

SCDA Recommended Statutory Changes

- Delete the Agriculture Commission's powers to establish policies for South Carolina Department of Agriculture (SCDA), and annually approve the agency's budget request; found in 46-5-20(1) and (2)
- Establish an appointment procedure of Agriculture Commission members after a seat has either been vacant the term expired for more than two years; 46-5-10
- Remove the bonding requirements of the Commissioner of Agriculture; 46-3-50
- Adopt the model feed law proposed by the American Association of Feed Control Officials (AAFCO)
- Authorize SCDA to fine businesses that habitually and willfully violate existing consumer protection labeling / quality laws
- Require businesses that dispense petroleum products to notify SCDA within 30 days of operating dispensers
- Allow a \$5 per dispenser registration fee for businesses that dispense petroleum products
- Enforce a scalable monetary penalty for habitual and willful offenders of petroleum law, when taking advantage of the consumer
- Authorize an application fee for a food business when registering for a Registration Verification Certificate (RVC)
- Authorize a tiered annual fee for RVCs
- Modernize salvage food regulations by eliminating salvage permit and covering under the RVC
- Modernize the cotton warehouse receipt law (accept Permanent Bale Identification (PBI) from a cotton gin as the universal warehouse receipt number)
- Remove the exemption registration burden, found in 44-1-143 (H) from small home-based food producers
- Revise the state egg law to exempt USDA graded facilities from state licensing, add quail eggs, and remove the licensing requirement for small producers

South Carolina Department of Agriculture

Hugh E. Weathers, Commissioner



House Legislative Oversight Committee
Economic Development, Transportation, and Natural Resources Subcommittee
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SC Agriculture Commission

Delete the Agriculture Commission's powers to establish SCDA policies and annually approve SCDA's budget request

- 46-5-20 (1) and (2)
- Agriculture Commission is currently not governing SCDA or approving any budget requests
- SC Attorney General's Opinion (May 3, 1999)



SC Agriculture Commission

Make a statutory change to the election procedure, or who has appointment responsibility, of Agriculture Commission members

- 46-5-10
- Currently, vacancies take a significant amount of time to be filled
- After 1) an established period of time of a seat being vacant or term expired; 2) candidate recommendations have been provided to the legislative delegation; and 2) specified notification attempts to the legislative delegation have been made; the Commissioner of Agriculture would have authority to appoint Commission members



SC Commissioner of Agriculture

Remove the bonding requirements of the Commissioner of Agriculture

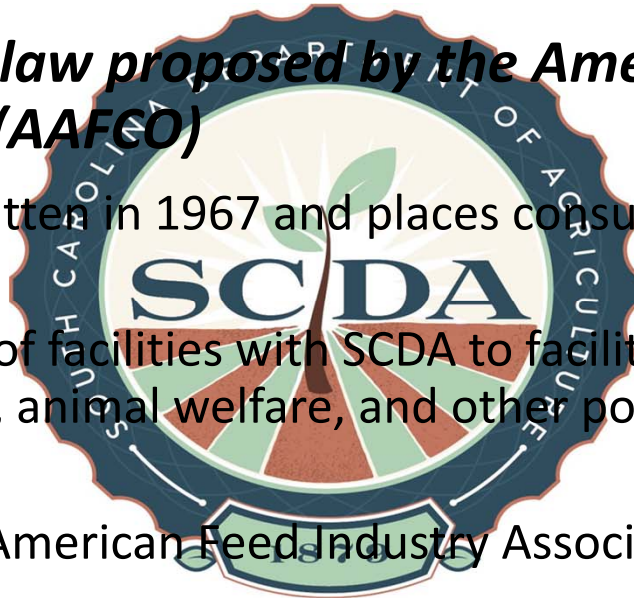
- 46-3-50
- The Insurance Reserve Fund, a Division of the State Fiscal Accountability Authority (SFAA), provides all state agencies, departments, institutions, commissions, boards, personnel, etc. with both liability and property insurance
- Grain producers, dealers, and warehouses are covered under 46-40-10, et seq. and 46-41-10, et seq.



Feed Law

Adopt the model feed law proposed by the American Association of Feed Control Officials (AAFCO)

- Current feed law was written in 1967 and places consumers and feed mills at a disadvantage
- Will require registration of facilities with SCDA to facilitate recalls and stay on top of food borne outbreaks, animal welfare, and other potential issues prior to an event
- Supported by the AFIA (American Feed Industry Association)
- Draft language provided



Labeling & Quality violations

Authorize SCDA to fine businesses that habitually violate existing consumer protection labeling / quality laws

- Fine would escalate with number of offenses and risk to public safety/health
- Willful and habitual violators should pay the costs for duplicative laboratory analyses, additional sampling, and re-inspection
- Petroleum – octane, ethanol, distillation profile, sulfur, water/sediment
- Feed – *current law allows*
- Ground meat products – fat, extenders, preservatives, color
- Frozen Desserts – butterfat content, total solids per gallon, weight per gallon



Petroleum Law

Require businesses that dispense petroleum products to notify SCDA within 30 days of operating dispensers

- LP, natural gas, gasoline, diesel, kerosene, jet A, avgas, home heating oil

Allow a \$5 per dispenser registration fee for businesses that dispense petroleum products

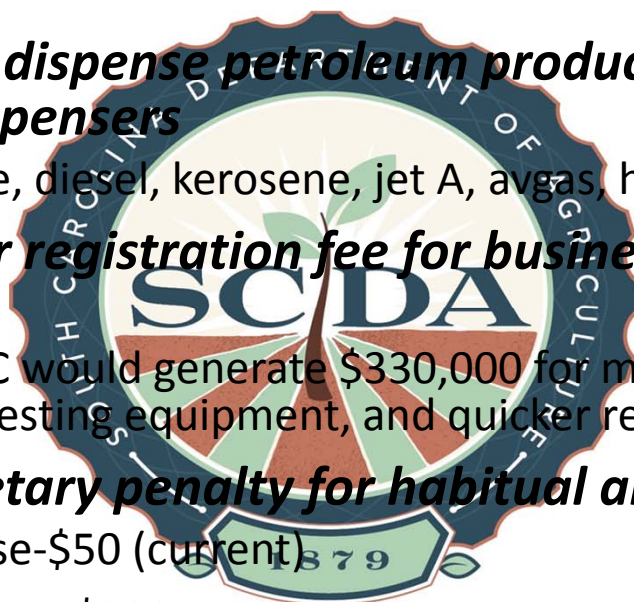
- 66,000 dispensers in SC would generate \$330,000 for more inspectors, software enhancements, more testing equipment, and quicker response time

Enforce a scalable monetary penalty for habitual and willful offenders

- Recommend: 1st Offense-\$50 (current)

2nd Offense-\$200

3rd Offense-\$500



Food Manufacturers, Wholesalers, Distributors

Authorize an application fee for a food business Registration Verification Certificate (RVC).

- With an application, SCDA reviews business plan, product analysis, certifications and training requirements, and labels.
- Recommend: \$25
- Existing businesses who hold a current RVC would be exempt.

Authorize a tiered annual fee for RVCs.

- Based on risk/length of inspection and size of firm to prevent small prospective manufacturers from being burdened.
- Will allow for more inspectors, better equipment, and faster response time.
- This is similar to the current DHEC model for retail inspections.



Salvage Permit

Modernize salvage food regulations by eliminating salvage permit and covering under the RVC

- Regulation verbiage needs updating to reflect modern language and terminology consistent with current food safety laws and regulations
- Will eliminate duplication of inspection and licensing/permitting
- Draft language provided



Electronic Warehouse Receipts

Modernize the cotton warehouse receipt law--accept Permanent Bale Identification (PBI) from a cotton gin as the universal warehouse receipt number

- **SECTION 39-22-110.** Currently requires identification tags on bales
- Allow the PBI tag to be accompanied by a sticker to assist warehouse personnel receiving cotton
- Sticker will include
 - the Brand “South Carolina”
 - palmetto tree with a bale of cotton lying at the roots
 - shield of state of SC
- Sticker must be placed in close proximity to PBI tag



“Cottage Food” Exemption

Remove the exemption registration burden, found in 44-1-143 (H), from small home-based food producers

- The new food code adopted by DHEC eliminates the need for this exemption by allowing nonhazardous home based foods to be sold retail to the end consumer and is less restrictive
- SCDA does not regulate retail food sales directly to the end consumer
- ~~(H) A home-based food production operation may apply for an exemption from inspection and label review by the South Carolina Department of Agriculture under Section 39-25-10, et seq., if its annual sales are less than fifteen thousand dollars. Exemption forms must be provided by the South Carolina Department of Agriculture.~~

Egg Law

Revise the state egg law to exempt USDA graded facilities from state licensing, and allow small producers to sell off-farm.

- This would create more marketing opportunities for small producers
- Producers could sell up to 30 dozen per week to the end consumer away from farm without license
- Adds “quail eggs”, currently not allowed to sell in SC
- USDA-graded facilities must still comply with state law, but would not be required to get a state license
- Annual license fee would be \$10





Thank You!