



November 8, 2012

Indiana Economic Development Corporation
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Jennifer Kane
Indiana Natural Resources Commission
Indiana Government Center North, Room N501
100 North Senate Avenue
Indianapolis, Indiana 46204

Dear Ms. Kane:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes contained in LSA Document 12-514 and proposed by the Indiana Natural Resources Commission ("NRC"). The proposed rule amends 312 IAC 18-3-14 to add LaPorte County and St. Joseph County to the listing of counties declared to be infested with and subject to the gypsy moth quarantine. According to the NRC, seven Indiana counties are currently quarantined for gypsy moth in order to prevent the spread of the pest and its devastation on timber to other areas of the state.

The economic impact statement prepared by the NRC indicates that 121 businesses in St. Joseph County and 77 businesses in LaPorte County may be subject to the proposed rule. The types of businesses potentially subject to the proposed rule include Nurseries, Sawmills, Campgrounds, Firewood Producers/Retailers, Moving Companies, Recreational Vehicle Manufacturers and Retailers, Boat Retailers, Mobile Home Manufactures and Retailers, Mobile Home Transporters, and Certified Pesticide Applicators. Based on the businesses potentially impacted and the business activity in other quarantined counties, the NRC estimates that the total annual economic impact of the proposed rule could be \$281,040. The costs involve the creation and maintenance of compliance agreements between businesses and the NRC as well as costs associated with inspections of materials being transported outside of the quarantined area. The NRC's economic impact statement also indicates that the adoption of the proposed rule will prevent the United States Department of Agriculture (USDA) from establishing a quarantine for the entire state.

The IEDC does not object to the economic impact to small businesses associated with the proposed rule. If you have any questions about the comments contained herein please contact me at 234-3997 or eshields@iedc.in.gov.

Regards,

A handwritten signature in black ink, appearing to read "Eric P. Shields".

Eric P. Shields
Policy Director