

LEGISLATURE COMPLETES ITS INITIAL WORK ON 2010 BILLS - ONE WEEK LEFT TO RESOLVE DIFFERENCES

Both houses of the General Assembly have now completed their consideration of bills that originated in the other house. With the agreement that the session will complete its business at the end of next week, there will be very little time for conference committees to resolve differences between the House and Senate versions of bills. Legislators whose favorite issues were facing a legislative death were searching for a way to salvage those issues. As the deadline for bills to pass the second house approached, a number of bills became “Christmas trees” on which the language of a number of other bills was hung. The rules of the legislature provide that the content of any bill that has been passed by either house or the other is eligible to be included in a conference committee version of another bill. Accordingly, it is likely that a number of efforts will be made to include the language of bills that died in the second house into a conference committee report.

FARMLAND FORMULA BILL RETURNED TO SENATE WITH AMENDMENTS

The bill to modify the farmland assessment formula was one of the bills that became a “Christmas tree.” As reported in last week’s edition of the *Dispatch*, the language dealing with the assessment formula for farmland in **SB 396** was changed in the House Agriculture Committee by modifying the “Olympic average” in the Senate bill so that only the high year – rather than both the high and low years – be dropped when calculating average commodity prices over the rolling six-year period provided in the formula. This amendment was offered by the bill’s House sponsor, Rep. Dale Grubb (D-Covington). On second reading on the House floor, the bill was amended eight different times to include provisions entirely unrelated to farmland assessment but still dealing with the administration of property taxes. For the most part, these amendments dealt with providing incentives or tax relief to small businesses. The bill’s author, Sen. Luke Kenley (R-Noblesville), has filed a dissent motion so the bill is heading to a conference committee.

TAX BILL AMENDED TO LOWER TAXES ON FARM EQUIPMENT

Another bill that became a “Christmas tree” was **SB 239** (Sen. Brandt Hershman, R-Wheatfield & Rep. Peggy Welch, D-Bloomington). This bill, which started out as a rather technical bill addressing administrative procedures in the administration of property taxes in the state, was amended 11 times on second reading. Among the amendments was one offered by Rep. Bill Ruppel (R-North Manchester) that will prohibit the Department of Local Government Finance from requiring a minimum assessment valuation (floor) for agricultural personal property. Under current rules, no personal property may be assessed at less than 30% of its book value, regardless of its age. Rep. Ruppel’s amendment also provides that farm equipment is subject to the 2% circuit breaker tax cap rather than the 3% cap that applies to other personal property.

CONTACTS SUPPORTING PROPERTY TAX CHANGES ARE CRITICAL

As the General Assembly moves into its final week, there is a very real opportunity for agricultural to benefit significantly from the proposed changes to the farmland assessment formula and the removal of the 30% cap on farm equipment. **CONTACT YOUR LEGISLATORS THIS WEEKEND AND URGE THEM TO SUPPORT**

AGRICULTURE BY SUPPORTING THESE MEASURES. You can do so by phone, email or personal visits. If you need help with your message, refer to FBACT at either www.infarmbureau.org or www.indianataxequity.org.

FARM BUREAU TAX COMMITTEE URGES ACTIVE PUBLIC EDUCATION EFFORT ON CAPS Farm Bureau's Tax Taskforce, a committee of Farm Bureau members who are particularly knowledgeable about the operation and administration of property taxes in Indiana, met in Indianapolis this week. The members of the committee agreed that Farm Bureau should undertake a significant effort to educate the voting public about the proposed constitutional amendment before the election in November.

RURAL CAUCUS LETTER DELIVERED WITH 48 SIGNATURES A letter from members of the informal Rural Legislative Caucus urging the full consideration of measure to help alleviate the property tax burden on Indiana farmers has been delivered to the leadership of both houses. The letter was initiated by Rep. Bob Cherry (R-Greenfield) and was signed by 48 members of the House and Senate. Thanks to all Farm Bureau members who urged their legislators to sign this letter.

ANIMAL CARE STANDARDS BILLS ADVANCE IN BOTH HOUSES Both of the bills that would vest in the State Board of Animal Health the authority to develop care standards for livestock and poultry in Indiana have passed both houses. **HB 1099** (Rep. Terry Goodin, D-Austin & Sen. Randy Head, R-Logansport) has passed both houses in exactly the same version, so it is on its way to the Governor. **SB 116** (also authored and sponsored by Sen. Head & Rep. Goodin) was amended to include language addressing the Indiana Seed Law. **HB 1099** is the preferred version of the bill because it spells out in very specific language the factors that BOAH is to consider in establishing livestock and poultry care standards. These are: The health and husbandry of the livestock and poultry; generally accepted farm management practices; generally accepted veterinary standards and practices; and the economic impact the standards may have on livestock and poultry farmers, the affected livestock and poultry sector, and consumers. Although **SB 116** has been passed by both houses, Sen. Head may allow it to die with no further action if another bill with the seed law changes (**HB 1230**, which is discussed below) is concurred with by the House.

GRAIN BUYER & INDEMNITY FUND PASSES SENATE After the Senate Commerce Committee amended the bill dealing with the Grain Indemnity Law and the Grain Buyer's & Warehouse Licensing Law to include language addressing the Indiana Seed Law, the full Senate passed it by a vote of 50-0. **HB 1230** was presented by its Senate sponsor, Ron Alting (R-Lafayette). The bill's author, Rep. Joe Pearson (D-Hartford City), agreed to the Senate amendments and is expected to file a motion to concur.

DRAINAGE EFFORT DIES AS COMPROMISE PROVES IMPOSSIBLE Because of last-minute concerns raised by the Indiana Association of Cities & Towns (IACT) which proved to be irreconcilable, **SB 282** (Sen. Ed Charbonneau, R-Valparaiso & Rep. Bob Bischoff, D-Lawrenceburg) died without being called for a final vote in the House. The bill would have given county drainage boards the authority to help resolve differences

between neighbors over stormwater. The bill would not have taken away any current legal rights a citizen has to sue his neighbor for nuisance. The bill, which was supported by Farm Bureau as well as the Indiana Association of Counties and the State Association of County Surveyors, ran into difficulty when IACT complained that it would jeopardize the ability of cities and towns to control what went on within corporate limits. Rep. Nancy Michael (D-Greencastle) tried to broker a compromise but when she was not successful, Rep. Bischoff declined to call it for a final vote.

SEED LAW LANGUAGE SURVIVES IN TWO NEW HOMES Both **SB 116** and **HB 1230** contain language that would amend the Indiana Seed Law by giving the State Seed Commissioner expanded rulemaking authority. Under the changes to the law, the State Seed Commissioner would be able to set fees by rule rather than return periodically to the General Assembly for changes in a statutory fee schedule.

SCHOOL START DATE LANGUAGE FINDS A NEW HOME With his bill **SB 150** not given a hearing in the House Education Committee, Sen. Mike Delph (R-Carmel) added language requiring Indiana schools to start after Labor Day to **HB 1367** (Rep. Greg Porter, D-Indianapolis & Sen. Luke Kenley, R-Noblesville). **HB 1367** is a comprehensive bill addressing a number of education issues. Rep. Porter has filed a dissent motion so the bill is headed to a conference committee.

SCHOOL DISTRICTS SUE STATE OVER FUNDING A coalition of three school corporations has filed a lawsuit against the state alleging that the school funding formula is unconstitutional because it is inequitable in that the funding per student drops even when enrollment increases. Attorney General Greg Zoeller criticized the lawsuit, noting that defending it will require the state to spend taxpayer money. Zoeller was quoted as saying the lawsuit is, in essence, asking a court to rule on a public policy issue that is appropriately addressed by the legislature. The three plaintiff school corporations, Hamilton Southeastern, Franklin Township and Middlebury, all have rapidly growing enrollments. If successful, the lawsuit could result in school districts with declining enrollment, primarily in very rural or inner city localities, to lose funding.

CONTACT YOUR LEGISLATORS **Indiana's legislators listen to their constituents.** Let yourself be heard on issues that are important to you. You can write to your senator or representative at the Statehouse, Indianapolis, IN 46204. Call House members at 317-232-9600 or 1-800-382-9842. Senators can be reached at 317-232-9400 or 1-800-382-9467. You can email your legislator from the Public Policy tab on the Farm Bureau website at www.infarmbureau.org. This is part of the General Assembly homepage at Access Indiana. Personal contact when legislators are home on weekends or at third-house or cracker-barrel sessions remains the most effective way to communicate your ideas to your elected representatives.