



State of West Virginia
DEPARTMENT OF AGRICULTURE
Gus R. Douglass, Commissioner

Janet L. Fisher
Deputy Commissioner

Steve Hannah
Deputy Commissioner

M E M O R A N D U M

To: All Fertilizer Guarantors Distributing in West Virginia
From: Charles B. Dransfield, Compliance Officer
Date: May 15, 2008
Subject: Commercial Fertilizer Values for WV Fiscal Year 2009

Under the provisions of §19-15-8 (Commercial Value) of the West Virginia Fertilizer Law, and §61-6-12.1 (Commercial Value) of the Sale and Distribution of Fertilizer (West Virginia Legislative Rule), the following values (per pound) are announced for use in assessing penalties of deficient fertilizer:

<u>Nutrient</u>	<u>Value</u>
Total Nitrogen (N)	60 cents / pound
Available Phosphate (P ₂ O ₅)	80 cents / pound
Soluble Potash (K ₂ O)	45 cents / pound

The West Virginia Department of Agriculture is currently updating our computer software that will be calculating our fertilizer penalties. In addition to seeing the aforementioned increase in the commercial value of fertilizer nutrients in calculations used in mathematical formulas to assess penalties, you will soon be seeing a new format for our analysis report. The West Virginia Department of Agriculture is currently performing a second calculation called for in §61.6.9.1 of the Fertilizer Rule, that is being called an "Overall Index Value" (a calculation that assigns value to fertilizer components above and/or below the guarantee value). The likely scenario is if a lot of fertilizer is violative, both the component calculation and the overall index value calculation will show a monetary penalty. When such circumstances exist, only the larger penalty shall apply; however, in no case shall the penalty exceed the total value of the fertilizer.

The formulas used in calculating penalties are as follows:

Individual Failed Component Penalty = % component deficiency \times established value \times 3 \times cwt in lot.

Overall Index Value Penalty = % Deficiency \times Guaranteed Value per cwt \times 3 \times cwt in lot.

The new software program is scheduled to "go live" in July 2008. The updated commercial values listed above will be incorporated in the penalty calculations at that time. If you have questions, please contact me at (304) 558-2226 or by e-mail at Cdransfield@ag.state.wv.us.