

**BEFORE THE  
NATURAL RESOURCES COMMISSION  
OF THE  
STATE OF INDIANA**

**IN THE MATTER OF:** ) **Administrative Cause**  
 ) **Number: 16-018T**  
**READOPTION OF 312 IAC 26:** )  
**GRANT PROGRAMS** )  
 ) **[LSA Document #16-147(F)]**

**RECOMMENDATION FOR FINAL ACTION ON READOPTION OF RULE**

**A. INTRODUCTION**

For consideration is the readoption of 312 IAC 26 in its entirety, and without amendment. This article governs Grant Programs of the Department of Natural Resources and includes definitions, program administration, Community Park or Recreation Area Grants, Historic Preservation Grants, Community Forestry Grants and the Sportsmen’s Benevolence Fund. 312 IAC 26 can be accessed through the Indiana General Assembly’s website at: <http://www.in.gov/legislative/iac/T03120/A00260.PDF>.

Under 312 IAC 2-2-4(b), if rules are being readopted in their current form without amendments, the Director of the Division of Hearings may approve preliminary action. The Commission retained authority to take final action on readoptions.

The Director of the Division of Hearings approved preliminary action on February 3, 2016. The standard practice is to readopt rules by article, and 312 IAC 26 is now submitted for consideration as to final action.

**B. READOPTION ANALYSIS REQUIRED UNDER IC 4-22-2.5-3.1 AND IC 4-22-2.1-5**

Bob Bronson, Chief, State and Community Outdoor Recreation Planning Section, Division of Outdoor Recreation, Department of Natural Resources was appointed Small Business Regulatory Coordinator for the rule readoption. He provided the following

analyses of potential impacts to small business for the proposed readoption of 312 IAC 26:

**REVIEW UNDER IC 4-22-2.1-5**

**The degree to which the factors analyzed in a previous economic impact statement have changed since the statement was prepared**

Factors have not changed since the 2010 readoption of Rules 1 thru 5 of 312 IAC 26 under LSA Document #10-161(F).

Factors have also not changed since the 2013 adoption of 312 IAC 26-6 under LSA Document #13-446.

**Any regulatory alternatives included in the statement under IC 4-22-2.1-5(a)(5)**

There were no regulatory alternatives in the Economic Impact Statement associated with LSA Document #10-161(F) or LSA Document #13-446.

**Any regulatory alternatives not considered by the agency at the time the statement was prepared could be implemented to replace one (1) or more of the rule's existing requirements**

There exist no alternative methods for implementation of this rule. The proposed rule attempts to meet the requirements of IC 14-12-3-8 and IC 14-9-5-4 with the minimum amount of oversight and regulation, in an attempt to provide as much service to the citizens of Indiana in the most cost effective manner.

**REVIEW UNDER IC 4-22-2.5-3.1**

**The continued need for the rule.**

Rules 1 thru 5 of 312 IAC 26 deal with the Hometown Indiana Grant Program established under IC 14-12-3. Although the Hometown Indiana Grant Program has not received appropriations for funding since 2001, IC 14-12-3-13 (a) requires the Commission to adopt rules pertaining to this program.

312 IAC 26-1 provides definitions that apply throughout the article and are supplemental to those set forth in 312 IAC 1.

312 IAC 26-2 establishes standards, requirements, and procedures applicable to a grant for a project that is subject to this article.

312 IAC 26-3 governs a grant for any project involving a community park or recreation area and assigns administration for these type grants under this article to the division of outdoor recreation of the Department.

312 IAC 26-4 governs a grant for any project involving the historic preservation of real property and assigns administration for these type grants under this article to the division of historic preservation and archeology of the Department.

312 IAC 26-5 governs a grant of any project involving community forestry and assigns administration for these type grants under this article to the division of forestry of the Department.

312 IAC 26-6 governs a grant made through the Sportsmen's Benevolence Fund established under IC 14-9-5. IC 14-9-5-4(i) requires the department to adopt rules under IC 4-22-2 to implement the chapter.

**The nature of any complaints or comments received from the public, including small businesses, concerning the rule or the rule's implementation by the agency.**

The Department has not received and complaints or comments, including small businesses, concerning these rules or the Department's implementation of these rules.

**The complexity of the rule, including any difficulties encountered by:  
(A) the agency in administering the rule; or**

312 IAC 26-1 provides definitions of thirteen terms utilized in the following four rules that establish standards, requirements, and procedures applicable to administration of a grant for a project under the Hometown Indiana Grant Program. These definitions simply aid the Department and potential applicants in understanding key terms that are used in the Hometown Indiana Grant Program administration.

312 IAC 26-2, 312 IAC 26-3, 312 IAC 26-4 and 312 IAC 26-5 establish the standards, requirements and procedures applicable to grants under the Hometown Indiana Program. While moderately complex, these rules are necessary to spell out the expectations for both state administrators of the program and potential grant applicants. The rules provide for minimum

and maximum grant application amounts, eligibility requirements, and a framework for setting objective criteria for ratings of grant applications. There have been no difficulties for the Department in administering these rules.

312 IAC 26-6 establishes the standards, requirements and procedures applicable to funding under the Indiana Sportsmen's Benevolence Fund. While moderately complex, these rules are necessary to spell out the expectations for both state administrators of the program, potential grant applicants and approved grant funding participants. The rules provide for grant application amounts, eligibility requirements, reimbursement requirements and a framework for setting objective criteria for ratings of grant applications. There have been no difficulties for the IDNR LE Personnel in administering these rules.

**(B) small businesses in complying with the rule.**

Rules 1 thru 5 of 312 IAC 26 have had no impact on small businesses, nor is any impact anticipated.

312 IAC 26-6 has no known negative impacts on small businesses in Indiana, nor is any impact anticipated.

**The extent to which the rule overlaps, duplicates, or conflicts with other federal, state, or local laws, rules, regulations, or ordinances.**

Rules 1 thru 5 of 312 IAC 26 are specific to the unique state Hometown Indiana Grant Program and do not overlap, duplicate or conflict with any other federal, state or local laws, rules, regulations, or ordinances. However, the Hometown Indiana Grant Program itself somewhat mirrors the federal Land and Water Conservation Fund grant program.

312 IAC 26-6 is specific to the Indiana Sportsmen's Benevolence Fund and does not overlap, duplicate or conflict with any other federal, state or local laws, rules, regulations, or ordinances. There are no known federal grant programs of this nature that provide reimbursement to wild game processors for services intended to provide high protein meals to underprivileged and underserved state residents.

**The length of time since the rule was last reviewed under this section or otherwise evaluated by the agency, and the degree to which technology, economic conditions, or other factors have changed in the area affected by the rule since that time.**

Rules 1 thru 5 of 312 IAC 26 were last reviewed in 2010 per LSA Document #10-161(F). The Hometown Indiana Grant Program has not received any funding or awarded any grants since that time. Likely causes include a national recession that resulted in state budget cuts, and ongoing funding of the federal Land and Water Conservation Fund program that in many ways mirrors the Hometown Indiana Program.

312 IAC 26-6 was implemented in 2013 (FY2014) per LSA Document #13-112(L) and has been fully funded (\$150,000.00 annually) since that time. Due to a lower than expected deer harvest, the funding amount has not been fully utilized to date. However, should an expected, anticipated deer harvest be realized, the Department's (IDNR) LE Division envisions a request for an increase in the annual funding amount.

Executive Order 13-03 requires agencies to “suspend rulemaking action on any proposed rules”. The Director of the Office of Management and Budget determined the moratorium set forth in Executive Order 13-03 was not applicable to readoptions.<sup>1</sup>

As specified by Executive Order 2-89 and Financial Management Circulars 2010-4 and 2015-1, fiscal analyses of the rule readoption proposal were submitted, along with a copy of the proposed rule language and a copy of the posted Notice of Intent to Readopt a Rule, to the Office of Management and Budget and the Legislative Council on July 21, 2016. In a letter dated August 19, 2016, the Director of the State Budget Agency recommended the proposed rule readoption be approved.

### **C. NOTICE OF INTENT TO READOPT AND RECOMMENDATION FOR FINAL ACTION**

On April 13, 2016, the “Notice of Intent to Readopt” 312 IAC 26 was posted to the *Indiana Register* at: <http://www.in.gov/legislative/iac/20160413-IR-312160147RNA.xml.html> as anticipated by IC 4-22-2.5-2 and IC 4-22-2.5-4. The notice indicated the intention to readopt the entirety of 312 IAC 26 without changes. The notice also provided that a person had 30 days to submit a written request to the Commission, through the Small Business Regulatory Coordinator, seeking to have a particular section of the rule readopted separately. If a request had been made, the Commission would

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<sup>1</sup> Indiana State Budget Agency email dated May 2, 2013, to state head of state agencies.

have been required to complete the full rule adoption process for the section requested to be readopted separately. No request was made.

The Commission may submit the rule for filing with the Publisher under IC 4-22-2-35 or elect the procedure for readoption under IC 4-22-2. The hearing officer recommends the Commission approve for readoption 312 IAC 26, without amendment, for subsequent filing with the Publisher.

Dated: August 23, 2016

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Dawn Wilson  
Hearing Officer