

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

LS 7006
BILL NUMBER: HB 1361

NOTE PREPARED: Feb 23, 2026
BILL AMENDED: Feb 19, 2026

SUBJECT: Fertilizer.

FIRST AUTHOR: Rep. Baird
FIRST SPONSOR: Sen. Glick

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill codifies commercial fertilizer administrative rules. It defines or amends certain terms. The bill also codifies certain requirements and processes for commercial fertilizer with respect to: (1) label format; (2) registration; (3) sampling and analysis; (4) primary containment of fluid bulk fertilizer at storage facilities; (5) operational area containment for fluid fertilizers; (6) diked secondary containment of fluid bulk fertilizers; (7) storage and handling of dry bulk fertilizers; and (8) storage facility location registry.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The bill could increase the number of individuals subject to certain Office of Indiana State Chemist (OISC) enforced fertilizer staging requirements, potentially increasing workload for the OISC. Ultimately, the OISC has discretion on the number and kind of enforcement actions taken to achieve compliance, and all changes are expected to be accomplished with existing staff and resources. *[The OISC is integrated into the Purdue University budget. The OISC does not receive direct General Fund appropriations]*

Explanation of State Revenues: To the extent that the bill's provisions lead to additional civil penalties being levied, revenue to the OISC could increase by up to \$1,000 per incident, per day, though these penalties can be mitigated. Any civil penalty revenue collected would be deposited into an account for the Purdue Pesticide Programs for the purpose of providing education about fertilizers.

Penalty Provision: The bill transfers several rules from Indiana Administrative Code into Indiana Code, thereby subjecting knowing and intentional violations of those provisions to a Class A misdemeanor. It also broadens who is subject to certain fertilizer staging laws, also increasing the number of people who could commit a Class A misdemeanor for knowingly and intentionally violating such laws. *[Some rules transferred into Indiana Code, including those under 355 IAC 10, already carried Class A misdemeanor penalties under their existing placement in Indiana Administrative Code.]*

Since FY 2018, there have been no charges disposed for knowing and intentional violations of IC 15-16-2.

If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. The total fee revenue per case would range between \$113 and \$138. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#).

Report Requirement: If the Dean of Agriculture of Purdue University fails to submit the required annual report regarding total receipts and expenditures of certain fees as specified in the bill by November 1 each year, the fees allowed under Indiana Commercial Fertilizer Law (IC 15-16-2) will expire December 31 of the year the deadline is not met. This provision is expected to have no state revenue impact; however, if the fees expire, future OISC revenue will decrease significantly. *[The fees collected by OISC under Indiana Seed Law are transferred to the Purdue University Treasurer.]*

Explanation of Local Expenditures: *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions result in a guilty verdict, certain local units will collect more revenue. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#).

State Agencies Affected: Office of Indiana State Chemist; Purdue University.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual.

Fiscal Analyst: Zachary Katopodis, 317-234-2106.