

FILED FEB 02 1988

SENATE FILE 2114
BY COMMITTEE ON AGRICULTURE

(formerly SSB 2107)
Approved (2/4/88)

Passed Senate, Date 2/4/88 (4/27) Passed House, Date _____

Vote: Ayes 46 Nays 2 Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the fee and reporting requirements for certain
2 animal health pesticides.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2114

1 Section 1. Section 206.2, Code Supplement 1987, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 30. "Animal health pesticide" means a
4 pesticide applied internally or externally to an animal or
5 applied to the premises where an animal is kept to preserve or
6 protect the health of the animal. As used in this subsection,
7 "animal" means a living vertebrate animal and includes a bird,
8 fish, or mammal but excludes a human being.

9 Sec. 2. Section 206.12, subsection 3, Code Supplement
10 1987, is amended to read as follows:

11 3. The registrant, before selling or offering for sale any
12 pesticide in this state, shall register each brand and grade
13 of such pesticide with the secretary upon forms furnished by
14 the secretary, and the secretary shall set the registration
15 fee annually at one-fifth of one percent of gross sales within
16 this state with a minimum fee of two hundred fifty dollars and
17 a maximum fee of three thousand dollars for each and every
18 brand and grade to be offered for sale in this state. The
19 secretary shall adopt by rule exemptions to the minimum fee.
20 An animal health pesticide shall be exempted from payment of
21 the minimum fee, unless the secretary determines that the
22 specific animal health pesticide contaminates groundwater. If
23 an animal health pesticide is exempted from the minimum fee
24 under this subsection, a registrant shall pay a fee of twenty
25 dollars for each and every brand and grade of such pesticide
26 offered for sale in this state. Fifty An amount of up to
27 fifty dollars of each fee collected shall be deposited in the
28 treasury to the credit of the pesticide fund to be used only
29 for the purpose of enforcing the provisions of this chapter
30 and the remainder of each fee collected shall be placed in the
31 agriculture management account of the groundwater protection
32 fund.

33 Sec. 3. Section 206.12, subsection 7, Code Supplement
34 1987, is amended to read as follows:

35 7. Each licensee under section 206.6 or 206.8 shall file

1 an annual report with the secretary of agriculture listing the
 2 amount and type of all pesticides sold, offered for sale, or
 3 distributed at retail for use in this state, or applied in
 4 this state during each month of the previous year. However, a
 5 licensee who offers for sale an animal health pesticide
 6 exempted under subsection 3 from the payment of the minimum
 7 fee shall not be required to report information relating to
 8 such pesticide as required under this subsection. This report
 9 shall be filed at the time of payment for licensure or
 10 annually on or before July 1. The secretary, by rule, may
 11 specify the form of the report and require additional
 12 information deemed necessary to determine pesticide use within
 13 the state. The information required shall include the brand
 14 names and amounts of pesticides sold, offered for sale, or
 15 distributed at retail for use in this state for each business
 16 location owned or operated by the retailer, but the
 17 information collected, if made public, shall be reported in a
 18 manner which does not identify a specific brand name in the
 19 report.

20 EXPLANATION

21 This bill provides for the exemption from certain fee and
 22 reporting requirements relating to animal health pesticides.

23 SUCCESSOR TO SSB 2107 (LSB 7974SC)

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FILED MAR 2 1988

STATE OF IOWA

FISCAL NOTE

LSB No. 7974S

Staff ID. JKH

REQ. BY SENATOR PRIEBE

SENATE FILE 2114

In compliance with a written request received February 2, 1988, a fiscal note for SENATE FILE 2114 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2114 provides for the exemption from certain fee and reporting requirements relating to animal health pesticides.

FISCAL EFFECT

The Department of Agriculture and Land Stewardship estimates that Senate File 2114 will reduce, by \$149,500, the amount of revenue collected from the fees on animal health pesticides. The Pesticide Trust Fund will receive \$19,500 less and the Agricultural Management Account of the Groundwater Protection Fund will receive \$130,000 less in FY 1989.

ASSUMPTIONS

- 1. 650 animal health products are registered for use on or in animals and animal premises.
2. Current law requires registration fees based on two-cents of one percent of the total sales for each product with a \$250 minimum and \$3,000 maximum fee.
3. All animal health products are eligible for the minimum fee of \$250 under current law.
4. For each \$250 fee, \$50 is deposited in the Pesticide Trust Fund and \$200 is deposited in the Agricultural Management Account of the Groundwater Protection Fund (\$50 x 650 = \$32,500 deposited in the Pesticide Trust fund and \$200 x 650 = \$130,000 deposited in the Agricultural Management Account).
5. The total annual sales in Iowa for each animal health product averages \$50,000. Dealer license fees are generated from a 0.1% tax on the total annual sales (650 products x \$50,000 x 0.001 = \$32,500) to be deposited in the Agricultural Management Account. Under the proposed legislation, animal health products are exempt from being taxed for dealer license fees.
6. Under the proposed legislation, each animal health product requires a \$20 registration fee (650 x \$20 = \$13,000). The \$13,000 is deposited in the Pesticide Trust Fund. No deposits will be made to the Agricultural Management Account.

(dollars in thousands)

Table with columns: Fiscal Year 1989 (Current Law, Proposed Law, Increase/Decrease) and Fiscal Year 1990 (Current Law, Proposed Law, Increase/Decrease). Rows include REVENUE, Pesticide Trust, Ag. Mgmt. Acct., and Total.

SOURCE: Department of Agriculture and Land Stewardship

(LSB 7974S, JK)

Signature of Dennis C. Prouty, Fiscal Director, Legislative Fiscal Bureau, Date: 2/29/88

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SSB 2107

SSB 2107

AGRICULTURE

AGRICULTURE: Peterson, Chair; Boswell; and Rensink

Now

*PETERSON, CH.
BOSWELL
RENSINK*

SENATE FILE 2114
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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6 exempted under subsection 3 from the payment of the minimum
7 fee shall not be required to report information relating to
8 such pesticide as required under this subsection but shall
9 file a report with the secretary listing the amount and type
10 of such pesticide sold to a person residing or doing business
11 in this state. This report shall be filed at the time of
12 payment for licensure or annually on or before July 1. The
13 secretary, by rule, may specify the form of the report and
14 require additional information deemed necessary to determine
15 pesticide use within the state. The information required
16 shall include the brand names and amounts of pesticides sold,
17 offered for sale, or distributed at retail for use in this
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