

Notice of Public Hearing

LSA Document #12-511

Notice of Public Hearing

Under [IC 4-22-2-24](#), notice is hereby given that on October 29, 2012, at 9:30 a.m., at the Indiana Government Center North, 100 North Senate Avenue, Room N501, Main Conference Room, Indianapolis, Indiana, the Natural Resources Commission will hold a public hearing on proposed amendments adding [312 IAC 18-3-24](#) pertaining to entomology and plant pathology to regulate the walnut twig beetle (*Pityophthorus juglandis*) and *Geosmithia morbida* sp. nov, a fungus that kills walnut trees.

[IC 4-22-2-24\(d\)\(3\)](#) Justification Statement: The costs incurred by regulated entities under this rule are minimal: \$60 per regulated entity per year. The maximum total cost for Indiana regulated entities is estimated to be \$600 per year. This is almost insignificant compared to the \$17,000,000,000 of economic impact the Indiana hardwood industry brings to the state annually (IN Dept. Nat. Resources: Div. Forestry, 2005. Indiana Hardwood Industry: Its Economic Impact). There are currently no mitigation methods to destroy Thousand Cankers Disease (TCD) in walnut trees. The potential economic loss in international and national markets for Indiana walnut timber would be great if TCD becomes established in Indiana. If mitigation methods are discovered for the pest and pathogen complex, the economic impact on regulated entities could be greater than the cost imposed by this rule. For example, if TCD was found in Indiana, fumigation of all logs leaving the state may become mandatory. It currently costs several hundred dollars to fumigate one container of walnut logs going overseas. If every regulated entity was required to fumigate their walnut prior to leaving the state of Indiana, it would quickly become cost prohibitive for most smaller regulated entities to sell walnut logs overseas or across state lines.

If TCD is found in Indiana, other states would add Indiana to the list of regulated states for TCD. Indiana timber companies, log brokers, and the Department of Natural Resources would have increased expenses and workload to comply with other states' regulations to ship walnut logs and lumber to those states. The increased cost comes from inspections and phytosanitary fees (currently \$50 per phytosanitary document) paid by regulated entities to the DNR. It is also likely that some states will prohibit totally any Indiana walnut logs and lumber entry into their states. This would result in loss of economic opportunities.

Copies of these rules are now on file at the Indiana Government Center North, 100 North Senate Avenue, Room N501 and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

Bryan W. Poynter
Chairman
Natural Resources Commission

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