

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

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FISCAL IMPACT STATEMENT

LS 7422

BILL NUMBER: SB 415

NOTE PREPARED: Jan 8, 2021

BILL AMENDED:

SUBJECT: Political Activity of Employees and Contractors.

FIRST AUTHOR: Sen. Sandlin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Political Subdivision Employees:* The bill provides that notwithstanding any ordinance or resolution of a political subdivision, an employee of the political subdivision may serve as the chairman of a county political party while continuing to serve as an employee of the unit free from any discipline or other sanctions.

Ordinance or Resolution Adoption: The bill also provides that a unit may not adopt an ordinance or resolution that: (1) provides that an individual who does business with the unit may not hold an office or other position in a political party; or (2) prohibits an individual who holds an office or other position in a political party from doing business with the city. It provides that such an ordinance or resolution is void.

Engaging in Political Activity: The bill provides that except when on duty or acting in an official capacity and except where otherwise provided by Indiana or federal law, an employee of a political subdivision may not be discouraged from engaging in political activity or denied the right to choose to refrain from engaging in political activity provided such activities do not impede or impair the efficient operation of the employee's employing agency.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: *Political Subdivision Employees:* If political subdivision employees who serve as political party chairs file more civil cases concerning discipline or other sanctions, court fees will be collected and revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed

when a civil case is filed by a nongovernmental entity. A portion of the fee revenue is transferred to the Indiana Bar Foundation, and one fee is deposited into the State User Fee Fund.

Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures: Political subdivision employees who are also political party chairs may remain in positions, reducing workload and cost to replace them.

Explanation of Local Revenues: *Political Subdivision Employees:* If additional civil actions occur and court fees are collected, local governments would receive additional revenue from both a portion of the civil costs fee and other fees that would be collected.

State Agencies Affected:

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

Information Sources:

Fiscal Analyst: Karen Rossen, 317-234-2106.