

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2392</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>7714</b>
<b>Author:</b>	<b>Rep. Osborn, L.</b>
<b>Date:</b>	<b>4/26/2017</b>
<b>Impact:</b>	<b>ODAFF: F-Y 18:</b>
	<b>Pesticide Registration License Fee Increase</b>
	<b>from \$160 to \$210 for a positive impact of \$791,850</b>

**Research Analysis**

The CS for HB 2392 modifies the Combined Pesticide Law by creating an additional \$100 penalty for late pesticide applicator license renewals. The measure also removes the fee exemption for governmental agencies; increases the annual registration fee from \$160 to \$210; and increases the maximum amount designated for the State Department of Agriculture Unwanted Pesticide Disposal Fund from \$100,000 to \$300,000.

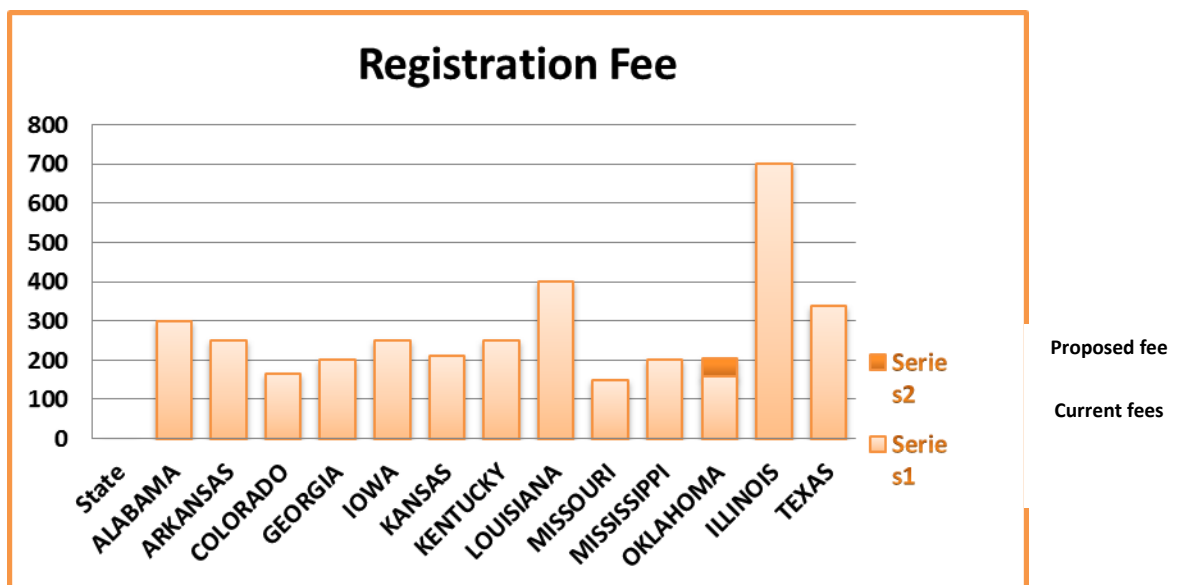
Prepared By: Tricia Hines

**Fiscal Analysis**

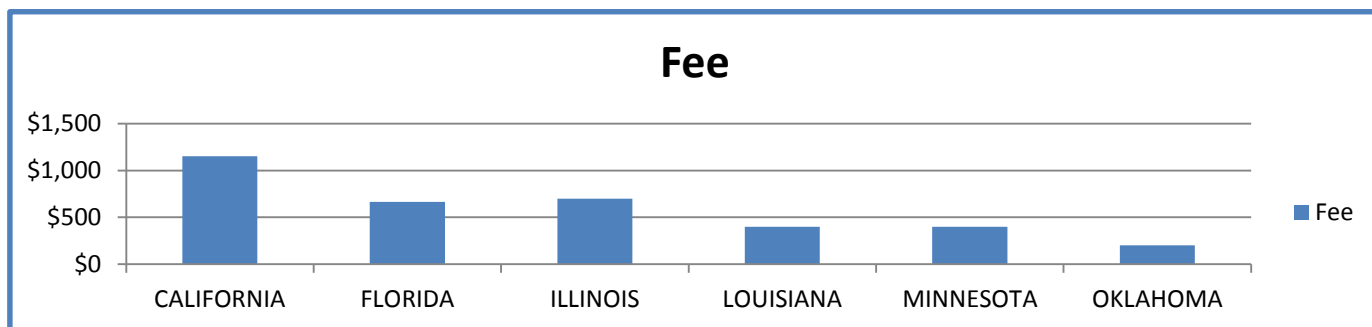
The measure, per the Oklahoma Department of Agriculture, Food and Forestry (ODAFF) has a licensing, late filing fee of \$100 for applicators. The agency typically has approximately 75 late registrants in a year. (75 late registrants paying the late filing fee of \$100 = \$7,500 annually)

The measure further includes provisions for a proposed \$50 increase to annual pesticide registration fees; \$160 per product to a \$210 per product. Per the agency, for the most recent full year data, (FY 16) there were 15,837 pesticide products registered. Factoring in the increase from \$160 to \$210, there is an estimated revenue increase to the agency for FY18 of \$791,850.

**PESTICIDE REGISTRATION FEE INFORMATION**



Comparison of Oklahoma's proposed pesticide registration fee in relation to other states in the vicinity of our state is shown in the graph above. (Proposed fee increase is \$160 to \$210). This will provide for free online licensing services and laboratory equipment upgrades.



Graph Provided by the Oklahoma Department of Agriculture, Food and Forestry 042017

Comparison of Oklahoma's proposed pesticide registration fee in relation to some of the highest pesticide registration fees in the US reflected in the graph above.

The measure has provisions for a CAP increase to the ODAFF Revolving Fund 240: The Unwanted Pesticide Disposal Fund. The increase would be from \$100,000 to \$300,000. Oklahoma currently has \$100,000.00 earmarked for annual Unwanted Pesticide Disposal. The agency spent \$131,376.65 in 2013 and \$126,328.66 in 2015. For the years 2014 and 2016 the agency lacked adequate funding to hold a collection of unwanted pesticides.

Oklahoma has approximately 15,000 pesticides registered by approximately 1500 companies for use in the state. Only 157 of the 15,000 registered pesticides are registered by an Oklahoma Company. The 157 registrations are handled by 40 Oklahoma companies. Below is an example of nine of the largest companies registering pesticides with Oklahoma.

COMPANY NAME	COMPANY ID'S	NUMBER OF PESTICIDE PRODUCTS
BAYER	6	457
SYNGENTA	3	334
SCOTTS	5	278
LESCO	1	201
LOVELAND	1	191
ARCH CHEMICAL	1	190
DOW	5	274
DUPONT	1	186
BONIDE	3	220

Graph Provided by the Oklahoma Department of Agriculture, Food and Forestry 042017

### **Pesticide Registration Revenue FY16**

Pesticide Expenditures	2,634,720
Lab Expenditures	1,419,378
Pesticide Personnel <sup>1</sup>	35,490
Lab Personnel <sup>2</sup>	894,889
Unwanted Pesticide Disposal	168,525
Indirect Cost <sup>3</sup>	100,000
Vehicle Expenses <sup>4</sup>	463,174
<b>TOTAL</b>	<b>3,227,139</b>

<sup>1</sup> Does not include vehicle, gas, oil, etc.

<sup>2</sup> Pesticide Lab only does not include other labs

**2,634,720** - Provided by ODAFF 042017

3 Calculated at the federal negotiated rate of 17.69% for OMES, Legal, Admin, and additional Lab  
4 Approximate value based on total mileage

New Pesticide Fee	770,000	- - Provided by ODAFF 042017
Unwanted pesticide disposal	200,000	
Providing free online registration	184,800	
Lab Equipment <sup>5</sup>	385,200	

5 This amount will be used to purchase lab equipment totaling \$1,460,000 in multiple years

Prepared By: Jenny Mobley

### **Other Considerations**

None.

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