

LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6099

BILL NUMBER: HB 1132

NOTE PREPARED: Feb 7, 2007

BILL AMENDED: Jan 23, 2007

SUBJECT: Notice of Plant Closing or Mass Layoff.

FIRST AUTHOR: Rep. Tyler

FIRST SPONSOR: Sen. Breaux

BILL STATUS: As Passed House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires certain employers to give certain written notice before plant closings and mass layoffs.

Effective Date: July 1, 2007.

Explanation of State Expenditures: (Revised) The bill requires (a) businesses with between 50 and 100 employees in Indiana, and (b) the state, an agency of the state, or a political subdivision employing at least 50 employees to give at least a 60-day notice in writing of a plant closing or mass layoff resulting in an employment loss of at least 20 employees. The failure to give proper notice is a Class C infraction.

The impact on the state would be as an employer and would probably be minor.

Explanation of State Revenues: If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the judicial salaries fee (\$15), the public defense administration fee (\$3), the court administration fee (\$2), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures: The impact on local governments would be as an employer and would

probably be minor.

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected: All.

Local Agencies Affected: Trial courts, local law enforcement agencies, all local governments with more than 49 employees.

Information Sources:

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