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

LS 6851 NOTE PREPARED: Apr 8, 2025 BILL NUMBER: SB 289 BILL AMENDED: Apr 7, 2025

SUBJECT: Unlawful Discrimination.

FIRST AUTHOR: Sen. Byrne BILL STATUS: CR Adopted - 2nd House

FIRST SPONSOR: Rep. Jeter

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill repeals provisions concerning university diversity committees.

The bill prohibits unlawful discrimination in education, public employment, and licensure.

The bill allows participation in public contracts by a minority business enterprise, women's business enterprise, and veteran business enterprise, as currently authorized by law. It also permits scholarships based on a personal characteristic of the recipient if the scholarship is not funded by state funds or resources.

The bill prohibits requiring as a condition of licensure that a person affirm that a person with a certain personal characteristic: (1) is inherently superior or inferior to a person with a different personal characteristic; (2) should be blamed for actions committed in the past; or (3) has a moral character that is determined by a personal characteristic of the person.

The bill prohibits a public employer from requiring training asserting that, or implementing the theory that, a person with a certain personal characteristic: (1) is inherently superior or inferior to a person with a different personal characteristic; (2) should be blamed for actions committed in the past; or (3) has a moral character that is determined by a personal characteristic of the person.

The bill permits a person injured by a violation to bring a civil action for actual damages, or liquidated damages of: (1) \$50,000 for a first offense; and (2) \$100,000 for a second or subsequent offense.

Effective Date: July 1, 2025.

Explanation of State Expenditures: (Revised) *Unlawful Discrimination*: This bill prohibits public employers, public educational institutions (including public schools and state educational institutions) and licensing boards from engaging in certain practices. These entities will need to review policies to ensure compliance with the bill's requirements.

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The bill also allows an injured person to bring a civil action against one of those entities if provisions of this bill are violated. Any action filed could result in additional workload, legal costs, or the payment of actual or liquidated damages. These requirements should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: (Revised) *Civil Cases*: 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.

<u>Explanation of Local Expenditures:</u> (Revised) *Unlawful Discrimination*: The bill may require local public employers, including public schools, to update existing policies. These requirements should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

A civil suit filed against a local entity could result in additional workload, legal costs, or the payment of actual or liquidated damages. Local courts will also experience a workload increase if additional civil suits are brought under provisions of this bill.

Explanation of Local Revenues: (Revised) *Civil Cases*: 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: All state agencies, SEIs, licensing boards.

Local Agencies Affected: Public employers, including public schools; trial courts, city and town courts.

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

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