

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 80 Department of Agriculture and Industries

Rule No.: 80-11-2-.07

Rule Title: Seed Inspection Fee Collections and Reporting

x New;        Amend;        Repeal;        Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?        No

Is there a reasonable relationship between the State's police power and the protection of the public health, safety or welfare?        Yes

Is there another less restrictive method of regulation available that could adequately protect the public?        No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? Minimum        Yes

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?        No

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?        Yes

\*\*\*\*\*  
Does the proposed rule have any economic impact?        Yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

\*\*\*\*\*  
Certification of Authorized Official  
I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer John McMiller

Date: 3/20/2013

(DATE FILED)  
(STAMP)

APA-2

ALABAMA DEPARTMENT OF AGRICULTURE AND INDUSTRIES  
DIVISION OF MARKETING

NOTICE OF INTENDED ACTION

Agency Name: Alabama Department of Agriculture and Industries

Rule No. & Title: 80-11-2-.07 Seed Inspection Fee Collections and Reporting

Intended Action: To create new rule.


Substance of Proposed Action: This proposed rule would implement assessing a Seed Inspection fee for every seedsman who sells or distributes seed for sale within or into Alabama for planting purposes. This rule also requires seedsman to file with the department, a quarterly sworn report; covering the total pounds of all sales of seed subject to the inspection fee and seeds sold during the proceeding quarter.

Time, Place, Manner of Presenting Views: Views may be presented in writing to the contact person below or in person on the meeting date May 14, 2013 in the Auditorium of the Richard Beard Building, 1445 Federal Drive, Montgomery, Alabama.

Final Date for Comment and Completion of Notice: May 14, 2013

Contact Person at Agency: Patrick B. Moody, Legal Counsel, Department of Agriculture and Industries, 1445 Federal Drive, Montgomery, Alabama 36107-1123, Telephone No. 240-7117.

3/20/2013  
Date

  
\_\_\_\_\_  
John McMillan  
Commissioner of Agriculture  
and Industries

APA-6  
07/04

## ECONOMIC IMPACT STATEMENT

FOR APA RULE  
(Section 41-22-23 (f))

Control No. 80 Department or Agency Agriculture & Industries

Rule No. 80-11-2-.07

Rule Title: Seed Inspection Fee Collections and Reporting

New  Amend  Repeal  Adopt by Reference

This rule has no economic impact.

This rule has an economic impact as explained below:

### 1. NEED/EXPECTED BENEFIT OF RULE:

This rule will increase revenue to the Department of Agriculture and Industries, thereby enabling the Department to modernize the state seed lab to better execute its statutory duties, and better serve Alabama Seed industry and consumers.

### 2. COST/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

The fee in this rule is authorized by Alabama Act 2012-401 and will create a seed inspection fee. Revenues from this fee will go towards improving the seed lab. The fee will be collected at time of sale and will allow for an efficient collection.

### 3. EFFECT OF THIS RULE ON COMPETITION:

This rule is universally applied to those business entities similar situated, therefore it should have no effect on competition.

### 4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

The geographical area of the implementation of the rule should have no significant impact on the cost-of-living and doing business.

**5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEORGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:**

This rule should have no significant effect on employment.

**6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:**

Existing budgeted revenue and revenue collected from this fee will be used to implement and enforce this rule.

**7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:**

Those persons and entities affected were consulted during the process of enacting the enabling legislation and the drafting of this rule. No significant impact was noted

**8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:**

There are no uncertainties.

**9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:**

The environment and public health will be positively affected.

**10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:**

This rule further enables the Department of Agriculture and Industries to perform its mandated statutory and regulatory duties in the area of consumer protection, but the detrimental effects to the environment and public health would be minimal in the rule's absence.

80-11-2-.07 Seed Inspection Fee Collections and Reporting.

- (1) In addition to the record keeping requirements under Code of Alabama 1975, § 2-26-10, every seedsman who sells or distributes seed for sale, whether in bulk or in containers, within or into Alabama for planting purposes, shall be assessed a seed inspection fee.
- (2) Every seedsman shall complete and submit a "SEED INSPECTION FEE APPLICATION." Completion of the application requires a complete address and a signature from the permit holder.
- (3) Every seedsman shall pay an inspection fee of \$0.05 for each 100 pounds of peanut seed sold or distributed for sale for planting purposes within or into the state of Alabama.
- (4) Every seedsman shall pay an inspection fee of \$0.10 for each 100 pounds of all other kinds of agricultural seed sold or distributed for sale for planting purposes within or into the state of Alabama.
- (5) The inspection fee shall be due on the total pounds of seed sold.
- (6) The inspection fee shall be due from the seedsman who makes the first point of sale within or into the state of Alabama.
- (7) Records must be kept by the seedsman showing the total pounds of each lot identified as to the kind and variety (when applicable), the lot number, pounds of seed, number of containers of seed, invoice number for each distribution of seed, and the person and or firm to whom the seed was distributed.
- (8) Each seedsman shall file with the department a quarterly sworn report, supplied by the department, covering the total pounds of all sales of seed subject to the inspection fee and sold during the proceeding quarter. Reports and fees shall be filed with the department no later than 30 days following the end of each quarter.
- (9) Each quarter shall cover the following periods: 1<sup>st</sup> quarter- October, November, December; 2<sup>nd</sup> quarter- January, February, March; 3<sup>rd</sup> quarter- April, May, June; 4<sup>th</sup> quarter- July, August, September.

(10) If a seedsman has no sales during a quarter, he must still file a report with the department indicating that there were no sales for the quarter.

(11) A penalty shall be assessed for not filing a report or filing a late quarterly report in the amount of \$100.00 or 10% of the amount of the fee due, whichever is greater. The reports and fees due shall be filed with the department no later than 30 days following the end of each quarter.

(12) Failure to comply with the provisions of Code of Alabama 1975, § 2-26-15, may result in the seedsman's permit being revoked or other penalty as authorized under the provisions of Title 2, Article I, Code of Alabama 1975.

(13) All records of seed sales shall be made available for inspection by the Commissioner of Agriculture and Industries or his authorized agent, during normal hours of business operation.

Author: Patrick B. Moody

Statutory Authority: Code of Ala. 1975, §2-26-3 and §2-26-15

History: Adopted