

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Agriculture

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BILL: SB 1270

INTRODUCER: Senator Simpson

SUBJECT: Pesticide Registration

DATE: January 19, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Weidenbenner</u>	<u>Becker</u>	<u>AG</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>AGG</u>	_____
3.	_____	_____	<u>AP</u>	_____

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**I. Summary:**

SB 1270 eliminates a requirement that a registrant pay a supplemental biennial registration fee of \$630 for each brand of pesticide it is registering if the pesticide contains an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit in 40 Code of Regulations (C.F.R.), part 180.

**II. Present Situation:**

Each brand of pesticide distributed, sold, or offered for sale in this state must be registered with the Department of Agriculture and Consumer Services (DACS). The registrant must pay a biennial fee set at \$700 effective January 1, 2009, which is to be deposited into the General Inspection Trust Fund.<sup>1</sup> Currently, there are approximately 15,000 pesticide brands registered with DACS that are subject to this biennial fee.<sup>2</sup>

In addition, since January 1, 2009, a supplemental biennial registration fee of \$630 is required of registrants of pesticides that contain an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit in C.F.R., part 180. Revenue from this supplemental fee is used by DACS for testing pesticides for food safety and is the primary source of funding the operations of the Bureau of Chemical Residue Laboratories. Prior to January 1, 2009, this testing program received funding from General Revenue as a public health program.<sup>3</sup> Currently, there are approximately 6700 pesticide brands registered with DACS that are subject to this biennial supplemental fee.<sup>4</sup>

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<sup>1</sup> S. 487.041(1), F.S.

<sup>2</sup> Email from Grace Lovett, Director, Office of Legislative Affairs, Florida Department of Agriculture and Consumer Affairs, (January 14, 2016) (on file with the Senate Committee on Agriculture).

<sup>3</sup> Division of Food Safety analysis of SB 1270, <http://abar.laspbs.state.fl.us/ABAR/Document.aspx?id=7022&yr=2016>.

<sup>4</sup> Email from Grace Lovett (January 14, 2016).

The Bureau of Chemical Residue Laboratories in the Division of Food Safety, Florida Department of Agriculture and Consumer Services, is responsible for the chemical analysis of poisonous or deleterious chemical residues remaining in or on human food produced or marketed in Florida, as well as for the regulatory enforcement of federal pesticide and antibiotic residue tolerances and guidelines adopted by the State for raw agricultural produce.<sup>5</sup> The Chemical Residue Section consists of laboratories in Tallahassee and field inspection units. Twenty-nine professional chemists and two laboratory technicians staff the laboratories. Each year the Chemical Residue Laboratory performs more than 400,000 analyses on 3,000 samples.<sup>6</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 487.041, F.S. by eliminating a requirement that a registrant pay a biennial registration fee of \$630 for each brand of pesticide it is registering if the pesticide contains an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit in C.F.R., part 180.

**Section 2** provides that this bill takes effect July 1, 2016.

### IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

### V. Fiscal Impact Statement:

A. Tax/Fee Issues:

There would be a loss of a supplemental registration fee for certain brands of pesticides in the approximate amount of \$1,842,876 annually.

B. Private Sector Impact:

Private industry will benefit from no longer having to pay the biennial supplemental registration fee.

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<sup>5</sup> See <http://www.freshfromflorida.com/Divisions-Offices/Food-Safety/Bureaus-and-Sections/Bureau-of-Chemical-Residue-Laboratory>. (Website last visited 1/12/2016).

<sup>6</sup> Ibid.

**C. Government Sector Impact:**

The Department of Agriculture and Consumer Services estimates that the loss of authorization to assess this supplemental fee would result in a loss of revenue of \$1,842,876 annually, with a corresponding reduction in expenditures of \$1,801,004 due to the discontinuance of the operation of the Chemical Residue Laboratories if General Revenue is not provided for this purpose.

	FY 16-17	FY 17-18	FY 18-19
Supplemental Fee Revenues	(\$1,842,876)	(\$1,842,876)	(\$1,842,876)
Expenditures – Recurring			
Salaries & Benefits (20 FTEs)	(\$999,124)	(\$999,124)	(\$999,124)
OPS	(\$50,000)	(\$50,000)	(\$50,000)
Expenses	(\$300,000)	(\$300,000)	(\$300,000)
OCO (Operating Capital Outlay)	(\$10,000)	(\$10,000)	(\$10,000)
Contracted Services	(\$230,000)	(\$230,000)	(\$230,000)
DMS HR Services (20 FTE x 344)	(\$6,880)	(\$6,880)	(\$6,880)
Risk Management Insurance	(\$20,000)	(\$20,000)	(\$20,000)
OATS assessments for lab	(\$90,000)	(\$90,000)	(\$90,000)
Administration assessments for lab	(\$95,000)	(\$95,000)	(\$95,000)
Total recurring	(\$1,801,004)	(\$1,801,004)	(\$1,801,004)
Net loss	(\$41,872)	(\$41,872)	(\$41,872)

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The Chemical Residue Laboratories in the Division of Food Safety, Florida Department of Agriculture and Consumer Services will be forced to discontinue operations if the repealed supplemental fee is not replaced by General Revenue (GR).

**VIII. Statutes Affected:**

This bill substantially amends s. 487.041 of the Florida Statutes.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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