

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

LS 6476
BILL NUMBER: HB 1081

NOTE PREPARED: Jan 27, 2025
BILL AMENDED: Jan 21, 2025

SUBJECT: Distributions to Charitable Beneficiaries.

FIRST AUTHOR: Rep. Manning
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that if a charitable organization is designated as the beneficiary of an individual retirement account, retirement account, brokerage transfer on death account, annuity, or life insurance policy, a financial institution or insurance company in control of the funds must transfer the funds directly to the charitable organization without requiring certain conditions to be satisfied, if the charitable organization submits a certain affidavit.

Effective Date: July 1, 2025.

Explanation of State Expenditures: *Department of Financial Institutions (DFI) and Department of Insurance (DOI):* The bill would increase workload for the DFI and DOI to administer and enforce the bill's provisions. The bill's requirements are within the agencies' routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: *Civil Penalty:* Revenue to the state General Fund may increase to the extent civil penalties are imposed for alleged violations. Civil penalties may range from a minimum of \$500 to a maximum of \$10,000.

Court Fee Revenue: 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: *Court Fee Revenue:* 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 Financial Institutions; Department of Insurance.

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

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

Fiscal Analyst: Nate Bodnar, 317-234-9476