TITLE 312 NATURAL RESOURCES COMMISSION

Notice of Public Hearing

LSA Document #15-383

Notice of Public Hearing

Under <u>IC 4-22-2-24</u>, notice is hereby given that on May 20, 2016, at 10:00 a.m., at the Indiana Government Center North, 100 North Senate Avenue, Room N501, Indianapolis, Indiana the Natural Resources Commission will hold a public hearing on proposed amendments to repeal <u>312 IAC 18-3-12</u> and <u>312 IAC 18-3-18</u> governing the quarantine of the larger pine shoot beetle and emerald ash borer, respectively, and to repeal <u>312 IAC 18-3-20</u> governing the regulation of Brazilian elodea.

<u>IC 4-22-2-24</u>(d)(3) Justification Statement: Repeal of <u>312 IAC 18-3-12</u> will only impact the small businesses located in the 25 counties that are not currently under quarantine. It is estimated that fewer than two dozen small businesses will actually be impacted by the removal of this rule. These businesses will be impacted by 7 CFR 301.50, which will require pine regulated materials be moved under permits or compliance agreements if moved out of the state of Indiana. A very small percentage of current sales for these small businesses involve pine materials being shipped out of state. It is likely that these businesses will discontinue their shipments to states outside the quarantined area as the small amount of business still done may not be worth the cost of the man hours or permits required to transport the material across the quarantine boundary.

Types of small businesses subject to <u>312 IAC 18-3-18</u> include: Nurseries/Nursery Dealers, Sawmills (Primary and Secondary), Logging Companies/Timber Buyers, Arborists, Campgrounds, and Firewood Producers/Retailers. The estimated number of entities that could be affected by the removal of this rule is approximately 289 small businesses in the counties that are not currently under state quarantine. The approximated potential economic impact to small businesses in the proposed quarantined area could be as much as \$2,880.00 if all firewood vendors in those eight counties required a compliance agreement.

The estimated fiscal impact to state government for the quarantined counties is \$504.00 if all firewood vendors in those counties need and implement a compliance agreement. Impact to the state will primarily be the creation and administration of compliance agreements with each small business that ships regulated materials out of the federally quarantined area. This analysis is based on the assumption that every small business in the quarantined area would require a compliance agreement and utilize regulated materials.

A majority of the state of Indiana has become infested with the emerald ash borer. The continued implementation of <u>312 IAC 18-3-18</u> does not assist in the management efforts of this pest. Nor does this rule assist the nursery or timber industry in allowing movement of ash regulated articles through Indiana. It currently restricts movement of ash regulated material. Removal of the rule will allow movement of all regulated materials throughout Indiana without restriction or requirements. The repeal of the rule will not subject the businesses to the Indiana quarantine, but will still have limited impact to the businesses if they move regulated material out of the federally quarantined area.

The repeal of <u>312 IAC 18-3-20</u> would not impose requirements or costs under <u>IC 4-22-2-24(d)(3)</u>.

Copies of these rules are now on file at the Natural Resources Commission, 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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