



Adopted	Rejected
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COMMITTEE REPORT

YES: 10
NO: 3

MR. SPEAKER:

*Your Committee on Natural Resources, to which was referred Senate Bill 373, 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 15.
- 2 Delete pages 2 through 14.
- 3 Page 15, delete lines 1 through 9, begin a new paragraph and insert:
- 4 "SECTION 1. IC 14-39-1-3.5, AS ADDED BY P.L.291-2019,
- 5 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2021]: Sec. 3.5. (a) This chapter authorizes the establishment
- 7 of a carbon sequestration pilot project:
- 8 (1) that will:
- 9 (A) capture carbon dioxide at the proposed ~~ammonia~~
- 10 **hydrogen** plant to be located at 444 West Sanford Avenue,
- 11 West Terre Haute, Indiana; and
- 12 (B) inject the carbon dioxide underground through one (1) or
- 13 more injection wells pursuant to a Class VI well permit issued

1 by the United States Environmental Protection Agency; and
 2 (2) that will employ the underground ~~storage~~ **injection** of carbon
 3 dioxide as an alternative to releasing the carbon dioxide into the
 4 air.

5 (b) The director shall designate the operator of the carbon
 6 sequestration pilot project according to the characteristics of the pilot
 7 project set forth in subsection (a) **before July 31, 2021.**

8 SECTION 2. IC 14-39-1-14.1 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2021]: **Sec. 14.1. (a) This section applies to a**
 11 **civil action filed after June 30, 2021.**

12 **(b) Except as provided in subsection (e), material compliance by**
 13 **the carbon sequestration pilot project with a Class VI injection**
 14 **well permit issued by the United States Environmental Protection**
 15 **Agency is an affirmative defense against any civil action or claim**
 16 **for damages or equitable relief alleging infringement of or**
 17 **interference with real or personal property rights or interests that**
 18 **relates to:**

19 **(1) an injection through; or**

20 **(2) the migration of injectate from;**

21 **an injection well subject to the permit.**

22 **(c) A claimant may overcome the defense provided by**
 23 **subsection (b) by proving:**

24 **(1) actual interference with the reasonable and foreseeable use**
 25 **of the property; or**

26 **(2) direct physical injury to tangible property.**

27 **(d) For the purposes of subsection (c), a diminution in property**
 28 **value due to a perceived risk that operation of the pilot project**
 29 **may cause damage or injury does not constitute direct physical**
 30 **injury to tangible property.**

31 **(e) This section does not prohibit or limit recovery by a public**
 32 **utility for any effect of the carbon dioxide pilot project on the**
 33 **sources of the public water supply used by the public utility."**

34 Page 15, delete lines 13 through 42, begin a new paragraph and
 35 insert:

36 **"Chapter 16. Voluntary Carbon Credit Program Report**

37 **Sec. 1. The department and the department of natural resources**
 38 **shall, in consultation with:**

- 1 **(1) Purdue University;**
- 2 **(2) agricultural producers;**
- 3 **(3) woodland owners;**
- 4 **(4) foresters;**
- 5 **(5) technical experts in the area of carbon verification and**
- 6 **voluntary carbon credit markets;**
- 7 **(6) representatives of:**
 - 8 **(A) the agricultural industry; and**
 - 9 **(B) the forest industry; and**
- 10 **(7) environmental and conservation groups;**

11 **study and make findings and recommendations concerning the**
 12 **potential role of the state in a voluntary carbon credit market.**

13 **Sec. 2. Before July 1, 2022, the department and the department**
 14 **of natural resources shall:**

- 15 **(1) issue a written report of the findings and**
- 16 **recommendations made under section 1 of this chapter; and**
- 17 **(2) submit the report in an electronic format under IC 5-14-6**
- 18 **to the executive director of the legislative services agency for**
- 19 **distribution to the members of the general assembly.**

20 **Sec. 3. This chapter expires July 1, 2022."**

21 Delete pages 16 through 22.

22 Re-number all SECTIONS consecutively.

(Reference is to SB 373 as printed February 2, 2021.)

and when so amended that said bill do pass.

Representative Eberhart

Sean R. Eberhart

