

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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 1270

INTRODUCER: Senator Simpson

SUBJECT: Pesticide Registration

DATE: March 2, 2016

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Weidenbenner</u>	<u>Becker</u>	<u>AG</u>	Favorable
2.	<u>Blizzard</u>	<u>DeLoach</u>	<u>AGG</u>	Recommend: Favorable
3.	<u>Blizzard</u>	<u>Kynoch</u>	<u>AP</u>	Pre-meeting

I. Summary:

SB 1270 eliminates a requirement that a registrant pay a supplemental registration fee for each brand of pesticide that contains an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit.

The supplemental pesticide registration fee was created by the 2009 Legislature to defray the cost of the Chemical Residue Laboratory (lab) within the Division of Food Safety in the Department of Agriculture and Consumer Services (DACS). Prior to the creation of the fee, the DACS received general revenue to support the lab. Currently, revenues from the supplemental pesticide registration fee support the operations of the lab.

The bill has a significant impact on state funds. The DACS will require \$1,801,131 in recurring general revenue to support the Chemical Residue Lab in Fiscal Year 2016-2017, due to the elimination of the supplemental pesticide registration fee provided in this bill.

The bill provides an effective date of July 1, 2016.

II. Present Situation:

Each brand of pesticide distributed, sold, or offered for sale in this state must be registered with the 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.¹ Currently, there are approximately 15,000 pesticide brands registered with the DACS that are subject to this biennial fee.²

¹ S. 487.041(1), F.S.

² 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).

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 Title 40 Code of Federal Regulations, (CFR) part 180.

Revenue from this supplemental fee is used by the DACS for testing pesticides for food safety and is the primary source of funding for the operations of the Chemical Residue Laboratory (lab) within the Division of Food Safety. Prior to January 1, 2009, this testing program received funding from general revenue as a public health program.³ Currently, there are approximately 6,700 pesticide brands registered with the DACS that are subject to this biennial supplemental fee.⁴

The lab 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 for raw agricultural produce.⁵ Each year the lab performs more than 400,000 analyses on 3,000 samples.⁶

III. Effect of Proposed Changes:

Section 1 amends s. 487.041, F.S., to eliminate the requirement that a registrant pay a biennial fee of \$630 for each registered brand of pesticide containing an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit in Title 40 CFR, 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.

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

⁴ Email from Grace Lovett (January 14, 2016).

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

⁶ Ibid.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

See Government Sector Impact.

B. Private Sector Impact:

SB 1270 will have a positive fiscal impact on individuals who distribute, sell or offer to sell pesticides due to the elimination of the biennial supplemental pesticide registration fee.

C. Government Sector Impact:

The bill has a significant impact on state funds. The DACS estimates a recurring reduction in revenue in the General Inspection Trust Fund of \$1,842,876 generated from the elimination of the supplemental pesticide brand registration fee beginning in Fiscal Year 2016-2017. Prior to the creation of the supplemental fee in 2009, the DACS received general revenue to support the Chemical Residue Laboratory (lab). Currently, the DACS expends revenues received from the supplemental fee to fund operations of the lab. There is no appropriation from the General Revenue Fund to off-set the loss in revenue that supports the lab's operations.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 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.