

FEB 13 1998

ENVIRONMENTAL PROTECTION

HOUSE FILE 2255
BY RANTS

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act exempting antimicrobial pesticides from the registration
2 fee for pesticides.

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

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HF 2255

1 Section 1. Section 206.2, Code 1997, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 3A. a. "Antimicrobial pesticide" means a
4 pesticide that is manufactured to do any of the following:

5 (1) Mitigate the growth or development of microbiological
6 organisms, including by disinfecting or sanitizing the site
7 where the pesticide is applied.

8 (2) Protect inanimate objects, industrial processes or
9 systems, surfaces, or water or other chemical compounds or
10 substances from contamination, fouling, or deterioration
11 caused by bacteria, viruses, fungi, protozoa, algae, or slime.

12 b. "Antimicrobial pesticide" does not include any of the
13 following:

14 (1) A wood preservative or product manufactured to
15 preserve paint.

16 (2) An agricultural fungicide.

17 (3) An aquatic herbicide.

18 (4) A substance or mixture of substances manufactured for
19 purposes of preventing, destroying, repelling, or mitigating
20 directly or indirectly insects, rodents, nematodes, weeds, and
21 other forms of plant or animal life, or manufactured for use
22 as a plant growth regulator, defoliant, or desiccant.

23 Sec. 2. Section 206.12, subsection 3, Code 1997, is
24 amended to read as follows:

25 3. The registrant, before selling or offering for sale any
26 pesticide for use in this state, shall register each brand and
27 grade of such pesticide with the secretary upon forms
28 furnished by the secretary, ~~and the~~. The secretary shall set
29 the establish a registration fee annually at. The amount of
30 the fee shall be one-fifth of one percent of gross sales
31 within this state with a minimum fee of two hundred fifty
32 dollars and a maximum fee of three thousand dollars for each
33 and every brand and grade to be offered for sale in this state
34 except as ~~otherwise provided:~~ follows:

35 a. The annual registration fee for products a brand and

1 grade of pesticide with gross annual sales in this state of
2 less than one million five hundred thousand dollars shall be
3 the greater of two hundred fifty dollars or one-fifth of one
4 percent of the gross annual sales as established by affidavit
5 of the registrant.

6 b. An annual registration fee shall not be imposed upon
7 the sale or offer for sale of a brand and grade of
8 antimicrobial pesticide.

9 c. The secretary shall adopt by rule exemptions to the
10 minimum fee.

11 PARAGRAPH DIVIDED. Fifty dollars of each fee collected
12 shall be deposited in the general fund of the state, shall be
13 subject to the requirements of section 8.60, and shall be used
14 only for the purpose of enforcing the provisions of this
15 chapter and the remainder of each fee collected shall be
16 placed in the agriculture management account of the
17 groundwater protection fund.

18 EXPLANATION

19 This bill amends Code chapter 206, the "Pesticide Act of
20 Iowa". Code section 206.12 requires the registration of all
21 grades and brands of pesticides sold or offered for sale in
22 this state. A registrant is liable for a registration fee
23 based on the gross sales within this state but with a minimum
24 and maximum amount.

25 This bill exempts brands or grades of antimicrobial
26 pesticides which are sold or offered for sale in the state
27 from the registration fee. According to the bill, an
28 antimicrobial pesticide is manufactured to either (1) mitigate
29 the growth or development of microbiological organisms,
30 including by disinfecting or sanitizing the site where the
31 pesticide is applied or (2) protect inanimate objects,
32 industrial processes or systems, surfaces, or water or other
33 chemical compounds or substances from contamination, fouling,
34 or deterioration caused by bacteria, viruses, fungi, protozoa,
35 algae, or slime.

1 The bill provides that an antimicrobial pesticide does not
2 include wood preservatives, paint preservatives, agricultural
3 fungicides, aquatic herbicides, or substances manufactured for
4 purposes of controlling insects, rodents, nematodes, weeds,
5 and other forms of plant or animal life or for use as a plant
6 growth regulator, defoliant, or desiccant.

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**HOUSE FILE 2255
FISCAL NOTE**

A fiscal note for House File 2255 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2255 exempts antimicrobial pesticides from the registration fees for pesticides.

BACKGROUND

This Bill amends Chapter 206, Code of Iowa, the "Pesticide Act of Iowa" by exempting brands or grades of antimicrobial pesticides sold or offered for sale in this State from the registration fee.

Section 206.12(3), Code of Iowa requires \$50 of each pesticide registration fee to be deposited into the General Fund and the remainder of each fee to be deposited into the Agriculture Management Account.

Moneys in the Agriculture Management Account are used for the following:

1. County-based programs for testing private rural water wells.
2. Funding for the Leopold Center of Sustainable Agriculture at Iowa State University.
3. Funding for the Center for Health Effects of Environmental Contamination at The University of Iowa.

ASSUMPTIONS

1. The number of products registered for distribution will not change from current levels.
2. There are no significant actions at the federal level which would have an impact upon the numbers of antimicrobial pesticides registered.
3. Estimates are based upon Pesticide Bureau, Iowa Department of Agriculture and Land Stewardship, registration data as of June 1997.

FISCAL IMPACT

The estimated fiscal impact of House File 2255 for FY 1999 and beyond is a decrease in revenues of approximately \$610,000. This amount includes a decrease of \$119,000 to the General Fund and a total decrease of \$491,000 to the Agriculture Management Account.

SOURCE

Iowa Department of Agriculture and Land Stewardship

(LSB 3887hh, SKW)