

VIA EMAIL

February 27, 2025

Kirstie Anderson
Senior Attorney
Indiana Department of Transportation
100 North Senate Ave., N758 – Legal Services
Indianapolis, IN 46204

Re: LSA Document #25-63/Regulatory Analysis-Small Business Economic Impact Statement

Dear Ms. Anderson,

Pursuant to Indiana Code 4-22-2.1-5(c)(2), as the Small Business Ombudsman for the state of Indiana, I have reviewed the proposed rule and economic impact analysis associated with the rule changes contained in LSA Document #25-63 (proposed rule) submitted to the Indiana Small Business Ombudsman by the Indiana Department of Transportation. I have found the following to be true.

Proposed rule LSA #25-63 amends 105 Indiana Administrative Code (IAC) 10 in order to codify an emergency rule which increased the fee structure charged for overweight divisible shipping loads from \$.07 per mile to \$.25 per mile while maintaining an administration fee consistent with the original rule. It is the ombudsman's understanding that this emergency rule expired in late 2024, and this is an attempt to permanently re-instate it.

The Indiana Department of Transportation's provided analysis presents a reasonable justification and an understanding of how the rule should be implemented. The statistics appear to show that the emergency rule had its intended impact as the number of 2024 violations fell below the 2022 numbers - the year when the rule was initially imposed. While this rule does not pose an immediate or unique threat to small businesses, the nature of the fine may have a disproportionate impact on businesses with smaller operations due to lower revenue and margin to bear the costs of a flat fine structure than their larger competitors. Since this rule has been in effect for nearly three years, all businesses in this market, including small businesses, have had the opportunity to adjust to this as the normalized fee structure, which further highlights a low likelihood that this proposal will impose any new or immediate negative impacts on small businesses or their operations specifically. Therefore, the Indiana Small Business Ombudsman is neutral on the proposed rule as it relates to the economic impact on small business if the Indiana Department of Transportation's supplied analysis and conclusions reflect the actual market results of a decreasing number of violations over time which can be directly correlated to the promulgation of the original emergency. If there are any questions about these comments, please contact the Indiana Small Business Ombudsman at ombudsman@iedc.in.gov.

Sincerely,
David Watkins
Small Business Ombudsman
Indiana Economic Development Corporation

