

Adopted	Rejected
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# COMMITTEE REPORT

<b>YES:</b>	<b>7</b>
<b>NO:</b>	<b>5</b>

**MR. SPEAKER:**

*Your Committee on Agriculture and Rural Development, to which was referred House Bill 1197, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete lines 1 through 5.
- 2 Page 1, line 8, delete "[EFFECTIVE JULY 1, 2007]" and insert
- 3 "[EFFECTIVE UPON PASSAGE]".
- 4 Page 1, delete lines 11 through 17.
- 5 Page 2, delete lines 1 through 4.
- 6 Page 2, line 7, delete "[EFFECTIVE JULY 1, 2007]" and insert
- 7 "[EFFECTIVE UPON PASSAGE]".
- 8 Page 2, line 7, after "A" insert "**new**".
- 9 Page 2, line 7, after "operation" insert "**, including a CAFO,**".
- 10 Page 2, line 9, delete "two (2) miles" and insert "**one (1) mile**".
- 11 Page 2, line 11, delete "nonpublic school." and insert "**child care**
- 12 **center licensed under IC 12-17.2-4.**".
- 13 Page 2, between lines 12 and 13, begin a new line double block
- 14 indented and insert:

1                   **"(C) A health facility licensed under IC 16-28."**  
2                   Page 2, line 15, delete "[EFFECTIVE JULY 1, 2007]" and insert  
3                   "[EFFECTIVE UPON PASSAGE]".

4                   Page 3, delete lines 22 through 30, begin a new paragraph and  
5                   insert:

6                   "SECTION 4. IC 13-18-10-6 IS AMENDED TO READ AS  
7                   FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. A person who  
8                   violates this chapter is subject to the penalties imposed by the  
9                   following:

- 10                   (1) IC 13-30-4.
- 11                   (2) IC 13-30-5.
- 12                   (3) IC 13-30-6.
- 13                   (4) IC 13-30-8.

14                   **(5) Section 7 of this chapter.**

15                   SECTION 5. IC 13-18-10-7 IS ADDED TO THE INDIANA CODE  
16                   AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
17                   1, 2007]: **Sec. 7. (a) The department shall establish civil penalty  
18                   matrices for the following categories:**

- 19                   **(1) First time violations.**
- 20                   **(2) Repeat violations.**
- 21                   **(3) Intentional violators.**

22                   **(b) The civil penalty matrices established in this section must  
23                   include the following factors to determine each penalty:**

- 24                   **(1) The magnitude of the violation.**
- 25                   **(2) The gravity of the effect of the violation.**
- 26                   **(3) The preventability of the violation.**
- 27                   **(4) The actions taken to prevent or correct the violation.**

28                   **(c) The range of the penalties for each category of the civil  
29                   penalty matrix is as follows:**

- 30                   **(1) First time violations, one hundred dollars (\$100) to  
31                   twenty-five thousand dollars (\$25,000) for each day of  
32                   violation.**
- 33                   **(2) Repeat violations, five hundred dollars (\$500) to fifty  
34                   thousand dollars (\$50,000) for each day of violation.**
- 35                   **(3) Intentional violators, ten thousand dollars (\$10,000) to one  
36                   hundred thousand dollars (\$100,000) for each day of violation.**

37                   SECTION 6. IC 13-18-10-8 IS ADDED TO THE INDIANA CODE  
38                   AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1 1, 2007]: **Sec. 8. The department shall inspect each confined feeding**  
 2 **operation, including CAFOs, at least one (1) time each year.**

3 SECTION 7. IC 13-18-10-9 IS ADDED TO THE INDIANA CODE  
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 5 1, 2007]: **Sec. 9. (a) Except as provided in subsection (b), each**  
 6 **confined feeding operation shall pay an annual inspection fee of**  
 7 **five hundred dollars (\$500).**

8 **(b) Each confined feeding operation that is a CAFO shall pay an**  
 9 **annual inspection fee of seven hundred fifty dollars (\$750).**

10 **(c) The fee collected under this section shall be deposited in the**  
 11 **confined feeding inspection fund established under section 10 of**  
 12 **this chapter.**

13 SECTION 8. IC 13-18-10-10 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2007]: **Sec. 10. (a) The confined feeding**  
 16 **operation inspection fund is established to permit the department**  
 17 **to inspect confined feeding operations, including CAFOs, to**  
 18 **determine compliance with this title.**

19 **(b) The department shall administer the fund. Money in the**  
 20 **fund is annually appropriated to the department for purposes of**  
 21 **this chapter.**

22 **(c) The expenses of administering the fund shall be paid from**  
 23 **money in the fund.**

24 **(d) The treasurer of state shall invest the money in the fund not**  
 25 **currently needed to meet the obligations of the fund in the same**  
 26 **manner as other public funds may be invested.**

27 **(e) Money in the fund at the end of a fiscal year does not revert**  
 28 **to the state general fund.**

29 SECTION 9. IC 15-3-3-12 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. The state chemist**  
 31 **may shall** adopt rules under IC 4-22-2 relating to the use of fertilizer  
 32 material and the distribution and storage of bulk commercial fertilizers  
 33 to implement this chapter, including rules that set forth standards for  
 34 the storage of bulk fertilizers for the purpose of protecting the waters  
 35 of the state."

36 Page 3, line 31, delete "SECTION 7. IC 13-18-10-2.7" and insert  
 37 "SECTION 10. IC 15-3-3-18".

38 Page 3, line 33, delete "2.7. (a) The board" insert "**18. (a) The state**

- 1 **chemist".**
- 2 Page 3, line 34, delete "department operated".
- 3 Page 3, line 34, delete "certification" and insert "**educational**".
- 4 Page 3, line 35, after "manure" insert "**haulers and**".
- 5 Page 3, line 36, after "operation" insert "**(as defined by**
- 6 **IC 13-11-2-40), including concentrated animal feeding operations**
- 7 **(as defined by IC 13-11-2-38.3)".**
- 8 Page 3, delete lines 37 through 42, begin a new paragraph and
- 9 insert:
- 10 **"(b) The program established under subsection (a) must include**
- 11 **the following topics concerning manure hauling and application:**
- 12 **(1) Manure testing.**
- 13 **(2) Soil testing.**
- 14 **(3) Transportation.**
- 15 **(4) Manure application and handling.**
- 16 **(5) Any other topics determined by the state chemist.**
- 17 SECTION 11. [EFFECTIVE JULY 1, 2007] **(a) Before November**
- 18 **1, 2007, the state chemist shall submit a report concerning the**
- 19 **status of the manure handling program under IC 15-3-3-18, as**
- 20 **added by this act, to the general assembly in an electronic format**
- 21 **under IC 5-14-6.**
- 22 **(b) This SECTION expires July 1, 2008."**
- 23 Page 4, delete lines 1 through 12.
- 24 Renumber all SECTIONS consecutively.  
(Reference is to HB 1197 as introduced.)

**and when so amended that said bill do pass.**

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Representative Pflum