Wisconsin Department of Agriculture, Trade and Consumer Protection

Initial Regulatory Flexibility Analysis

Rule Subject:	**Cranberry Marketing Order**
Adm. Code Reference:	**ATCP 142**
Rules Clearinghouse #:	**Not yet assigned**
DATCP Docket #:	**13-R-15**

Rule Summary

This rule increases the maximum assessment the cranberry marketing board may charge to cranberry producers under Chapter ATCP 142, the cranberry marketing order as follow:

The maximum assessment the cranberry marketing board may charge increases from ten cents per barrel to a maximum of 15 cents per barrel beginning the year this amendment to the marketing order becomes effective, to a maximum of 20 cents per barrel beginning in 2017 and to a maximum of 25 cents per barrel beginning in 2019.

Small Business Affected

This rule affects cranberry growers. Cranberry growers are all small businesses. In 2012 the growers collectively produced a total crop of 4,830,000 barrels valued at approximately $231 million. The price per barrel in 2012 was $47.80. At the assessment rate of 10 cents per barrel the assessment in 2012 equaled approximately .02 percent of the crop value. If the Cranberry Board assess at the maximum rates, the assessment, based on the 2012 price per barrel, will equal .031 % of the crop value in 2015 and 2016, .042% in 2017 and 2018 and .052% thereafter. The result is a modest cost increase for each grower. However, if the use of assessments produces the kind of market share increase that the industry has seen in recent years the increased assessment cost will be more than made up for by increased sales.

Reporting, Bookkeeping and other Procedures

The proposed rule creates no reporting, bookkeeping or other procedures for small businesses.

Professional Skills Required

The proposed rule does not require any professional skills for small businesses.

Accommodation for Small Business

All of the businesses affected by this rule are "small businesses." This rule does not make special exceptions for small businesses because the purpose of the marketing order program is to have all members of the producer group share in the cost of joint promotion, research and education that will increase productivity and sales of the commodity.

Conclusion

The result of the proposed rule is a modest cost increase for each grower. However, if the use of assessments produces the kind of market share increase that the industry has seen in recent years the increased assessment cost will be more than made up for by increased sales. This rule will not have a significant adverse effect on "small business," and is not subject to the delayed "small business" effective date provided in s. 227.22(2)(e), Stats.

Dated this 24 day of March, 2014.

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION

By _____
Daniel Smith, Administrator
Division of Agricultural Development