

## FORM 14

### SMALL BUSINESS IMPACT STATEMENT FORM

See SDCL 1-26-2.1

**(NOTE: This form must be signed by either the head of the agency or the presiding officer of the board or commission empowered to adopt the rules. Check your statutes to see who is authorized to promulgate rules. A small business is defined as any business with 25 or fewer full-time employees. When a set of rules is proposed, a general summary shall be provided; each proposed rule amendment shall also be explained thoroughly. In the case of a large set of proposed rules which all have a single purpose and impact, one explanation is sufficient. The law makes it clear that agencies or commissions shall use readily available information and existing resources to prepare the impact statement.)**

1. Our agency has determined that the rule/s we are proposing have the following type of impact on small businesses:
  - Direct impact *(please complete remainder of form)*
  - Indirect impact *(please provide a brief explanation, then sign, date, and submit form. Questions 2 through 8 do not need to be answered)*
  - No impact *(please provide a brief explanation, sign, date, and submit form - Questions 2 through 8 do not need to be answered)*
2. A general narrative and overview of the effect of the rule(s) on small business - written in plain, easy to read language:

Small dairy producers who sell raw milk direct to the consumer will incur some additional expense to comply with labeling and testing requirements. Date and warning label shall be added. Additional expense may be incurred by any small dairy producer selling bottled raw milk who has a contamination in their product, resulting in retesting requirements.

3. What is the basis for the enactment of the rules(s)?
  - Required to meet changes in federal law
  - Required to meet changes in state law
  - Required solely due to changes in date (i.e. must be changed annually)Other: To provide a clear and concise set of rules to producers so they may sell raw milk direct to the consumer
4. Why is the rule(s) needed?

We currently utilize rules from many other areas of the administrative rules. This will clarify procedures to follow for the production and sale of raw milk to consumers. This will also clarify procedures used when there is a contamination of a product, which will result in a recall and retesting.

5. What small businesses or types of small businesses would be subject to the rule?

Individual dairy producers selling bottled raw milk to the consumer.

6. Estimate the number of small businesses that would be subject to the rule.

- 1-99       100-499       500-999       1,000-4,999       More than 5,000
- Unknown - please explain \_\_\_\_\_

There are currently 5 raw milk producers in South Dakota selling bottled raw milk direct to the consumer.

7. Are small businesses required to file or maintain any reports or records under this rule?

- Yes       No

- a. If "yes," how many reports must a small business submit to the state on an annual basis?
- b. If "yes," how much ongoing recordkeeping within the business is necessary?
- c. If "yes," what type of professional skills would be necessary to prepare the reports or records?

- The average owner of a small business should be able to complete the reports and/or records with no assistance
- It is likely that a bookkeeper for a small business should be able to complete the reports and/or records
- It is likely that a small business person would need the assistance of a CPA to complete the reports and/or records
- It is likely that a small business person would need the assistance of an attorney to complete the reports and/or records
- Other \_\_\_\_\_
- Unknown - please explain \_\_\_\_\_

8. Are there any less intrusive or less costly methods to achieve the purpose of the rule (i.e. fewer reports, less recordkeeping, lower penalties)?

- No - please explain To clarify current rules and ensure producers, consumers & regulators can easily understand expectations.
- Yes - please explain Producers can affix labels to their products using a variety of cost-effective and inexpensive means. Labels can be handwritten so long as they are legible and clearly visible to the consumer.

9/5/13  
Dated

*Juan Santib*  
Authorized Signature

Agriculture  
Name of Agency