Rule Summary and Fiscal Analysis (Part A)

Department of Agriculture

Agency Name

<u>Plant Industry</u> <u>Howard Henry</u>

Division Contact

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<u>901:5-35-02</u> <u>AMENDMENT</u>

Rule Number TYPE of rule filing

Rule Title/Tag Line <u>Definitions of inspections, agreements and certificates.</u>

RULE SUMMARY

- 1. Is the rule being filed consistent with the requirements of the RC 119.032 review? Yes
- 2. Are you proposing this rule as a result of recent legislation? No
- 3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: 119.03
- 4. Statute(s) authorizing agency to adopt the rule: 927.52
- 5. Statute(s) the rule, as filed, amplifies or implements: 927.69
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This change will help facilitate the shipment of plant based commodities at reduced cost to business.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

The change will allow businesses the opportunity to enter into compliance agreements, which may require (by the importing state or country) additional

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inspections as a condition of the agreement, the Department can recoup the cost of these additional inspections while reducing the need/cost to businesses for phytosanitary certificates.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date: 5/26/2010

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

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FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase/ decrease** either **revenues/ expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will increase revenues.

1.000.00

May reduce the amount of fees collected from phytosanitary certificates issued for these types of shippers: Estimated at \$10,000.00 annually.

Allows recovery of costs for additional facility inspections to ensure compliance with the applicable agreements as stipulated by destination state or country through APC inspections: Estimated to be an increase of approximately \$1,000.00 annually.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

Facilitates compliance with other States' or Countries' regulations without need for inspection and phtyosanitary certificate for each shipment. Reduces the cost to businesses making many shipments by substituting a compliance agreement and master certificate (average cost per year approximately \$172.00) versus a \$25.00-\$100.00 dollar phytosanitary certificate per shipment. For example a greenhouse making 200 shipments to Canada could benefit by more than \$4000 by entering into the US-Canada Greenhouse certification program which requires 2 extra facility inspections per year. Cost of additional inspections and agreement approx. \$832.00. Cost of 200 phytosanitary certificates = \$5000.00. Also eases logistics of scheduling an inspection for each shipment

- 16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? N_0
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**