

**STATE OF MINNESOTA**  
**DEPARTMENT OF AGRICULTURE**

**IN THE MATTER OF PROPOSED AMENDMENTS TO            )**  
**THE RULES OF THE DEPARTMENT OF AGRICULTURE    )**   **STATEMENT OF NEED**  
**GOVERNING SEED POTATO CERTIFICATION            )**   **AND REASONABLENESS**  
**MINNESOTA RULE 1555.6950**

**I. INTRODUCTION**

The subject of this rule making is the proposed adoption by the Minnesota Department of Agriculture (MDA) of amendments to the rules governing requirements for certification of seed potatoes. Minnesota Statutes, section 21.118, authorize the Minnesota Department of Agriculture to adopt rules for the efficient administration and enforcement of the Minnesota Seed Potato Certification Law.

The Department has determined that the proposed amendments are noncontroversial in nature because they are supported by the industry, and will bring Minnesota's requirements for certified seed potato production into conformity with other states. Because of the noncontroversial nature of these amendments the department has directed that the rule making proceedings be conducted in accordance with the statutory provisions governing the adoption of noncontroversial rules, Minnesota Statutes, section 14.22 to 14.28. Accordingly, the rule making proceedings on the proposed amendments are governed by the statute and no hearing will be conducted on the proposed amendments unless 25 or more persons submit to the department a written request for such hearing. In accordance with the requirements of Minnesota Statutes, section 14.23, this Statement of Need and Reasonableness was prepared and completed prior to the date that the proposed rule was published by the State Register.

## II. GENERAL OVERVIEW

Rule 1555.6950 sets forth the standards for the inspection of certified seed potatoes at their point of shipment. Inspections of certified seed potatoes at the time of shipment from their point of production constitutes the final step in the certification process. Certified seed potatoes are graded, and inspected accordingly, to meet standards for either the blue tag certified seed potato grade, yellow tag certified seed potato grade, or white tag certified seed potato grade. The requirements for blue tag grade are the most stringent, followed by requirements for yellow tag grade, with white tag grade requirements being the least restrictive. For each of the three grades, the tolerance for disease is the same. The differences among blue, yellow, and white tag grades are in the extent of physical defects allowed. The three grades or tag colors are used as marketing tools. The blue tag is universally considered to be the premium grade and marketed as such. Minnesota certified seed potato growers must compete directly with seed growers from North Dakota and Wisconsin. Each sells basically the same product; consequently, it is essential that Minnesota seed growers not be put at a disadvantage by overly restrictive or inconsistent seed grade standards. MDA is proposing to amend would Rule 1555.6950 so that Minnesota seed potato grade standards conform with those of neighboring states.

## III. NEED FOR AND REASONABLENESS FOR THE PROPOSED AMENDMENTS TO THE RULES

The proposed amendments to Rule 1555.6950 are reasonable because they will not compromise certification standards or measurably diminish the quality of Minnesota certified seed potatoes. The amendments will, however, greatly facilitate the marketing of Minnesota certified seed potatoes by making Minnesota's grade requirements consistent with those of other states. This will reduce confusion and establish a level playing field in the marketplace. Minnesota certified seed potatoes are marketed along side North Dakota certified

seed potatoes and generally considered to be the same product: that is, Red River Valley seed potatoes. The proposed amendments have been mutually agreed upon by the potato industries of both states. Most of the proposed amendments pertain to grade factors. The grade factors being addressed include growth cracks, silver scurf, wireworm damage, air cracks, damage by soil, russet scab, and size. All of these grade factors are cosmetic in nature and have no effect on seed quality, disease content or the ultimate performance of the product. Expanding the use of the white tag grade to all classes of certified seed is intended to facilitate intrastate shipments of certified seed potatoes and will have no other impact on the certification process.

#### IV. SMALL BUSINESS IMPACT OF THE PROPOSED AMENDMENT

As prescribed by Minnesota Statutes, section 14.115, subdivision 1 and 2, the Department of Agriculture has considered the degree of impact the proposed rule changes will have on the certified seed potato industry.

By definition (M.S. 14.115), all Minnesota certified seed potato growing entities are "small business." Existing seed potato certification rules and any proposed amendments must be written in a manor that achieves a balance between the concerns of small business, the seed potato grower, and the biology of potato diseases central to the certification process. Without these considerations, seed potato certification would be dysfunctional.

The Department has determined that the proposed amendments will improve the workability of the present rules governing seed potato certification and place no additional economic restraints or demands on producers. These amendments will be a positive benefit to Minnesota certified seed potato growers.