

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 9, 2008
POSITION: Neutral
SPONSOR: California Seed Association

BILL NUMBER: SB 1280
AUTHOR: A. Maldonado

BILL SUMMARY: Agriculture: Seed: Advisory Board: Registration

This bill would change the composition of the Seed Advisory Board to reduce the number of registered labelers by two and replace them with seed dealers. This bill would also require all labelers of seed for sale and all seed dealers to register with the California Department of Food and Agriculture (CDFA) to obtain authorization to sell seed, regardless of whether their inventory is from in-state or out-of-state seed labelers.

FISCAL SUMMARY

This bill would have a minor fiscal impact. Some firms that sell only seed produced in California would now be required to register with CDFA to obtain authorization to sell seed, which would provide some additional revenue to CDFA. Registration costs are \$40 per year. Assessments are also charged to labelers only at a value of \$0.32 per \$100 value of seed sold. These fees and assessments are used to offset administration costs for the program, so the net effect of this change would be minimal for CDFA based on the few additional seed labelers and dealers that would be required to register with the department.

COMMENTS

Existing law may be considered unclear and could be interpreted to require that only seed labelers or dealers who sell seed grown outside of California are required to register with CDFA. This bill would clarify that code. According to the Author's Office and CDFA, most of these individuals already register with the department, but clarifying this code would address problems CDFA has experienced with some labelers and dealers that claim they are not required to obtain authorization to sell seed based on ambiguous code.

Changing the makeup of the board to reduce the number of registered labelers and replace them with seed dealers would broaden the pool of available Seed Advisory Board membership candidates and would help the board's membership reflect the changes in the seed industry, which includes a growing number of seed dealers.

Code/Department Agency or Revenue Type	SO LA CO RV	PROP 98	FC	(Fiscal Impact by Fiscal Year)			Fund Code
				2007-2008	2008-2009	2009-2010	
8570/Food & Ag	SO	No		----- No/Minor Fiscal Impact -----			0110

<u>Fund Code</u>	<u>Title</u>
0110	Food and Agriculture Fund, Department of

Analyst/Principal (0221) R. Baker	Date	Program Budget Manager Todd Jerue	Date
--------------------------------------	------	--------------------------------------	------

Department Deputy Director	Date
----------------------------	------

Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)