

RULE IMPACT STATEMENT

TITLE 35. OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY CHAPTER 40. MARKET DEVELOPMENT

(A) **PURPOSE AND LEGAL BASIS OF THE PROPOSED RULE:**

The proposed updates the definition of market value; removes the requirement of month from minimum and maximum request; adds an exception for processing and availability if the food cannot be grown/raised and harvested/processed within Oklahoma pursuant to Okla. Const., Art. 6, § 31; State Board of Agriculture; 2 O.S. § 2-4(A)(2); and 2 O.S. § 5-60.6. The proposed amendments add funding opportunities for viticulture and enology facilities and businesses; establishes definitions for viticulture and enology; adds an additional category for eligibility for viticulture and enology; adds additional requirements for evaluation for viticulture and enology; amends language for eligibility categories; adds limitations for individual applicants and requires proof of ABLE license for all projects; and establishes disbursement requirements for funding pursuant to Okla. Const., Art. 6, § 31; State Board of Agriculture; 2 O.S. § 2-4(A)(2); and 37A O.S. § 5-129.

(B) **CLASSIFICATION:**

This rule amendment is classified as a *nonmajor rule amendment* with little to no financial impact.

(C) **PURPOSE OF PROPOSED AMENDMENT:**

The purpose is to update the requirements for the Oklahoma Food for Schools Program and add exceptions for processing and availability if food cannot be grown/raised and harvested/processed within Oklahoma. Additionally, the rules update the requirements for the viticulture and enology revolving fund program, including eligibility and disbursements.

(D) **CLASSES OF PERSONS WHO MOST LIKELY WILL BE AFFECTED BY THE PROPOSED RULE AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES:**

The proposed amendments affect people, schools and organizations applying for funds through the Department. No cost impacts have been received.

(E) **PERSONS WHO WILL BENEFIT FROM THE PROPOSED RULE:**

Schools applying for reimbursement through the local food for schools will benefit from the proposed rule amendments and people, schools or organizations applying for funding for viticulture and enology projects will benefit from the proposed rule amendments.

(F) **DETERMINATION OF PROBABLE ECONOMIC IMPACT:**

Local Food for Schools: The proposed permanent amendments will have little to no economic impact on the affected classes, affected businesses, business sectors, individuals, state or local government entities, and the state economy. Based on the

number of applications received in 2025, the Department estimates that approximately \$4,000.00 will be spent in total by all schools across the state who choose to participate in this program. Over five years this will be approximately \$20,000.00 total for all schools who participate in this program. The costs that are spent will be offset by the reimbursement of invoices on food purchased by the school district. No additional agency personnel or budget expenses are anticipated.

Oklahoma Viticulture and Enology Center Development Revolving Fund: The proposed permanent amendments will have little economic impact on the affected classes, affected businesses, business sectors, individuals, state or local government entities, and the state economy. Based on the applications in 2026, the Department estimates that approximately \$2,000.00 will be spent in total by all businesses and/or individuals across the state who apply for these funds. Over five years this will be approximately \$10,000.00 for businesses and/or individuals who participate in this program. The costs that are spent will be offset by the disbursements or reimbursement of funds for recipients. No additional agency personnel or budget expenses are anticipated.

No information on direct or indirect cost impact has been received by the agency from private or public entities to date.

(G) METHODOLOGY OF PROBABLE ECONOMIC IMPACT:

Local Food for Schools: The methodology focused on indirect, direct, measurable impacts, primarily concerning fees and administrative costs. The analysis was conducted under the assumption that roughly the same number of schools would be submitting applications for reimbursement of food purchased under the Local Food for Schools program. In 2025, the Department had roughly 200 applications submitted with bids for various food items for the school district. Applicants must obtain bids for the products they want to purchase for the school. The Department came to a total of \$4,000 per year by multiplying the 200 applications by estimated time of 2 hours that it would take to contact vendors and obtain quotes from those vendors and put together the paperwork to be submitted to the Department. The Department then took that amount and multiplied it by \$10 an hour. To determine the 5-year impact the Department multiplied the yearly total of \$4,000.00 by 5, which equals \$20,000.00. These costs are optional for school districts because they do not have to participate and the reimbursement of food costs per applicant is going to be higher than the cost of obtaining quotes and finding a vendor.

Oklahoma Viticulture and Enology Center Development Revolving Fund: The methodology focused on indirect, direct, measurable impacts, primarily concerning fees and administrative costs. The analysis was conducted under the assumption that roughly the same number of people would be applying for the viticulture and enology revolving fund each year. In 2026, the Department had 6 applications for this program. Businesses or individuals that apply may need to obtain a license through the ABLE Commission, a Small Farm Winemaker License for \$100 or a winemaker's license, if they are producing a high-volume, for \$625 annually. Additionally, if the applicant wanted to print and mail their application there may be a small cost associated with that, roughly \$10 for printing and mailing. The Department also encourages applicants to obtain the OSU Grape

Management Course Certificate which costs \$250 per person. The Department came to a total of \$2,000 per year by taking the number of applicants and the accounting for the potential licenses and option certificates that an applicant could obtain. If 5 of the 6 choose to attend the certificate program and need a license through ABLE that would roughly \$2,000. To determine the 5-year impact the Department multiplied the yearly total of \$2,000.00 by 5, which equals \$10,000.00. These costs are optional for businesses and individuals because they do not have to participate in the program. Additionally, the maximum disbursement or reimbursement that can be received far exceeds the costs spent to obtain the optional certificate through OSU and the license through ABLE.

(H) **DETERMINATION OF WHETHER IMPLEMENTATION WILL HAVE ANY ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISION OR REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE PROPOSED RULE:**

No effect on any political subdivision is anticipated by the proposed rule amendments.

(I) **DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE WILL HAVE AN ADVERSE EFFECT ON SMALL BUSINESS AS PROVIDED BY THE OKLAHOMA SMALL BUSINESS REGULATORY FLEXIBILITY ACT:**

It is not anticipated that the proposed rule amendments will have an adverse effect on small businesses.

(J) **DETERMINATION OF WHETHER THERE ARE LESS COSTLY METHODS OR NON-REGULATORY METHODS FOR ACHIEVING THE PURPOSE OF THE PROPOSED RULES:**

The Department is unaware of any non-regulatory methods to achieve the purpose of the proposed rule amendments. No measures were necessary to minimize compliance costs, as no costs are imposed by the rule.

(K) **DETERMINATION OF THE EFFECT OF THE PROPOSED RULE ON THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT:**

The proposed rule amendments will not detrimentally affect the public health, safety, and environment.

(L) **DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT:**

The Department is not aware of any detrimental effect the proposed rules will have on public health, safety, and environment.

(M) **DATE RULE IMPACT STATEMENT WAS PREPARED:**

This rule impact statement was prepared on September 28, 2026.