

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)*
2. A general narrative and overview of the effect of the rule(s) on small business - written in plain, easy to read language:

The proposed rule changes should make it easier for small businesses which operate grain warehouses to comply with storage requirements. Under proposed rule 20:10:11:16, a grain warehouse will be allowed to store grain outside between July 1 and January 31 without having to construct a temporary storage unit. This is referred to as seasonal emergency storage. In addition, 20:10:11:17 will allow non-seasonal emergency storage which would allow a public grain warehouse to store grain outside between February 1 and June 30. Commission approval will be needed for non-seasonal emergency storage. Two of the changes to ARSD 20:10:11:13 revise the construction requirements for temporary public grain storage units. *See* 20:10:11:13(2)(c) and (6). For each type of storage (temporary, seasonal, or non-seasonal), a warehouse operator will be required to keep a separate record of the grain.

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: Some of the public grain warehouses operating in South Dakota have requested that they be allowed to store grain outside. Federally licensed warehouses are already allowed the flexibility to store grain outside.

4. Why is the rule(s) needed?

The main reason for the proposed changes is to allow public grain warehouses to store grain outside, without being required to construct a temporary storage unit, if the warehouse's other storage facilities are filled to capacity. This will enable warehouse operators to handle grain from large harvests in order to accommodate their grain producer customers. The reason for the changes to the construction requirements for temporary storage units is to update the construction requirements. *See* 20:10:11:13(2)(c) and (6).

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

Small businesses that operate public grain warehouses will be subject to these rules.

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 _____

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?

No annual reports are required.

b. If "yes," how much ongoing recordkeeping within the business is necessary?

For each type of storage (temporary, seasonal, or non-seasonal), warehouse operators will be required to keep a separate record of the grain in their daily position records.

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

The record keeping is necessary in order to keep track of all grain in temporary, seasonal, or non-seasonal storage.

- Yes - please explain _____

7/6/06
Dated


Authorized Signature

SD Puc
Name of Agency