



Tracking #: A210-2019-7
Status: DFM Analyst: Recommended 04/22/19
 Gov's Office: Recommended 05/01/19
 DFM Regulatory: Recommended 05/01/19
 DFM Admin:

Administrative Rules Request Form

Agency Name: Agriculture, Department of	Submitted on: 04/17/2019
Primary Contact: Kyle Wilmot Phone: 208-332-8660	Email: kyle.wilmot@isda.idaho.gov
Secondary Contact: Phone:	Email:
Person Authorizing Rule: Brian Oakey Phone: 208-332-8500	Email: Brian.Oakey@ISDA.Idaho.gov
State or Federal Statute that Authorizes this Rule: Idaho Code Section 69-223	
IDAPA, Title, Chapter, and Section Number(s) (e.g. - 35.01.02.028): 02.02.12.050	
Administrative Bulletin for Publication: June 2019	
This rule is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Temporary	
Under the Red Tape Reduction Act (Executive Order 2019-02), this rulemaking (select all that apply):	
<input type="checkbox"/> Increases regulatory requirements <input type="checkbox"/> Decreases regulatory requirements <input type="checkbox"/> Neither Increases nor decreases regulatory requirements <input checked="" type="checkbox"/> Qualifies for an exemption	
<input checked="" type="checkbox"/> This rule is required to comply with a new	
<input type="checkbox"/> federal law <input checked="" type="checkbox"/> state law <input type="checkbox"/> court order	
Provide the specific law change (bill number) or court order that requires this change:	
S1125	
Effective date of this law change or court order: 07/01/2019	
What will be the impact if this rule is not promulgated?	
Warehouses will not be able to use electronic receipts as provided in Idaho Code Section 69-223(1)(f)(ii)	
<input type="checkbox"/> Incorporates by reference only (does not include exceptions outlined in rule) <input type="checkbox"/> Elimination or simplification of existing agency rules is not possible	
Agency has determined, according to Idaho Code 67-5220(1), that	
<input checked="" type="checkbox"/> This rule will be negotiated with interested persons as outlined in Idaho Code 67-5220(3) <input type="checkbox"/> Negotiation of this rule is not feasible	
Provide a short summary of the changes this rule makes:	
This rule will provide definition for the standards of the now allowable electronic warehouse receipts. It will provide guidance on provider agreements and what will be allowable for electronic warehouse receipts. Also, what standards should be met by the entities providing the programs that contain the electronic warehouse receipts. In addition to the proposed changes, IDAPA 02.02.12 will be reviewed for amendment or repeal of select sections in order to comply with Gov. Little's Executive Order 2019-02, Red Tape Reduction Act.	
Why is this rule needed? What prompted this request?	
This rulemaking is requested to provide support and clarity for requirements regarding the newly added law regarding electronic warehouse receipts under code 69-223.	

List any affected parties and potential concerns they may have with this rule. How will the agency involve these parties in the negotiated rulemaking process?

This change will allow warehouses the ability to issue paper and electronic warehouse receipts. Some warehouses may have concern that they will not be able to use the electronic receipts, but the paper receipts are still available for their use. ISDA will conduct negotiated rulemaking and conduct outreach to stakeholders for input throughout the rulemaking process.

Provide the projected fiscal impact for all programs affected, including both positive and negative impacts to all fund sources (General, dedicated and federal):

No fiscal impact to agency as all costs if any associated with implementing or related to the use of the electronic warehouse receipts through third party are to be borne by the public warehouse, warehousemen, or commodity dealer.

What impact will this rule have on the competitiveness of businesses and individuals?

This rule will equally impact all businesses and individuals as they will now be able to use electronic warehouse receipts in addition to or in place of the already allowed ISDA paper warehouse receipts.

DFM Analyst: Amber Christofferson Recommended Not Recommended **Date:** 04/22/2019

Comments:

The agency has been directed by S 1125 to promulgate rules necessary for the implementation and operation of warehouse electronic receipt systems.

Fiscal Impact Comments:

The cost burden from this rulemaking will fall on the warehouse, warehouseman, or commodity dealer.

Final Draft Review Analyst Recommendation: Recommended Not Recommended **Date:**

Governor's Office: Sam Eaton Recommended Not Recommended **Date:** 05/01/2019

Comments:

The legislature amended I.C. 69-223, to include electronic warehouse receipts. The amendment also authorized the ISDA to promulgate rules to ensure receipts are in compliance with the UCC and USDA requirements.

DFM Regulatory Review: Colby Cameron Recommended Not Recommended **Date:** 05/01/2019

Comments:

Just a reminder to be reviewing current rules, and to draft all proposed rules to be clear and concise. Even if the rule fits an exemption, we will be monitoring overall word count for the agency for every rule that is approved during the Red Tape Reduction Act.

DFM Administrator Action: Alex Adams

Negotiation of proposed rule: Authorized to begin negotiated rulemaking Not Approved **Date:** 05/02/2019

Just a reminder to be reviewing current rules, and to draft all proposed rules to be clear and concise. Even if the rule fits an exemption, we will be monitoring overall word count for the agency for every rule that is approved during the Red Tape Reduction Act.

Final Approval: Approved Not Approved **Date:**

Comments:

Are the projected fiscal impact and business impact statements still accurate? Yes No