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FISCAL IMPACT STATEMENT

LS 6725
BILL NUMBER: SB 191

NOTE PREPARED: Jan 10, 2024
BILL AMENDED:

SUBJECT: Transparency and Freedom of Expression.

FIRST AUTHOR: Sen. Johnson
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes restrictions on a state educational institution (SEI) in regard to the following:

- (1) A student's or employee's ideological or political viewpoints or refusal to support or endorse one or more divisive concepts.
- (2) Requiring a student to submit or affirm a personal diversity statement.
- (3) Conducting any mandatory training that includes divisive concepts or taking other specified actions related to divisive concepts.
- (4) Exhibiting bias against or favoritism for certain individuals or groups of individuals.
- (5) Requiring a student group to pay fees or security deposits that are not charged to all other student groups or denying a student group access to SEI property that is routinely used by other student groups.

The bill establishes requirements for institutions regarding the following:

- (1) Maintaining and posting reports of violations submitted by students or employees on the institution's website.
- (2) Informing students and employees regarding certain restrictions and requirements to which the institution is subject and to the definition of divisive concept.
- (3) Conducting, posting the results of, and submitting a report to the Legislative Council regarding a biennial survey.
- (4) Posting a current syllabus for each course offered in the current semester at the SEI on the institution's website.
- (5) Submitting the following:
 - (A) Certain reports to the SEI's chief executive officer.

(B) Certain reports to the Commission for Higher Education (CHE).

The bill provides that a student or employee of an SEI who believes that an SEI has violated certain restrictions on institutions may file a report of the alleged violation with the institution.

The bill establishes requirements regarding individuals employed by an SEI whose primary or secondary job duties or job title includes diversity, equity, or inclusion.

The bill allows and requires CHE to adopt rules.

Effective Date: July 1, 2024.

Explanation of State Expenditures: *SEIs:* This bill requires each SEI to conduct a biennial survey and to prepare and issue a report on the results of that survey to the Legislative Council. [This provision expires at the end of FY 2030.] The bill also requires SEIs to maintain a report of any alleged violation of certain provisions and to post that report on the SEI's website.

The bill specifies that an individual may bring a civil suit against an SEI for an alleged violation of employment and admissions provisions of this bill. This may result in increased legal fees for SEIs and, in the event of a decision against the SEIs, damages paid to a plaintiff.

The bill also requires each SEI to adopt certain policies regarding use of SEI property and to post the complete syllabi for all courses offered no later than 7 days after the beginning of each semester. The bill contains specific requirements related to the duties of diversity, equity and inclusion personnel. It also requires each SEI to conduct training for employees and students regarding various provisions. These provisions represent an increase in workload for SEIs.

SEIs will experience short- and long-term workload increases as a result of this bill. Existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions. [*SEIs receive state funding through General Fund appropriations.*]

CHE: The bill requires CHE to adopt rules regarding the process by which reports are made to SEIs regarding violations of provisions of this bill and investigations by SEIs of the alleged violations. It also authorizes CHE to implement reporting requirements for SEIs. These requirements are within the routine administrative functions of CHE. The bill also requires CHE to develop corrective action plans for SEIs whenever an alleged violation of the provisions of the article is founded. The bill does not specify the scope of a plan, but depending on the volume of allegations against SEIs, this requirement could entail a significant increase in workload for CHE. Existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Explanation of State Revenues: 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: SEIs, CHE.

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

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

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