

# HOUSE BILL No. 1299

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 14-8-2-117; IC 14-37-3-18; IC 36-7-2-6.

**Synopsis:** Local regulation of oil and gas wells. Provides that a: (1) county ordinance may not regulate the exploration, drilling, deepening, conversion, or operation of any well for oil and gas purposes; and (2) municipality may not regulate the operation of any oil and gas well concerning hydraulic fracturing (unless the operation is regulated under a zoning ordinance); unless granted a waiver by the director of the oil and gas division of the department of natural resources.

**Effective:** July 1, 2014.

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January 15, 2014, read first time and referred to Committee on Natural Resources.

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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1299

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A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 14-8-2-117, AS AMENDED BY P.L.225-2005,  
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2014]: Sec. 117. "Governing board" has the following  
4 meaning:  
5 (1) For purposes of IC 14-24-4.5, the meaning set forth in  
6 IC 14-24-4.5-2(6).  
7 (2) For purposes of IC 14-28-5, the meaning set forth in  
8 IC 14-28-5-3.  
9 (3) **For purposes of IC 14-37-3-18, the meaning set forth in**  
10 **IC 14-37-3-18(a).**  
11 SECTION 2. IC 14-37-3-18 IS ADDED TO THE INDIANA CODE  
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
13 1, 2014]: **Sec. 18. (a) As used in this section, "governing board"**  
14 **means the body having the power to adopt county ordinances listed**  
15 **under IC 36-1-3-6(c)(2) or IC 36-1-3-6(c)(3).**  
16 (b) Except as provided in subsection (e), a governing board may



1 not regulate the exploration, drilling, deepening, conversion, or  
 2 operation of any well for oil and gas purposes, including  
 3 requirements for the set back of oil and gas wells, hydraulic  
 4 fracturing, or bonding.

5 (c) Except as provided in subsection (e), the legislative body of  
 6 the municipality may not regulate the operation of any oil and gas  
 7 well concerning hydraulic fracturing, unless the municipality  
 8 regulates the operation of the well under IC 36-7-4.

9 (d) A governing board or the legislative body of a municipality  
 10 may, by resolution, petition the director of the oil and gas division  
 11 to grant a waiver to allow the governing board or the legislative  
 12 body of the municipality to adopt an ordinance to regulate a well  
 13 for oil and gas purposes because of a special circumstance that  
 14 allows for a waiver under subsection (f). If a petition is received,  
 15 the director of the oil and gas division shall hold a public hearing  
 16 to consider whether to grant the waiver. The public hearing must  
 17 be conducted in an informal manner. IC 4-21.5 does not apply to  
 18 a public hearing under this section.

19 (e) Subject to subsection (f), if the director of the oil and gas  
 20 division, after a public hearing under subsection (d), grants a  
 21 governing board's or the legislative body of a municipality's  
 22 petition for a waiver, the governing board or the legislative body  
 23 of the municipality may adopt an ordinance to regulate a well for  
 24 oil and gas purposes to the extent allowed by the waiver. However,  
 25 the director of the oil and gas division may not grant a waiver from  
 26 any requirement that is specified under this article for a well for oil  
 27 and gas purposes.

28 (f) The director may grant a waiver under this section:

- 29 (1) to eliminate or minimize a nuisance caused by the oil or  
 30 gas operation;
- 31 (2) to provide a reasonable barrier between or setback from  
 32 occupied structures; or
- 33 (3) for any other reason to eliminate or minimize an adverse  
 34 effect on a resident's health, a resident's safety, or public  
 35 welfare.

36 SECTION 3. IC 36-7-2-6 IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2014]: Sec. 6. **Subject to IC 14-37-3-18**, a unit  
 38 may regulate excavation, mining, drilling, and other movement or  
 39 removal of earth below ground level.

