

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7011
BILL NUMBER: HB 1348

NOTE PREPARED: Feb 17, 2026
BILL AMENDED: Feb 9, 2026

SUBJECT: Regulation of Grease Control Equipment.

FIRST AUTHOR: Rep. Pressel
FIRST SPONSOR: Sen. Niemeyer

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill establishes a statewide regulatory scheme for grease control equipment. It also provides that a waste water treatment plant must continue to accept septage under certain circumstances. The bill creates a process for septage haulers to resolve disputes with wastewater treatment plants with respect to accepting septage.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The Indiana Department of Environmental Management (IDEM) will have an increased workload in setting accountability standards for grease haulers and prohibiting grease haulers from operating via injunctions if they violate the set standards. IDEM may request records and photographs of grease haulers' completed service.

The bill allows IDEM to consult with septage haulers and wastewater treatment plants in the case of disagreements regarding the acceptance of septage. IDEM will make a determination and if applicable an order requiring wastewater treatment plants to accept septage.

The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Additional Information- This bill defines a grease hauler as an entity that is permitted by IDEM to collect, transport, and dispose of material removed from a grease trap or grease interceptor. A grease interceptor is defined as a watertight receptacle designed to intercept and retain fats, oils, grease, and food solids (FOG) in wastewater before it is discharged into a sewer system. A greasetrap is defined as a watertight tank to intercept, congeal, and retain or remove FOG before it's discharged into a sewer system.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill defines regulating authorities as those who have oversight over restaurants, mobile retail food establishments, and other commercial facilities that discharge FOG.

Local health departments and municipal waste utilities will see an increased workload in ensuring that regulated entities with high levels of FOG comply with the bill's requirements. This includes but is not limited to ensuring entities have the properly sized grease traps and grease interceptors and maintaining a FOG control and maintenance program. The workloads of local health departments, zoning authorities, and plumbing permit authorities will increase in coordinating with waste utilities.

This bill makes it so that local units that issue permits to install residential and nonresidential onsite sewage systems since 2023 shall continue to allow septage picked up from the unit or a neighboring unit to also be disposed of within the unit. This may increase the workload of municipal wastewater utilities.

Explanation of Local Revenues: This bill makes it so that a utility may not charge non-FOG rate payers to subsidize the costs of FOG program costs. This will mean utilities will only collect FOG revenues from FOG ratepayers.

State Agencies Affected: Indiana Department of Environmental Management

Local Agencies Affected: Municipal waste utilities; local health departments; zoning authorities; plumbing permit authorities

Information Sources:

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