# Wisconsin Department of Agriculture, Trade and Consumer Protection

# **Business Impact Analysis<sup>1</sup>**

Rule Subject: Agricultural and Vegetable Seed

Adm. Code Reference: ATCP 20

Rules Clearinghouse #: Not yet assigned

*DATCP Docket #:* 10-R-08

## Rule Summary

Prior to the adoption of 2009 Wis. Act 28, Wisconsin had detailed statutes (See ss. 94.38 through 94.46, Wis. Stats.) that prescribed standards for seed germination and seed labeling. As part of 2009 Wis. Act 28, the Legislature amended the statutes that govern the regulation of seed. The changes adopted as part of 2009 Wis. Act 28 repealed those germination and labeling standards effective January 1, 2011 and gave the department authority to establish standards for germination, labeling, distribution and sale of agricultural seed and vegetable seed by rule.

This rule modifies Wisconsin's agricultural and vegetable seed rule. Among other things, this rule:

- Establishes new rules related to seed labeling;
- Modifies current rules related to standards of germination, analysis, sampling, inspection, and examination;
- Established new rules related to native seeds;
- Incorporates the fees for seed labeler licenses contained in s. 94.43, Stats.
- Makes other minor changes to update, clarify and correct current agricultural and vegetable seed rules.

<sup>1</sup> This analysis includes, but is not limited to, a small business analysis ("regulatory flexibility analysis") under ss. 227.114 and 227.19(3)(e), Stats.

#### **Business Impact**

This rule updates current rules related to agricultural and vegetable seeds. The primary purpose of this rule is to ensure a fair marketplace by establishing seed standards that all agricultural and vegetable seeds sold in Wisconsin must meet. This rule adds or updates standards for seed germination, labeling, examination, sampling, inspecting, and analysis. It also adds protections and standards for native seeds, a growing category of seeds not previously subject to regulation. Some standards previously contained in the statutes will now be included in this rule. This rule also clarifies current rules, to facilitate understanding and compliance.

This rule will not have a significant impact on small businesses. This rule is expected to positively affect businesses by ensuring the all seed producers, labelers, distributors, and wholesalers are using the same current standards for germination, labeling, analysis, testing, sampling, inspection and examination. The updated standards will ensure a fair seed marketplace for businesses and consumers.

### Accommodation for Small Business

Many of the businesses affected by this rule are small businesses. This rule ensures a fair marketplace for all businesses, including small businesses, by requiring all agricultural and vegetable seed sold in Wisconsin to meet certain standards. DATCP estimates that small businesses will incur minimal or no additional compliance costs to meet these updated standards. Although this rule will affect some small businesses, it will have a positive, rather than adverse, impact on them.

#### Conclusion

Overall, this rule will benefit Wisconsin's seed industry and consumers by updating existing seed standards. Businesses will have little to no cost to comply with this rule and any cost will be greatly outweighed by the updated marketplace protections. This rule was developed in cooperation with an advisory body made up of representatives of the Wisconsin seed industry and Wisconsin seed consumers, and is supported by industry.

Dated this	_day of	, 2010
		STATE OF WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
		By Kathy F. Pielsticker, Administrator, Division of Agricultural Resource Management