



DELBERT HOSEMANN  
*Secretary of State*

**ECONOMIC IMPACT STATEMENT**

**An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Economic Impact Statement must be attached to this Form and address the factors below. A PDF document containing this executed Form and the Economic Impact Statement must be filed with any proposed rule, if required by the aforementioned statute.**

AGENCY NAME Mississippi Department of Agriculture & Commerce	CONTACT PERSON Jennifer Thompson	TELEPHONE NUMBER (601)359-1144
ADDRESS P.O. Box 1609	CITY Jackson	STATE MS
EMAIL jennifer@mdac.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Petroleum Products Inspection Rules	
Specific Legal Authority Authorizing the promulgation of Rule: 75-55-3	Reference to Rules repealed, amended or suspended by the Proposed Rule: Title 2, Part 1 MDAC Rules, Subpart 4, Chapter 8, Section 113 of the Petroleum Product Inspection Law Regs	

SIGNATURE 	TITLE Deputy Commissioner
DATE July 18, 2016	PROPOSED EFFECTIVE DATE OF RULE September 13, 2016

1. Describe the need for the proposed action: The Department has received distributor complaints that the current rule is inconsistent with other states in which biodiesel blends are sold, thereby requiring specific labeling of biodiesel blend products in the state.
2. Describe the benefits which will likely accrue as the result of the proposed action: The benefit that results is that the consumer is not confused by the biodiesel labeling, as it will now be consistent with other states in the country, and follows the federal register.
3. Describe the effect the proposed action will have on the public health, safety, and welfare: The effect of the rule will allow the consumer to make an informed decision consistent with biodiesel fuel purchases in other states.
4. Estimate the cost to the agency and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues: Nothing
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: Minimal

6. Provide an analysis of the impact of the proposed rule on small business: The cost will be nothing to the small business that is currently posting the required federal (FTC) decal for biodiesel fuel blends. If a small business selling biodiesel fuel blends does not currently post the FTC label as required by 16 CFR Part 306, the cost will be minimal, ranging from \$1.29/decal - \$1.69/decal depending on quantity ordered. Most small businesses will have 1-4 dispensers at \$1.69/decal resulting in \$10.00 or less per location.
  - a. Identify and estimate the number of small businesses subject to the proposed regulation: 2,850
  - b. Provide the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record: None
  - c. State the probable effect on impacted small businesses: The cost will be nothing if the small business is currently posting the required federal decal for biodiesel fuel blends. If a small business selling biodiesel fuel blends does not currently post the FTC label as required by 16 CFR Part 306, the cost will be minimal, ranging from \$1.29/decal - \$1.69/decal depending on quantity ordered. Most small business will have 1-4 dispensers at \$1.69/decal resulting in \$10.00 or less per location.
  - d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis: None
    - i. The establishment of less stringent compliance or reporting requirements for small businesses;
    - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
    - iii. The consolidation or simplification of compliance or reporting requirements for small businesses;
    - iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
    - v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations:
7. Compare the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule: The benefit that results is that the consumer is able to identify a common decal when purchasing biodiesel fuels in the state, comparable with other neighboring states. In addition, it allows distributors of biodiesel products in multiple states to follow the same FTC rule currently used in other states.
8. Determine whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law: None
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: None
10. State reasons for rejecting alternative methods that were described in #9 above: N/A
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection: Contacted label companies for prices of the applicable labels required.