

Hannah Committee Coverage – Tuesday, August 29, 2017

Interim Agriculture and Natural Resources

1:00 PM in Room 431

Sen. Glick

- We will have public testimony in the second and third meetings of this committee
- If you would like to speak at those meetings, send information to Alex Zimmerman

Julia Wickard (Indiana Department of Environmental Management)

- My goal is to provide timely information to citizens across the state of Indiana
- The confined feeding control law is 46 years old this year
- It has changed many times to keep up with the agricultural industry
- This year, legislation was offered to address issues in confined feeding control laws
- EPA regulates nutrient management, storm water from manure-applied fields
- There are zero farms in National Pollutant Discharge Elimination System (NPDES) program
- There is no discharge program
- IDEM has oversight over design and construction and more stringent than the EPA
- Regulates nutrient management and storm water from manure-applied fields as well
- There is also no discharge program for IDEM
- Regulate distances from property boundaries
- We require clean storm water runoff diversions from manure and fee areas
- IDEM does not regulate disposal of dead animals, property values, public road conditions, traffic, odors, vectors, or ground water usage
- In 2012, the confined feeding rule changed
 - Individual NPDES permits will require a Nutrient Management Plan
 - No surface application
 - General NPDES permits are not available
 - There are zero NPDES CAFO permits in Indiana
 - Concentrated animal feeding operations may not surface apply manure to snow covered or frozen ground
 - The rule provides emergency allowances for confined feeding operations
 - Manure testing must be conducted annually
 - Soil testing must be done once every four years
 - Requirements for ground water monitoring
- There are 1,815 total farms in the program
- The permitting process is an extensive one, including expansion, renewal of existing approval, amendment of approval, facility change, and transfer of ownership
- The applications for new and existing sites are set for five-year terms and subject to engineering and geology reviews
- There is a 33-day comment period and decision is made within 90 days
- Renewal applications are subject to review by the project manager while the decision is made within 30 days to reapprove, with a compliance status determined
- Amendment applications do not extend terms and is reviewed by the project manager with decision made in 45 days
- Facility change application does not extend term, while the project manager reviews and engineering reviews it as well, and decision is made within 10 days

- IDEM is proud of its record in receiving applications for confined feeding operations on a timely basis
 - IDEM's compliance team responds to issues and make routine visits to farms
 - There are seven inspectors on the compliance team and provides a six-month compliance assistance visit after the facility is in operation with a routine visit every five years
- Q: (Sen. Leising) Do you know how many farms were closed down in the past year?
- A: (Wickard) I do not have a number but we can get that for you.
- Q: (Sen. Glick) You talked about ground application of manure. How many would be required for these types of operations?
- A: (Wickard) We can get that information for you as well. It would depend on the size of the operation.
- Q: (Rep. Friend) What is the definition of a spill?
- A: (Wickard) It would be when the manure storage structure collapses, and all deals with manure and how it is handled. We can get you a precise definition of it.
- Q: (Sen. Glick) Does spill include runoff into a ditch or stream?
- A: (Wickard) Yes.
- Q: (Sen. Glick) Would an emergency response team be from IDEM?
- A: (Wickard) Yes. The important thing is if a producer has an issue, to call the spill line to immediately address the issue.

Jeff Cummins (Indiana State Department of Agriculture)

- Indiana agriculture has a strategic plan to address issues in agriculture
 - There are seven strategic priorities including initiatives in economic and community development
 - This plan will be a long-term project that we will revisit many times
 - 97% of Indiana's farms are family owned with \$31.2 billion in direct output
 - There are 107,600 direct jobs in Indiana
 - One of the areas we receive a lot of interest is in dairy and the creation of the Walmart Dairy Processing Plant
 - \$1.6 billion in federal tax revenue in agriculture
 - Large increases in no-till acreage by 466%
 - Farmers invested a record amount of money in 2016 in conservation efforts that protect water quality
 - Nutrient management program has a rigorous process
 - Fertilizer material use, distribution and recordkeeping is included in nutrient management program
 - An anaerobic digester is a facility that decomposes biomass to simple organic compounds in a closed and sealed chamber and is a major undertaking for some farms
 - Anaerobic digester has high upfront capital costs with planning and construction taking two years
 - The Indiana Home Rule Statute gives broad authority for local governments with some exceptions referring to "the power to regulate conduct that is regulated by a state agency"
 - Local officials adopt ordinance which can be organized into districts
 - The Board of Zoning Appeals grants and denies variances and subject to review by higher court
 - Indiana Land Resources Council model zoning ordinances
 - The dichotomy of home rule is that the local government is where, and the state agency is how
- Q: (Sen. Tomes) Have you heard anything about cover crops being eaten by voles or rats?
- A: (Cummins) I can get more information about that for you.

Q: (Sen. Glick) Is there any interest on cooperatives to build digesters for multiple farming operations?

A: (Cummins) In a lot of cases it is prohibitive. It needs to continue to be studied to see what fits. Q: (Sen. Leising) What are they converting their manure to with the digesters?

A: (Cummins) Usually it is producing a lot of their own energy.

Q: (Rep. Friend) If IDEM issues a permit and find it meets all the criteria, do land officials have authority to redirect?

A: (Cummins) Absolutely. Ultimately, the community has the final say in where the operations will go. It comes down to how the community structures its zone ordinance.

(Sen. Stoops) I think it is a benefit to the community to reuse old energy. I think it would incentivize people to process their manure with the digesters.

Carolyn Orr (CSG Midwest)

- I currently visit about 20 states a year and study legislation throughout the US
 - Many operations are built miles from the owner's farm where community members and producers try to fight the changes
 - Livestock producers feel they are left out due to lack of tax assistance
 - People need to understand that you cannot connect size with environmental issues
 - Larger farms generally have better resources to help the environmental impact
 - There are groups on both sides of the issue that support farmers and oppose farmers
 - States don't have to provide permits for facilities that do not discharge
 - States with stronger agricultural industries may have less enforcement activities
 - Each state will respond to factors within their state depending on ideology and what happens in their legislature
 - Producers in other states often separate their property and put it in ownership into two different people to have multiple operations
 - States are trying to address externalities like water and solar
 - There are three ways that states can regulate livestock, and those are by statewide standards, by prohibiting local zoning and health ordinances, and by limiting the right to farm law
 - Wisconsin has had its share of court cases regarding farm law
 - There is no input from local communities in Wisconsin
 - If a county in Iowa does not accept a master matrix, nobody has a chance to comment their concerns on feeding operations
 - There is a push in Iowa to update the master matrix and to change it from pass or fail
 - Arizona leans toward state control of agriculture as well as Georgia and Idaho
 - Back in the 1990s, Ohio had environmental issues in agriculture, and strong penalties were set up for environmental regulation
 - Michigan has had a problem with people wanting to get involved in farmer's markets, and bringing calves and pigs into their one-acre lots, where the county could not do anything because of their strong right to farm laws
 - Illinois has strong state control in agriculture
 - Missouri is in the middle between state and local control
 - Minnesota is concerned with water quality with strong local control, and every operation is subject to a full environmental review
 - Indiana is behind on agricultural innovation and assistance Q:
- (Sen. Leising) Is any other state a better option than what we have?**

A: (Orr) It never hurts for a county to communicate. I have always thought that Nebraska did it right in seeing how the county wanted to go and what we should be looking at.

Q: (Sen. Leising) Is the point system in Nebraska uniform?

A: (Orr) There are a few that do not want to have anything to do with livestock.

Andy Tauer (Indiana Soybean Alliance/Corn Growers Association)

- Indiana ranked among the nation's top 10 agricultural states
- They generate about \$11.2 billion in total agricultural sales
- Animal agriculture has grown steadily in dairy, eggs, and turkey industries
- Technology has enabled efficiency in the production of these products
- All of that is value added for corn and soybean farmers
- Our farmers see livestock as a value-add opportunity
- Having a robust animal agriculture sector is very important to soybean and corn farmers
- For every dollar a hog farmer generates, they generate an additional 67 cents in sales for other Hoosier businesses
- The agricultural industry has created thousands of jobs for Hoosiers
- Animal agriculture brings a lot to the table with their families being deeply invested in their communities
- If we are to build this economy, Indiana has an opportunity to make investments in processing
- This is an opportunity for a new generation in agriculture, using the newest technology
- There are many myths about agriculture including that big corporations have taken over family farms, which is not the case

Q: (Sen. Stoops) Some of the information today has focused on local control. It seems you need to deregulate to encourage operation. Is that your intention?

A: (Tauer) No. These farms bring a lot of opportunity to the community. I believe there are good regulatory systems in place. We want to make sure that as you come to a decision, that the economic decision is thought about. What we would like to see is the legislature to provide something workable but to remember that there is economic opportunity that lies ahead.

Q: (Sen. Stoops) Are you encouraging more profitable farms to be less regulated?

A: (Tauer) No, we are not advocating for one farm over another. I came to provide an overview and information on the economic outlook in Indiana.

Q: (Sen. Stoops) How would we take advantage of these opportunities?

A: (Tauer) I think there needs to be a consistent regulatory system so that farmers know the process.