NOTICE OF INTENT

Department of Agriculture and Forestry Office of Animal Health and Food Safety Agricultural Chemistry and Seed Commission

Commercial Feed (LAC 7:XVII.101, 103, 117, 119, 121, 123, 127, 136, 137, 139, 141, and 167)

In accordance with the Administrative Procedure Act, R.S. 49:950, et seq., and pursuant to the authority set forth in R.S. 3:1391 et seq., notice is hereby given that the Department of Agriculture and Forestry ("Department"), through the Office of Animal Health and Food Safety, intends to amend LAC 7:XVII.101, 103, 117, 119, 121, 123,127, 136, 137, 139, 141, and 167 of the Commercial Feed Rules and Regulations. The proposed rule change incorporates recent statutory changes for raw milk and raw milk products in animal feed, pursuant to Act 699 of the 2024 Regular Session. The proposed rule change further incorporates statutory changes set forth in Act 101 of the 2024 Regular Session, which includes modifications to the state chemist responsibilities to include annual determination of the value of protein and any other substance guaranteed as a commercial feed; defines "guarantor" as well as establishes that a guarantor may apply for registration as a feed manufacturer and for authority to label feeds for sale In Louisiana. Further amendments being made pursuant to Act 101 clarifies the term "adulterated" as it relates to injury to the health of humans or animals, and provides additional criteria for "adulterated," including the presence of any drug defined by the Federal Food, Drug, and Cosmetic Act. The proposed rule change also includes amendments that are technical changes, merely updating and cleaning up existing language to be consistent with other sections within the same Chapter and with relevant statutory provisions.

Title 7 AGRICULTURE AND ANIMALS Part XVII. Feed

Chapter 1. Commercial Feeds

Subchapter A. Official Feed §101. General Provisions, Definitions and Terms

A. ..

- B. The terms used in reference to commercial feeds shall be the official feed terms adopted by the AAFCO, except as the commission designates otherwise in specific cases. When not in conflict with existing provisions of R.S. 3:1391 et seq. or this Chapter, the Commission incorporates by reference the "Model Regulations for Pet Food and Specialty Pet Food Under the Model Bill," published in the 2024 Official Publication of the Association of American Feed Control Officials.
- C. The following commodities are hereby declared exempt from the definition of commercial feed, under the provisions of R.S. 3:1391(3): raw milk, raw meat, and hay, straw, stover, silages, cobs, husks and hulls when unground unprocessed, and when not mixed or intermixed with other materials; provided that these commodities are not adulterated within the meaning of R.S. 3:1396.

D. - E.

F. Definitions

* * *

Commission—the Louisiana Feed, Fertilizer, and Agricultural Liming Agricultural Chemistry and Sced Commission.

* * *

Feed - any commercial feed manufactured and distributed for consumption by livestock.

Guaranteed Feeding Units—the minimum crude protein, minimum crude fat, maximum crude fiber and minimum or maximum minerals expressed as percentages or other required official units of measure, based on weight and indicated on the label as being contained in the commercial feed.

Guarantor – the entity listed on a commercial feed label or package that guarantees quality, quantity, and safety of the product.

* * *

<u>Process</u> – any method used to prepare, treat, convert, or transform materials into feeds or feed ingredients. A "process" feed term can be used to further describe an ingredient name as long as the ingredient is not nutritionally altered from the original.

* * *

Raw Milk – the lacteal secretion from any species other than human, that has not been pasteurized in accordance with the processes recognized by the U.S. Food and Drug Administration.

Raw Milk Products – any animal feed or feed ingredients made from raw milk that has not undergone pasteurization or other thermal processing.

* * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1391 and R.S. 3:392.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:219 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2524 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

Subchapter A. Feed

§103. Label Format

- A. Commercial feed, other than customer-formula feed, shall be labeled with the information prescribed in this regulation on the principal display panel of the product and in the following general format:
 - 1. a quantity or net weight, in both standard (avoirdupois) and metric units;

A.2. - B.8. ...

- C. If the feed is manufactured with raw milk or raw milk products:
- 1. The express words "WARNING: NOT FOR HUMAN CONSUMPTION THIS PRODUCT HAS NOT BEEN PASTEURIZED AND MAY CONTAIN HARMFUL BACTERIA," shall be displayed in a conspicuous manner and shall not be smaller than the height of the minimum form required by the Federal Fair Packaging and Labeling Act for the net quantity statement in the table below:

Panel Size		Minimum Warning Statement Type Size
$\leq 5 \text{ in.}^2$		<u>1/16 in.</u>
$> 5 - \le 25 \text{ in.}^2$	====	<u>1/8 in.</u>
$> 25 - \le 100 \text{ in.}^2$		<u>3/16 in.</u>
$\geq 100 - \leq 400 \text{ in.}^2$		<u>1/4 in.</u>
> 400 in. ²		<u>1/2 in.</u>

2. When pet food or specialty pet food consists of raw milk, the words, "Raw (BLANK) Milk" shall appear conspicuously on the principal display panel. "BLANK" is to be completed by using the species of animal from which the raw milk is collected.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1394, R.S. 3:1393 and R.S. 3:1392.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:220 (March 1985), amended LR 11:943 (October 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2524 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

§117. Adulterants

- A. For the purpose of R.S. 3:1396(1), the terms poisonous or deleterious substances include but are not limited to the following:
 - A.1. A.5.
- 6. any new animal drug which is unsafe within the meaning of Section 512 of the Federal Food, Drug and Cosmetic Act.
 - 7. any filthy, putrid, or decomposed substance, causing the material to be unfit for feed.
 - B. A commercial feed may be considered adulterated if:
- 1. the manufacture, processing, packaging, distribution, or use does not comply with the requirements of Title 21, Code of Federal Regulations, Part 507, Subparts A, B, C, E, and F where applicable; or
- 2. it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter which is unsafe within the meaning of Section 402(a)(1) or (2) of the Federal Food, Drug, and Cosmetic Act.
- BC. All screenings or by-products of grains and seeds containing weed seeds, when used in commercial feed or sold as such to the ultimate consumer, shall be ground fine enough or otherwise treated to destroy the viability of such weed seeds so that the finished product contains no more than four viable prohibited weed seeds per pound and not more than 200 viable restricted weed seeds per pound.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392 and R.S. 3:1396.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:223 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51;

§119. Good Manufacturing Practices

- A. For the purposes of enforcement of R.S. 3:1396-(8), the commission adopts the following as current good manufacturing practices:
- 1. the regulations prescribing current good manufacturing practice, hazard analysis, and risk-based preventive controls for food for animals, as published in the *Code of Federal Regulations*, Title 21, Part 507, Subparts A, B, C, D, E, and F; Sections 507.1 507.215;
- 42. the regulations prescribing good manufacturing practices for medicated feeds as published in the *Code of Federal Regulations*, Title 21, Part 225, Sections 225.1-225.115; and
- 23. the regulations prescribing good manufacturing practices for medicated premixes as published in the *Code of Federal Regulations*, Title 21, Part 226, Sections 226.1-226.115.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392, and R.S. 3:1396-, and 1398.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:223 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

§121. Fees

A. ...

B. Each registrant filing a label with the commission shall pay to the commission a labeling fee of \$10 per label for one to 50 products, \$8 per label for 51 to 200 products, \$6 per label for 201 or more products.

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AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1401 and 3:1392.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:223 (March 1985), amended LR 11:944 (October 1985), amended by the Department of Agriculture and Forestry, Office of the Commissioner, Feed Commission, LR 30:198 (February 2004), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

§123. Protein Value Deficiency Assessments and Penalties

- A. .
- B. The value of crude protein will be calculated as follows:
- 1. The quarterly average price of four protein supplements shall be used. These are 44 percent soybean meal, 41 percent cottonseed meal, 50 percent meat and bone meal and 60 percent corn gluten meal. This average price will be determined using Memphis market quotations as published in Feedstuffs (Miller Publishing Company). The first week of each month of the preceding quarter will be used for calculation purposes. If there is no quotation for the Memphis market on an ingredient, the Kansas City price or a local source market shall be used. If a quotation is not available the first week, the quotation in a subsequent week shall be used. The quarterly average price of four feedstuff protein sources shall be used. These are 46.5-48 percent soybean meal, 41 percent cottonseed meal, 60 percent corn gluten meal, and 46-50 percent meat and bone meal from ruminant and porcine sources. The average price will be determined using the Monthly National Grain and Oilseed Processor Feedstuff Report and the Monthly National Animal By-Product Feedstuff Report, published by the United States Department of Agriculture, Agriculture Market Service, AMS Livestock, Poultry and Grain Market News. The average value for each month of the preceding quarter will be used for calculation purposes.
- C. For all other guarantees, a deficiency assessment of ten percent of the retail purchase price of the feed if the deficiency or excess, where applicable, is greater than ten percent of the guarantee.
- —<u>CD</u>. Penalties shall be assessed as provided for in R.S. 3:1400. If an official sample shows that feed ingredients bought by a feed manufacturer is deficient, any penalties from this deficiency shall be paid by the supplier of the ingredients to the manufacturer that bought the ingredients.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1391, and R.S. 3:1392-, and 1400(5).

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:224 (March 1985), amended LR 11:944 (October 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

Subchapter B. Official Pet Food

§127. Label Format and Labeling

A. - O. ...

P. If the pet food is manufactured with raw milk or raw milk products:

1. The express words "WARNING: NOT FOR HUMAN CONSUMPTION – THIS PRODUCT HAS NOT BEEN PASTEURIZED AND MAY CONTAIN HARMFUL BACTERIA," shall be displayed in a conspicuous manner and shall not be smaller than the height of the minimum form required by the Federal Fair Packaging and Labeling Act for the net quantity statement in the table below:

Panel Size	-	Minimum Warning Statement Type Size
$\leq 5 \text{ in.}^2$	====	<u>1/16 in.</u>
$> 5 - \le 25 \text{ in.}^2$		<u>1/8 in.</u>
\geq 25 - \leq 100 in. ²		3/16 in.
$\geq 100 - \leq 400 \text{ in.}^2$		<u>1/4 in.</u>
> 400 in. ²		<u>1/2 in.</u>

2. When pet food or specialty pet food consists of raw milk, the words, "Raw (BLANK) Milk" shall appear conspicuously on the principal display panel. "BLANK" is to be completed by using the species of animal from which the raw milk is collected.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392, 1393, and 1394.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:224 (March 1985), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

§136. Adulterants in Pet Food

- A. For the purpose of R.S. 3:1396(1), the terms poisonous or deleterious substances include but are not limited to the following:
- 1. soybean meal, flakes or pellets or other vegetable meals, flakes or pellets, which have been extracted with trichlorethylene or other chlorinated solvents;
- 2. sulfur dioxide, sulfurous acid, and salts of sulfurous acid when used in or on pet food or pet food ingredients which are considered or reported to be a significant source of vitamin B1 (Thiamine);
- 3. any new animal drug which is unsafe within the meaning of Section 512 of the Federal Food, Drug and Cosmetic Act.
 - 4. any filthy, putrid, or decomposed substance, causing the material to be unfit for pet food.
- B. Pet Food may be considered adulterated if:
- 1. the manufacture, processing, packaging, distribution, or use does not comply with the requirements of Title 21, Code of Federal Regulations, Part 507, Subparts A, B, C, E, and F where applicable; or
- 2. it is, in whole or in part, the product of a diseased animal or of an animal or of an animal which has died otherwise than by slaughter which is unsafe within the meaning of Section 402(a)(1) or (2) of the Federal Food, Drug, and Cosmetic Act.
- C. All screenings or by-products of grains and seeds containing weed seeds, when used in commercial feed or sold as such to the ultimate consumer, shall be ground fine enough or otherwise treated to destroy the viability of such weed seeds so that the finished product contains no more than four viable prohibited weed seeds per pound and not more than 200 viable restricted weed seeds per pound.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392 and 1396.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Louisiana Agricultural Chemistry and Seed Commission, LR 51:

§137. Fees for Pet Food

- A. Fees for pet foods shall be the same as for other animal feeds as set forth in R.S. 3:1401 and §121 of the official feed rules and regulations. Each application for registration of pet food with the commission shall be accompanied by a registration fee of \$40.
- B. Each registrant filing a label for pet food with the commission shall pay to the commission a labeling fee of \$10 per label.
- C. Registration shall expire on the last day of June of each year. An additional \$50 late fee will be charged for renewal registrations filed after the last day of June. A late fee will not be charged on initial registrations of new products filed after the last day of June.
- D. If a registrant had no sales in a given quarter, he must still file a tonnage report and pay a minimum tonnage fee of \$10 for that quarter. A registrant shall keep all records necessary to accurately indicate the tonnage and kind of pet food sold and shall permit the commissioner or his authorized representative to examine these records and to verify the statement of tonnage. Tonnage reports shall be made on forms supplied by the commissioner and suitable for providing the necessary tonnage and statistical information. The tonnage reports and inspection fees shall be due and payable on the first day of October, the first day of January, the first day of April and the first day of July. If the report is not filed and payment made within 30 days after the date due, a penalty of 25 percent of the amount due shall be assessed against the registrant. If payment is not made within 30 days after the due date, the amount of fees due, plus

the penalty, shall constitute a debt and become the basis of a judgment against the registrant. All information as to the amount of pet food sold and business practices of the registrant obtained from tonnage reports or from inspection of records and books shall remain confidential and shall not be revealed by the commissioner or his employees to the public or to any other person.

E.The inspection fee shall be collected only once on each lot of ingredients. To achieve this end, the following provisions shall apply.

- 1. No fee shall be paid on a pet food if a previous manufacturer has paid the fee.
- 2. No fee shall be paid on customer-formula pet food if the inspection fee has been paid on the pet food, which are used as ingredients therein.
- 3. No fee shall be paid on pet food, which are used as ingredients for the manufacture of registered commercial feeds. If the fee has already been paid, credit shall be given for that payment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392 and R.S. 3:1401.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:226 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

§139. Penalties Deficiency Assessments and Penalties for Pet Food

- A. Penalties for pet food will be the same as penalties for other animal feeds as set forth in R.S. 3:1400 and \$123 of the official feed rules and regulations. For the purpose of assessing penalties for protein deficiencies in pet foods, as provided for in R.S. 3:1400(A)(1), the value of crude protein will be updated each quarter.
- B. The value of crude protein in pet food will be calculated as follows,
- 1. The quarterly average price of four feedstuff protein sources shall be used. These are 46.5-48 percent soybean meal, 41 percent cottonseed meal, 60 percent corn gluten meal, and 46-50 percent meat and bone meal from ruminant and porcine sources. The average price will be determined using the Monthly National Grain and Oilseed Processor Feedstuff Report and the Monthly National Animal By-Product Feedstuff Report, published by the United States Department of Agriculture, Agriculture Market Service, AMS Livestock, Poultry and Grain Market News. The average value for each month of the preceding quarter will be used for calculation purposes.
- C. For all other guarantees, a deficiency assessment of ten percent of the retail purchase price of the pet food if the deficiency or excess, where applicable, is greater than ten percent of the guarantee.
- D. Penalties shall be assessed as provided for in R.S. 3:1400. If an official sample shows that pet food ingredients bought by a pet food manufacturer is deficient, any penalties from this deficiency shall be paid by the supplier of the ingredients to the manufacturer that bought the ingredients.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392 and R.S. 3:1400.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:226 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

Subchapter C. Processed Animal Waste Products as Animal Feed Ingredients

§141. Definitions and Quality Standards

A. The commission adopts the definitions of R.S. 3:1381 and 1391 and those that appear in §101.F of the official feed rules and regulations, this Chapter.

В. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:226 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2525 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

Subchapter D. Probation of Registrants

§167. Public Hearing on Cancellation of Registration/Denial of Application for Renewal of Registration

Α. ...

- B. When the commission determines that just cause may exist to cancel or deny renewal or registration, the commission shall give written notice to the registrant of intent to conduct <u>an</u> adjudicatory hearing on the matter. The notice shall be given at least 15 days prior to the date on which the hearing shall be held and shall contain all of the facts required under R.S. 49:950 et seq. The notice shall be sent by certified mail, return receipt requested, to the registrant at the last address provided by the registrant, issued in accordance with R.S. 49:975.
- C. An adjudicatory hearing on the cancellation of a registration and/or denial of renewal of registration shall be conducted in accordance with the requirements of R.S. 49:950-975 et seq., specifically the rules of evidence set forth in R.S. 49:956. The registrant shall have the right to counsel of his own choosing at any such public hearing. including all rights, notice requirements, evidentiary standards and rights to rehearing and appeal, set forth therein.
- D. If a controversy still exists at the conclusion of any such adjudicatory hearing called for cancellation of registration and/or-denial of renewal of registration, the registrant may appeal the matter in accordance with the Administrative Procedure Act, provided that all such matters shall be lodged in the parish in which the commission is domiciled.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1392, R.S. 3:1393 and R.S. 3:1400 and R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Feed Commission, LR 11:228 (March 1985), amended by the Department of Agriculture and Forestry, Feed, Fertilizer, and Agricultural Liming Commission, LR 38:2527 (October 2012), amended by the Department of Agriculture and Forestry, Agricultural Chemistry and Seed Commission, LR 51:

Family Impact Statement

The proposed Rule should not have any known or foreseeable impact on family formation, stability, and autonomy. In particular, the proposed Rule has no known or foreseeable impact on:

- 1. the stability of the family;
- 2. the authority and rights of persons regarding the education and supervision of their children;
- 3. the functioning of the family;
- 4. family earnings and family budget;
- 5. the behavior and personal responsibility of children;
- 6. the ability of the family or a local government to perform the function as contained in the proposed Rule.

Poverty Impact Statement

The proposed Rule should not have any known or foreseeable impact on any child, individual or family as defined by R.S. 49:973(B). In particular, there should be no known or foreseeable effect on:

- 1. the effect on household income, assets, and financial security;
- 2. the effect on early childhood development and preschool through postsecondary education development;
- 3. the effect on employment and workforce development;
- 4. the effect on taxes and tax credits;
- 5. the effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Small Business Statement

Pursuant to R.S. 49:965.6, methods for reduction of the impact on small business, as defined in the Regulatory Flexibility Act, have been considered when creating this proposed Rule. This proposed Rule is not anticipated to have an adverse impact on small businesses; therefore, a Small Business Economic Impact Statement has not been prepared.

Provider Impact Statement

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of the 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:

- 1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
- 2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
- 3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments, data, opinions and arguments regarding the proposed Rules via U.S. Mail or hand delivery. Written submissions must be directed to Amy L. McInnis, Department of Agriculture & Forestry, 5825 Florida Blvd., Suite 3000, Baton Rouge, LA 70806 and must be received no later than 4:00 p.m. on February 10, 2025. All written comments must be signed and dated.

Mike Strain, DVM
Commissioner of Agriculture and Forestry

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will increase costs to implement an upgrade to the LabWorks Laboratory Information Management System (LIMS) to calculate and assess the penalties on deficiency report. LIMS upgrade will have to be quoted from LabWorks and a purchase order issued. Therefore, an exact amount of the increase is unknown at this time.

All other proposed changes will not result in any implementation costs or savings to state or local government units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Changes to LAC 7:121(B), fees will increase state revenue collections. The current label registration fee matrix (1-50 labels = \$10 per label; 51-200 labels = \$8 per label; 201+ labels = \$6 per label) will be changed to a flat rate of \$10 per label. This will affect 67 registrants, 8.5%, out of 791 total registrants for FY 25. Registrants with 51 registered labels would pay an extra \$102 and the registrant with the most registered labels, 880 labels, would pay an additional \$3,520. The total effect on revenue collections would be \$31,990.

All other provisions in the proposed rule change would not have any effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

The federal definition of a *very small business*, means a business (including any subsidiaries and affiliates) averaging less than \$2.5 M, adjusted for inflation, per year, during the 3-year period preceding the applicable calendar year in sales of animal food plus the market value of animal food manufactured, processed, packed, or held without sale (i.e. held for a fee or supplied to a farm without sale). As per available knowledge, changing the current label registration fee matrix (LAC 7:121(B)) to a \$10 flat rate would not affect any registrants classified as a *very small business*.

Revisions to LAC 7:123, Deficiency Assessments and Penalties, would have a direct effect on all registrants deficient in guaranteed feeding units when analyzed by the Louisiana Department of Agriculture & Forestry, Agricultural Chemistry Laboratory. Estimated costs to registrants are penalties assessed for products deficient in nutritional feeding units guaranteed on the label. As per R.S. 3:1400(B), all deficiency assessments; shall be paid to the person who purchased the feed for use when that person can be identified. If the person cannot be identified, the deficiency assessment shall

be paid to the Louisiana Agricultural Chemistry and Seed Commission.

All other provisions in this proposed rule change would have no effect on persons, small businesses, or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change is not anticipated to have any effect on competition or employment.