benefits accounts to an increased focus on the use of, and additional contributions of state revenue to, the state employees' deferred compensation plan (Hoosier START).

Effective Date: Upon passage; July 1, 2025.

Explanation of State Expenditures: *Summary* - The bill could impact state contracting costs to the extent specifying conditions under which state agencies are authorized to make a purchase without going through the request for proposal process. Decreases in state expenditures are indeterminable. The bill could also increase state agency workload to perform the request for proposal process for purchases that do not qualify as a special purchase. Increases in workload are expected to be accomplished within existing resource and funding levels.

The bill would increase the workload of the State Comptroller and Indiana Public Retirement System (INPRS) to compile and present information to the Pension Management Oversight Committee (PMOC). Increases in workload are expected to be accomplished within existing resource and funding levels.

If PMOC were to hold additional meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget, which is established by the Legislative Council.

Additional Information - The calculation requirements in the bill are currently performed by the State Comptroller.

The bill also requires all contracts entered into by a state agency to be included on the IOT Transparency Portal. This provision is not expected to have a fiscal impact as it is current practice.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill would decrease the workload of county auditors to make distribution calculations of financial institutions tax and commercial motor vehicle excise tax by using the calculations from the State Comptroller.

The bill would also require all political subdivisions to utilize a purchasing procedure while purchasing services. This requirement could (1) decrease local workload to engage in an RFP process and (2) could reduce local expenditures on services.

Explanation of Local Revenues: The bill would allow greater flexibility at the county level concerning how revenue received from the financial institutions tax and commercial motor vehicle excise tax is deposited by county auditors.

State Agencies Affected: State Comptroller; INPRS.

Local Agencies Affected: Counties.

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