

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

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**FISCAL IMPACT STATEMENT**

**LS 6871**  
**BILL NUMBER: SB 7**

**NOTE PREPARED:** Jan 3, 2024  
**BILL AMENDED:**

**SUBJECT:** Use of Fabricated Media in Elections.

**FIRST AUTHOR:** Sen. Deery  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Definition*– The bill defines "fabricated media" as any of the following that is created through a generative adversarial network or other generative artificial intelligence technology: (1) An altered facsimile of an audio or visual recording depicting an individual's speech, appearance, or conduct, the alteration of which: (A) is made without the individual's consent; (B) results in a materially inaccurate depiction of the individual's speech, appearance, or conduct; and (C) is such that a reasonable person would be unable to recognize that the recording has been altered. (2) An artificially generated audio or visual imitation of an individual that: (A) is created without the individual's consent; (B) is sufficiently lifelike that a reasonable person would be unable to distinguish the speech or appearance of the imitation from the speech or appearance of the individual; and (C) conveys a fictional depiction of the individual's speech, appearance, or conduct. (3) A depiction of the speech, appearance, or conduct of an artificially generated person, the appearance or speech of which is not a recognizable imitation of an identifiable individual.

*Prohibition*– The bill prohibits a person from disseminating fabricated media, or entering into a contract or other agreement under which fabricated media is disseminated, if: (1) the person knows, or reasonably should know, that the media is fabricated media; (2) the fabricated media depicts an individual and the fabricated media is disseminated without the consent of the individual depicted in the fabricated media; (3) the fabricated media is disseminated less than ninety 90 days before an election; (4) the purpose of the dissemination is injuring a candidate in an election or influencing the outcome of an election; and (5) the fabricated media does not include a disclaimer that meets specified requirements.

*Criminal Penalties*– The bill provides that a person who knowingly and intentionally violates the prohibition commits: (1) a Class B misdemeanor; or (2) a Class A misdemeanor or a Level 5 felony under specified circumstances.

*Civil Action*– The bill allows specified individuals to bring a civil action for injunctive relief against a person that violates the prohibition.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *Criminal Penalties*– A Level 5 felony is punishable by a prison term ranging from 1 to 6 years, with an advisory sentence of 3 years. The sentence depends on mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,456 annually, or \$12.21 daily, per prisoner. However, any additional expenditures are likely to be small.

**Explanation of State Revenues:** *Criminal Penalties*– If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. The maximum fine for a Class A misdemeanor is \$5,000. The maximum fine for a Level 5 felony is \$10,000.

The total fee revenue per case would range between \$113 and \$135. The amount of court fees 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 criminal, juvenile, and civil violation cases.](#)

*Civil Action*– 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:** *Criminal Penalties*– If more defendants (for a Level 5 felony) are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. A Class A misdemeanor is punishable by up to one year in jail, and a Class B misdemeanor is punishable by up to 180 days in jail. The average cost per day to incarcerate a prisoner is approximately \$64.53 based on the per diem payments reported by U.S. Marshals to house federal prisoners in 11 county jails across Indiana during CY 2021. However, any additional expenditures would likely be small.

*Civil Action*– Courts of jurisdiction may see an increase in caseloads as a result of this provision. It is likely the courts would be able to take on the additional caseload within existing staff and resource levels.

**Explanation of Local Revenues:** *Criminal Penalties*– If additional court actions occur and a guilty verdict is entered, more revenue will be collected by certain local units. If the case is filed in a court of record, the county general fund will receive \$47.40 and qualifying municipalities will receive a share of \$3.60. If the case is filed in a municipal court, the county receives \$30, and the municipality will receive \$46. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

*Civil Action*– 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:** Department of Correction.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Indiana Supreme Court, Indiana Trial Court Fee Manual; Department of Correction.

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