

Teig, Ch.  
Siewers  
Kuhn

HSB 255

WAYS AND MEANS

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON WAYS  
AND MEANS BILL BY  
CHAIRPERSON VAN FOSSEN)

Referred By  
0743

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act providing for fees for the remediation of sites evidencing  
2 contamination from a release of fertilizers and soil  
3 conditioners or pesticides, and providing an effective date.

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

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1 Section 1. Section 161.4, Code 2001, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 1A. Provide for agrichemical remediation  
4 fees in consultation with the department as provided in  
5 section 161.6A.

6 Sec. 2. Section 161.4, subsection 3, Code 2001, is amended  
7 to read as follows:

8 3. Consult with the department ~~in-the-adoption-of-rules~~  
9 ~~necessary-for-the~~ as required for the administration of this  
10 chapter. The rules of the department shall contain the rules  
11 of the board adopted for its organization, procedures,  
12 programs, and requirements as required in this chapter. The  
13 rules shall at least provide for all of the following:

14 a. The board's organization and parliamentary procedures.

15 b. Procedures for assessing agrichemical remediation fees  
16 established by the board, adjusting rates at which  
17 agrichemical remediation fees are assessed, and suspending or  
18 reinstating the assessment of agrichemical remediation fees,  
19 as provided in section 161.6A.

20 c. Procedures for paying claims as provided in section  
21 161.9.

22 The board shall provide for agrichemical remediation fees  
23 by order as provided in section 161.6A.

24 Sec. 3. NEW SECTION. 161.6A AGRICHEMICAL REMEDIATION  
25 FEES.

26 The board in consultation with the department shall  
27 establish agrichemical remediation fees assessed by the board,  
28 adjust rates at which the agrichemical remediation fees are  
29 assessed, and suspend or reinstate the assessment of  
30 agrichemical remediation fees, as provided by order issued by  
31 the department on behalf of the board. An order shall become  
32 effective when published in the Iowa administrative bulletin.  
33 The establishment, adjustment, suspension, or reinstatement  
34 shall become applicable as provided in the order consistent  
35 with this section.

1 1. Agrichemical remediation fees shall be assessed, paid,  
2 and collected as follows:

3 a. The amount assessed shall be up to twenty-five dollars  
4 for a person required to pay a fee to obtain a license to  
5 manufacture, mix, blend, mix to customer order, offer for  
6 sale, sell, or distribute a fertilizer or soil conditioner as  
7 provided in section 200.4. The agrichemical remediation fee  
8 shall be in addition to the license fee and shall be due,  
9 paid, and collected in the same manner as the license fee.

10 b. The amount assessed shall be up to five cents of each  
11 inspection fee required to be paid by a person licensed  
12 pursuant to section 200.4 for each ton of commercial  
13 fertilizer and soil conditioner sold or distributed in this  
14 state as provided in section 200.8. If a licensee pays an  
15 inspection fee on packages of fertilizer or soil conditioner  
16 in lieu of the per ton inspection fee, the agrichemical  
17 remediation fee shall be up to twenty-five dollars of the  
18 amount collected under section 200.8. The agrichemical  
19 remediation fee shall be due, paid, and collected in the same  
20 manner as the inspection fee.

21 c. The amount assessed shall be up to twenty-five dollars  
22 for a person required to pay a fee to obtain a commercial  
23 applicator license for pesticides as provided in section  
24 206.6. The agrichemical remediation fee shall be in addition  
25 to the license fee and shall be due, paid, and collected in  
26 the same manner as the license fee.

27 d. The amount assessed shall be up to twenty-five dollars  
28 for a person required to pay a fee to obtain a pesticide  
29 dealer license as provided in section 206.8. The agrichemical  
30 remediation fee shall be in addition to the license fee and  
31 shall be due, paid, and collected in the same manner as the  
32 license fee.

33 e. The amount assessed shall be up to sixteen percent of  
34 the registration fee required to be paid to register each  
35 brand and grade of pesticide for a person required to pay a

1 fee to register a pesticide as provided in section 206.12.  
2 However, the person shall not be assessed more than five  
3 hundred dollars for registering a pesticide with gross annual  
4 sales in this state of one million five hundred thousand  
5 dollars or more. The person shall not be assessed more than  
6 fifty dollars for registering a pesticide with gross annual  
7 sales in this state of less than one million five hundred  
8 thousand dollars. The agrichemical remediation fee shall be  
9 in addition to the registration fee and shall be due, paid,  
10 and collected in the same manner as the registration fee.

11 2. a. Not later than May 1 of each year the board in  
12 consultation with the department shall consider adjusting the  
13 rate for assessing each agrichemical remediation fee as  
14 provided in this section. The board may adjust the rate for  
15 assessing any agrichemical remediation fee up to the amount  
16 for that agrichemical remediation fee as provided in this  
17 section, as necessary to ensure that the unobligated and  
18 unencumbered balance of the fund, less any pending or  
19 unsettled claims, at the end of the following fiscal year is  
20 at least three million dollars but not more than six million  
21 dollars. The agrichemical remediation fees assessed by the  
22 board shall be due, paid, and collected beginning on the  
23 following July 1.

24 b. If, at the end of any three-month period, the assets of  
25 the fund exceed six million dollars, less any encumbered  
26 balances or pending or unsettled claims, the board shall  
27 suspend the assessment of all agrichemical remediation fees.  
28 If, at any time, the assets of the fund are less than three  
29 million dollars, less any encumbered balances or pending or  
30 unsettled claims, the board shall reinstate the assessment or  
31 adjust the rates for assessing the agrichemical remediation  
32 fees up to the amounts for the agrichemical remediation fees  
33 as provided in this section. The suspension, reinstatement,  
34 or adjustment shall become applicable as provided by order  
35 issued by the department on behalf of the board, but not later

1 than three months following the effective date of the order.

2 Sec. 4. Section 161.7, subsection 2, Code 2001, is amended  
3 to read as follows:

4 2. The fund shall consist of any moneys collected from  
5 agricultural remediation fees as provided in section 161.6A,  
6 moneys appropriated by the general assembly for placement in  
7 the fund, and moneys available to and obtained or accepted by  
8 the department from the federal government or private sources  
9 for placement in the fund.

10 Sec. 5. Section 200.4, subsection 1, Code 2001, is amended  
11 to read as follows:

12 1. Any A person who manufactures, mixes, blends, mixes to  
13 customers order, offers for sale, sells, or distributes any  
14 fertilizer or soil conditioner in ~~Iowa~~ this state must first  
15 obtain a license from the ~~secretary-of-agriculture-and~~  
16 department. The person shall pay a ~~ten-dollar~~ license fee for  
17 each place of manufacture or distribution from which  
18 fertilizer or soil conditioner products are sold or  
19 distributed in ~~Iowa~~ this state. ~~Such~~ The license fee shall be  
20 paid annually on July 1 of each year. The license fee shall  
21 be ten dollars. In addition to the license fee, the person  
22 shall also be assessed an agricultural remediation fee to the  
23 department which shall be due, paid, and collected in the same  
24 manner as the license fee, as provided in section 161.6A.

25 Sec. 6. Section 200.8, Code 2001, is amended by adding the  
26 following new subsection:

27 NEW SUBSECTION. 2A. A licensee who annually offers for  
28 sale, sells, or distributes four thousand pounds or more of  
29 fertilizer and soil conditioner, shall be assessed an  
30 agricultural remediation fee. The agricultural remediation  
31 fee shall be an amount taken from each inspection fee required  
32 to be paid under this section for each ton of commercial  
33 fertilizer and soil conditioner sold or distributed in this  
34 state or on packages of fertilizer and soil conditioner sold  
35 or distributed in this state in lieu of the per ton inspection

1 fee, as provided in section 161.6A.

2 Sec. 7. Section 200.9, Code 2001, is amended to read as  
3 follows:

4 200.9 FERTILIZER FEES.

5 1. Fees Except as provided in subsection 2, fees collected  
6 for licenses and inspection fees under sections 200.4 and  
7 ~~200.87-with-the-exception-of-those-fees-collected-for-deposit~~  
8 ~~in-the-agriculture-management-account-of-the-groundwater~~  
9 ~~protection-fund~~, shall be deposited in the general fund of the  
10 state and shall be subject to the requirements of section  
11 8.60. Moneys deposited under this section to the general fund  
12 shall be used only by the department for the purpose of  
13 inspection, sampling, analysis, preparation, and publishing of  
14 reports and other expenses necessary for administration of  
15 this chapter. The secretary may assign moneys to the Iowa  
16 agricultural experiment station for research, work projects,  
17 and investigations as needed for the specific purpose of  
18 improving the regulatory functions for enforcement of this  
19 chapter.

20 2. a. Groundwater protection fees collected pursuant to  
21 section 200.8 shall be deposited in the groundwater protection  
22 fund created in section 455E.11.

23 b. Agrichemical remediation fees collected pursuant to  
24 sections 200.4 and 200.8 shall be deposited in the  
25 agrichemical remediation fund created in section 161.7.

26 Sec. 8. Section 206.6, subsection 1, unnumbered paragraph  
27 1, Code 2001, is amended to read as follows:

28 No A person shall not engage in the business of applying  
29 pesticides to the lands land or property of another person at  
30 any time without being licensed by the secretary department.  
31 The ~~secretary-shall-require~~ person shall pay an annual license  
32 fee ~~of~~. The amount of the license fee shall not be more than  
33 twenty-five dollars for each license. In addition to the  
34 license fee, the person shall also be assessed an agrichemical  
35 remediation fee which shall be due, paid, and collected in the

1 same manner as the license fee, as provided in section 161.6A.  
 2 Agrichemical remediation fees shall be deposited in the  
 3 agrichemical remediation fund created in section 161.7.  
 4 Application A person applying for a license shall ~~be made in~~  
 5 writing submit a written application to the department on a  
 6 designated form obtained from the department. Each  
 7 application for a license shall contain information regarding  
 8 the applicant's qualifications and proposed operations,  
 9 license classification or classifications for which the  
 10 applicant is applying.

11 Sec. 9. Section 206.8, Code 2001, is amended by adding the  
 12 following new subsection:

13 NEW SUBSECTION. 2A. In addition to the license fee, a  
 14 pesticide dealer with twenty-five thousand dollars or more in  
 15 gross retail pesticide sales shall also be assessed an  
 16 agrichemical remediation fee which shall be due, paid, and  
 17 collected in the same manner as the license fee, as provided  
 18 in section 161.6A. Agrichemical remediation fees shall be  
 19 deposited in the agrichemical remediation fund created in  
 20 section 161.7.

21 Sec. 10. Section 206.12, subsection 3, Code 2001, is  
 22 amended to read as follows:

23 3. The registrant, before selling or offering for sale any  
 24 pesticide for use in this state, shall register each brand and  
 25 grade of such pesticide with the secretary department upon  
 26 forms furnished by the ~~secretary~~, and the department.

27 3A. a. Except as provided in this subsection, the  
 28 secretary department shall set the registration fee annually  
 29 at one-fifth of one percent of gross sales within this state  
 30 with a minimum fee of two hundred fifty dollars and a maximum  
 31 fee of three thousand dollars for each and every brand and  
 32 grade of a pesticide to be offered for sale in this state  
 33 ~~except as otherwise provided.~~ In addition to the registration  
 34 fee, for each pesticide offered for sale in this state subject  
 35 to a registration fee, the registrant shall also be assessed

1 an agrichemical remediation fee which shall be due, paid, and  
2 collected in the same manner as the registration fee, as  
3 provided in section 161.6A. However, an antimicrobial  
4 pesticide shall not be subject to the agrichemical remediation  
5 fee. The annual registration fee for products with gross  
6 annual sales in this state of less than one million five  
7 hundred thousand dollars shall be the greater of two hundred  
8 fifty dollars or one-fifth of one percent of the gross annual  
9 sales as established by affidavit of the registrant. The  
10 secretary shall adopt by rule exemptions to the minimum fee.

11 b. Fifty Of the amount of moneys collected from each  
12 registration fee, fifty dollars of-each-fee-collected shall be  
13 deposited in the general fund of the state, shall-be subject  
14 to the requirements of section 8.60, and shall be used only  
15 for the purpose of enforcing the provisions of this chapter  
16 and the remainder of-each-fee-collected shall be placed  
17 deposited in the agriculture management account of the  
18 groundwater protection fund as provided in section 455E.11.  
19 Moneys collected from the assessment of agrichemical  
20 remediation fees shall be deposited in the agrichemical  
21 remediation fund created in section 161.7.

22 Sec. 11. AGRICHEMICAL REMEDIATION BOARD -- AUTHORITY TO  
23 ESTABLISH FEES. Notwithstanding section 161.6A, as enacted in  
24 this Act, the agrichemical remediation board in consultation  
25 with the department of agriculture and land stewardship may  
26 meet to establish agrichemical remediation fees after May 1,  
27 2001. The board shall establish rates for agrichemical  
28 remediation fees consistent with section 161.6A, pursuant to  
29 an order issued by the department and published in the Iowa  
30 administrative bulletin. The agrichemical remediation fees  
31 shall become applicable as provided in this Act, on or after  
32 July 1, 2001, but not later than June 30, 2002.

33 Sec. 12. EFFECTIVE DATE. This Act, being deemed of  
34 immediate importance, takes effect upon enactment.

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EXPLANATION



1 In 2000, the general assembly enacted Senate File 466 (2000  
 2 Iowa Acts, ch. 1184). The Act created new Code chapter 161  
 3 referred to as the "Iowa Agrichemical Remediation Act". The  
 4 chapter provides for the remediation of sites where there has  
 5 been contamination because of a release of fertilizers and  
 6 soil conditioners or pesticides. The remediation process is  
 7 controlled by an agrichemical remediation board created under  
 8 the chapter in cooperation with the department of agriculture  
 9 and land stewardship. The chapter provides that a person may  
 10 execute an agreement with the board for the remediation of a  
 11 contaminated site under the direction of the department. A  
 12 person who does not execute such an agreement is required to  
 13 remediate a site as required by the department of natural  
 14 resources. Code section 161.7 establishes an agrichemical  
 15 remediation fund. Moneys in the fund are appropriated  
 16 exclusively to support agrichemical remediation and  
 17 administration as provided in the chapter.

18 This bill establishes agrichemical remediation fees to be  
 19 collected by the department of agriculture and land  
 20 stewardship and deposited into the agrichemical remediation  
 21 fund. The agrichemical remediation fees are established by  
 22 the board in consultation with the department. The fees are  
 23 imposed in the same manner as licensing and inspection fees  
 24 under Code chapter 200 regulating fertilizers and soil  
 25 conditioners and Code chapter 206 regulating pesticides.

26 An agrichemical remediation fee is required to be paid by a  
 27 person paying a fee for a license to manufacture, mix, blend,  
 28 mix to customer order, offer for sale, sell, or distribute a  
 29 fertilizer or soil conditioner as provided in Code section  
 30 200.6. An agrichemical remediation fee is imposed on the  
 31 amount of each inspection fee that must be paid for each ton  
 32 of commercial fertilizer and soil conditioner sold or  
 33 distributed in this state or an inspection fee on packages of  
 34 fertilizers or soil conditioners in lieu of the per ton  
 35 inspection fee. An agrichemical remediation fee is required

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1 to be paid by a person who pays a license fee as a pesticide  
2 dealer as provided in Code section 206.8. An agrichemical  
3 remediation fee is required to be paid by a person who is  
4 required to register a pesticide as provided in Code section  
5 206.12.

6 The bill provides that the board must consider the rates of  
7 the agrichemical remediation fees and adjust any agrichemical  
8 remediation fee as necessary to ensure that the unobligated  
9 and unencumbered balance of the fund, less any pending or  
10 unsettled claims, at the end of the following fiscal year is  
11 at least \$3 million but not more than \$6 million. The bill  
12 provides that if, at the end of any three-month period, the  
13 assets of the fund exceed \$6 million, less any encumbered  
14 balances or pending or unsettled claims, the board must  
15 suspend all agrichemical remediation fees. If, at the end of  
16 any three-month period, the assets of the fund are less than  
17 \$3 million, less any encumbered balances or pending or  
18 unsettled claims, the board must reinstate or adjust the  
19 agrichemical remediation fees.

20 The bill takes effect upon enactment.

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H- 5/1/01 Motion to Rk by millage

APR 27 2001  
WAYS & MEANS CALENDAR

HOUSE FILE 743  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 255)

(P. 1652)  
Passed House, Date 5/1/01 Passed Senate, Date \_\_\_\_\_  
Vote: Ayes 96 Nays 1 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing for fees for the remediation of sites evidencing  
2 contamination from a release of fertilizers and soil  
3 conditioners or pesticides, and providing an effective date.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 743

1 Section 1. Section 161.4, Code 2001, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 1A. Provide for agrichemical remediation  
4 fees in consultation with the department as provided in  
5 section 161.6A.

6 Sec. 2. Section 161.4, subsection 3, Code 2001, is amended  
7 to read as follows:

8 3. Consult with the department ~~in-the-adoption-of-rules~~  
9 ~~necessary-for-the~~ as required for the administration of this  
10 chapter. The rules of the department shall contain the rules  
11 of the board adopted for its organization, procedures,  
12 programs, and requirements as required in this chapter. The  
13 rules shall at least provide for all of the following:

14 a. The board's organization and parliamentary procedures.  
15 b. Procedures for assessing agrichemical remediation fees  
16 established by the board, adjusting rates at which  
17 agrichemical remediation fees are assessed, and suspending or  
18 reinstating the assessment of agrichemical remediation fees,  
19 as provided in section 161.6A.

20 c. Procedures for paying claims as provided in section  
21 161.9.

22 The board shall provide for agrichemical remediation fees  
23 by order as provided in section 161.6A.

24 Sec. 3. NEW SECTION. 161.6A AGRICHEMICAL REMEDIATION  
25 FEES.

26 The board in consultation with the department shall  
27 establish agrichemical remediation fees assessed by the board,  
28 adjust rates at which the agrichemical remediation fees are  
29 assessed, and suspend or reinstate the assessment of  
30 agrichemical remediation fees, as provided by order issued by  
31 the department on behalf of the board. An order shall become  
32 effective when published in the Iowa administrative bulletin.  
33 The establishment, adjustment, suspension, or reinstatement  
34 shall become applicable as provided in the order consistent  
35 with this section.

1 1. Agrichemical remediation fees shall be assessed, paid,  
2 and collected as follows:

3 a. The amount assessed shall be up to twenty-five dollars  
4 for a person required to pay a fee to obtain a license to  
5 manufacture, mix, blend, mix to customer order, offer for  
6 sale, sell, or distribute a fertilizer or soil conditioner as  
7 provided in section 200.4. The agrichemical remediation fee  
8 shall be in addition to the license fee and shall be due,  
9 paid, and collected in the same manner as the license fee.

10 b. The amount assessed shall be up to five cents of each  
11 inspection fee required to be paid by a person licensed  
12 pursuant to section 200.4 for each ton of commercial  
13 fertilizer and soil conditioner sold or distributed in this  
14 state as provided in section 200.8. If a licensee pays an  
15 inspection fee on packages of fertilizer or soil conditioner  
16 in lieu of the per ton inspection fee, the agrichemical  
17 remediation fee shall be up to twenty-five dollars of the  
18 amount collected under section 200.8. The agrichemical  
19 remediation fee shall be due, paid, and collected in the same  
20 manner as the inspection fee.

21 c. The amount assessed shall be up to twenty-five dollars  
22 for a person required to pay a fee to obtain a commercial  
23 applicator license for pesticides as provided in section  
24 206.6. The agrichemical remediation fee shall be in addition  
25 to the license fee and shall be due, paid, and collected in  
26 the same manner as the license fee.

27 d. The amount assessed shall be up to twenty-five dollars  
28 for a person required to pay a fee to obtain a pesticide  
29 dealer license as provided in section 206.8. The agrichemical  
30 remediation fee shall be in addition to the license fee and  
31 shall be due, paid, and collected in the same manner as the  
32 license fee.

33 e. The amount assessed shall be up to sixteen percent of  
34 the registration fee required to be paid to register each  
35 brand and grade of pesticide for a person required to pay a

1 fee to register a pesticide as provided in section 206.12.  
2 However, the person shall not be assessed more than five  
3 hundred dollars for registering a pesticide with gross annual  
4 sales in this state of one million five hundred thousand  
5 dollars or more. The person shall not be assessed more than  
6 fifty dollars for registering a pesticide with gross annual  
7 sales in this state of less than one million five hundred  
8 thousand dollars. The agrichemical remediation fee shall be  
9 in addition to the registration fee and shall be due, paid,  
10 and collected in the same manner as the registration fee.

11 2. a. Not later than May 1 of each year the board in  
12 consultation with the department shall consider adjusting the  
13 rate for assessing each agrichemical remediation fee as  
14 provided in this section. The board may adjust the rate for  
15 assessing any agrichemical remediation fee up to the amount  
16 for that agrichemical remediation fee as provided in this  
17 section, as necessary to ensure that the unobligated and  
18 unencumbered balance of the fund, less any pending or  
19 unsettled claims, at the end of the following fiscal year is  
20 at least three million dollars but not more than six million  
21 dollars. The agrichemical remediation fees assessed by the  
22 board shall be due, paid, and collected beginning on the  
23 following July 1.

24 b. If, at the end of any three-month period, the assets of  
25 the fund exceed six million dollars, less any encumbered  
26 balances or pending or unsettled claims, the board shall  
27 suspend the assessment of all agrichemical remediation fees.  
28 If, at any time, the assets of the fund are less than three  
29 million dollars, less any encumbered balances or pending or  
30 unsettled claims, the board shall reinstate the assessment or  
31 adjust the rates for assessing the agrichemical remediation  
32 fees up to the amounts for the agrichemical remediation fees  
33 as provided in this section. The suspension, reinstatement,  
34 or adjustment shall become applicable as provided by order  
35 issued by the department on behalf of the board, but not later

1 than three months following the effective date of the order.

2 Sec. 4. Section 161.7, subsection 2, Code 2001, is amended  
3 to read as follows:

4 2. The fund shall consist of any moneys collected from  
5 agrichemical remediation fees as provided in section 161.6A,  
6 moneys appropriated by the general assembly for placement in  
7 the fund, and moneys available to and obtained or accepted by  
8 the department from the federal government or private sources  
9 for placement in the fund.

10 Sec. 5. Section 200.4, subsection 1, Code 2001, is amended  
11 to read as follows:

12 1. Any A person who manufactures, mixes, blends, mixes to  
13 customers order, offers for sale, sells, or distributes any  
14 fertilizer or soil conditioner in ~~Iowa~~ this state must first  
15 obtain a license from the ~~secretary-of-agriculture-and~~  
16 department. The person shall pay a ~~ten-dollar~~ license fee for  
17 each place of manufacture or distribution from which  
18 fertilizer or soil conditioner products are sold or  
19 distributed in ~~Iowa~~ this state. ~~Such~~ The license fee shall be  
20 paid annually on July 1 of each year. The license fee shall  
21 be ten dollars. In addition to the license fee, the person  
22 shall also be assessed an agrichemical remediation fee to the  
23 department which shall be due, paid, and collected in the same  
24 manner as the license fee, as provided in section 161.6A.

25 Sec. 6. Section 200.8, Code 2001, is amended by adding the  
26 following new subsection:

27 NEW SUBSECTION. 2A. A licensee who annually offers for  
28 sale, sells, or distributes four thousand pounds or more of  
29 fertilizer and soil conditioner, shall be assessed an  
30 agrichemical remediation fee. The agrichemical remediation  
31 fee shall be an amount taken from each inspection fee required  
32 to be paid under this section for each ton of commercial  
33 fertilizer and soil conditioner sold or distributed in this  
34 state or on packages of fertilizer and soil conditioner sold  
35 or distributed in this state in lieu of the per ton inspection

1 fee, as provided in section 161.6A.

2 Sec. 7. Section 200.9, Code 2001, is amended to read as  
3 follows:

4 200.9 FERTILIZER FEES.

5 1. Fees Except as provided in subsection 2, fees collected  
6 for licenses and inspection fees under sections 200.4 and  
7 ~~200.8, with the exception of those fees collected for deposit~~  
8 ~~in the agriculture management account of the groundwater~~  
9 ~~protection fund,~~ shall be deposited in the general fund of the  
10 state and shall be subject to the requirements of section  
11 8.60. Moneys deposited under this section to the general fund  
12 shall be used only by the department for the purpose of  
13 inspection, sampling, analysis, preparation, and publishing of  
14 reports and other expenses necessary for administration of  
15 this chapter. The secretary may assign moneys to the Iowa  
16 agricultural experiment station for research, work projects,  
17 and investigations as needed for the specific purpose of  
18 improving the regulatory functions for enforcement of this  
19 chapter.

20 2. a. Groundwater protection fees collected pursuant to  
21 section 200.8 shall be deposited in the groundwater protection  
22 fund created in section 455E.11.

23 b. Agrichemical remediation fees collected pursuant to  
24 sections 200.4 and 200.8 shall be deposited in the  
25 agrichemical remediation fund created in section 161.7.

26 Sec. 8. Section 206.6, subsection 1, unnumbered paragraph  
27 1, Code 2001, is amended to read as follows:

28 No A person shall not engage in the business of applying  
29 pesticides to the lands land or property of another person at  
30 any time without being licensed by the secretary department.  
31 The secretary shall require person shall pay an annual license  
32 fee of. The amount of the license fee shall not be more than  
33 twenty-five dollars for each license. In addition to the  
34 license fee, the person shall also be assessed an agrichemical  
35 remediation fee which shall be due, paid, and collected in the



1 same manner as the license fee, as provided in section 161.6A.  
2 Agrichemical remediation fees shall be deposited in the  
3 agrichemical remediation fund created in section 161.7.  
4 Application A person applying for a license shall ~~be-made-in~~  
5 writing submit a written application to the department on a  
6 designated form obtained from the department. Each  
7 application for a license shall contain information regarding  
8 the applicant's qualifications and proposed operations,  
9 license classification or classifications for which the  
10 applicant is applying.

11 Sec. 9. Section 206.8, Code 2001, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 2A. In addition to the license fee, a  
14 pesticide dealer with twenty-five thousand dollars or more in  
15 gross retail pesticide sales shall also be assessed an  
16 agrichemical remediation fee which shall be due, paid, and  
17 collected in the same manner as the license fee, as provided  
18 in section 161.6A. Agrichemical remediation fees shall be  
19 deposited in the agrichemical remediation fund created in  
20 section 161.7.

21 Sec. 10. Section 206.12, subsection 3, Code 2001, is  
22 amended to read as follows:

23 3. The registrant, before selling or offering for sale any  
24 pesticide for use in this state, shall register each brand and  
25 grade of such pesticide with the secretary department upon  
26 forms furnished by the ~~secretary, and the~~ department.

27 3A. a. Except as provided in this subsection, the  
28 secretary department shall set the registration fee annually  
29 at one-fifth of one percent of gross sales within this state  
30 with a minimum fee of two hundred fifty dollars and a maximum  
31 fee of three thousand dollars for each and every brand and  
32 grade of a pesticide to be offered for sale in this state  
33 ~~except as otherwise provided.~~ In addition to the registration  
34 fee, for each pesticide offered for sale in this state subject  
35 to a registration fee, the registrant shall also be assessed

1 an agrichemical remediation fee which shall be due, paid, and  
2 collected in the same manner as the registration fee, as  
3 provided in section 161.6A. However, an antimicrobial  
4 pesticide shall not be subject to the agrichemical remediation  
5 fee. The annual registration fee for products with gross  
6 annual sales in this state of less than one million five  
7 hundred thousand dollars shall be the greater of two hundred  
8 fifty dollars or one-fifth of one percent of the gross annual  
9 sales as established by affidavit of the registrant. The  
10 secretary shall adopt by rule exemptions to the minimum fee.

11 b. Fifty Of the amount of moneys collected from each  
12 registration fee, fifty dollars of-each-fee-collected shall be  
13 deposited in the general fund of the state, shall-be subject  
14 to the requirements of section 8.60, and shall be used only  
15 for the purpose of enforcing the provisions of this chapter  
16 and the remainder of-each-fee-collected shall be placed  
17 deposited in the agriculture management account of the  
18 groundwater protection fund as provided in section 455E.11.  
19 Moneys collected from the assessment of agrichemical  
20 remediation fees shall be deposited in the agrichemical  
21 remediation fund created in section 161.7.

22 **Sec. 11. AGRICHEMICAL REMEDIATION BOARD -- AUTHORITY TO**  
23 **ESTABLISH FEES.** Notwithstanding section 161.6A, as enacted in  
24 this Act, the agrichemical remediation board in consultation  
25 with the department of agriculture and land stewardship may  
26 meet to establish agrichemical remediation fees after May 1,  
27 2001. The board shall establish rates for agrichemical  
28 remediation fees consistent with section 161.6A, pursuant to  
29 an order issued by the department and published in the Iowa  
30 administrative bulletin. The agrichemical remediation fees  
31 shall become applicable as provided in this Act, on or after  
32 July 1, 2001, but not later than June 30, 2002.

33 **Sec. 12. EFFECTIVE DATE.** This Act, being deemed of  
34 immediate importance, takes effect upon enactment.

35

EXPLANATION

1 In 2000, the general assembly enacted Senate File 466 (2000  
2 Iowa Acts, ch. 1184). The Act created new Code chapter 161  
3 referred to as the "Iowa Agrichemical Remediation Act". The  
4 chapter provides for the remediation of sites where there has  
5 been contamination because of a release of fertilizers and  
6 soil conditioners or pesticides. The remediation process is  
7 controlled by an agrichemical remediation board created under  
8 the chapter in cooperation with the department of agriculture  
9 and land stewardship. The chapter provides that a person may  
10 execute an agreement with the board for the remediation of a  
11 contaminated site under the direction of the department. A  
12 person who does not execute such an agreement is required to  
13 remediate a site as required by the department of natural  
14 resources. Code section 161.7 establishes an agrichemical  
15 remediation fund. Moneys in the fund are appropriated  
16 exclusively to support agrichemical remediation and  
17 administration as provided in the chapter.

18 This bill establishes agrichemical remediation fees to be  
19 collected by the department of agriculture and land  
20 stewardship and deposited into the agrichemical remediation  
21 fund. The agrichemical remediation fees are established by  
22 the board in consultation with the department. The fees are  
23 imposed in the same manner as licensing and inspection fees  
24 under Code chapter 200 regulating fertilizers and soil  
25 conditioners and Code chapter 206 regulating pesticides.

26 An agrichemical remediation fee is required to be paid by a  
27 person paying a fee for a license to manufacture, mix, blend,  
28 mix to customer order, offer for sale, sell, or distribute a  
29 fertilizer or soil conditioner as provided in Code section  
30 200.6. An agrichemical remediation fee is imposed on the  
31 amount of each inspection fee that must be paid for each ton  
32 of commercial fertilizer and soil conditioner sold or  
33 distributed in this state or an inspection fee on packages of  
34 fertilizers or soil conditioners in lieu of the per ton  
35 inspection fee. An agrichemical remediation fee is required

1 to be paid by a person who pays a license fee as a pesticide  
2 dealer as provided in Code section 206.8. An agrichemical  
3 remediation fee is required to be paid by a person who is  
4 required to register a pesticide as provided in Code section  
5 206.12.

6 The bill provides that the board must consider the rates of  
7 the agrichemical remediation fees and adjust any agrichemical  
8 remediation fee as necessary to ensure that the unobligated  
9 and unencumbered balance of the fund, less any pending or  
10 unsettled claims, at the end of the following fiscal year is  
11 at least \$3 million but not more than \$6 million. The bill  
12 provides that if, at the end of any three-month period, the  
13 assets of the fund exceed \$6 million, less any encumbered  
14 balances or pending or unsettled claims, the board must  
15 suspend all agrichemical remediation fees. If, at the end of  
16 any three-month period, the assets of the fund are less than  
17 \$3 million, less any encumbered balances or pending or  
18 unsettled claims, the board must reinstate or adjust the  
19 agrichemical remediation fees.

20 The bill takes effect upon enactment.

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**HOUSE FILE 743**

24

**H-1908**

1 Amend House File 743 as follows:

25

2 1. Page 2, by striking lines 10 through 20.

26

3 2. By striking page 4, line 25, through page 5,  
4 line 1.

27

5 3. Page 5, line 24, by striking the words and

28

6 figures "sections 200.4 and 200.8" and inserting the  
7 following: "section 200.4".

29

8 4. By renumbering, redesignating, and correcting  
9 internal references as necessary.

30

By TEIG of Hamilton

31

**H-1908 FILED MAY 2, 2001**

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**HOUSE FILE 743  
FISCAL NOTE**

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A fiscal note for **House File 743** 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.

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House File 743 establishes Agrichemical Remediation Fees that will be collected by the Department of Agriculture and Land Stewardship and deposited into the Agrichemical Remediation Fund. The fees are paid by persons that manufacture, sell, or distribute fertilizers and pesticides. The Fund will be used for cleanup of contaminated sites. The Agrichemical Remediation Board will review the fees and suspend payment when the Fund is over \$6.0 million in assets and reinstate the fees when the Fund is less than \$3.0 million in assets.

**ASSUMPTIONS**

1. A \$500 registration fee would be paid on approximately 72 pesticide products annually. This would add \$36,000 to the Agrichemical Remediation Fund per year.
2. There are 1,081 pesticide dealers and 2,285 commercial pesticide applicators that would pay a \$25 license fee per year. This would add \$27,000 and \$57,000 per year to the Agrichemical Remediation Fund.
3. Approximately 2,237 fertilizer dealers would pay a \$25 license fee per year. This would add \$56,000 per year to the Agrichemical Remediation Fund.
4. There are 1,188 businesses that sell small packages of fertilizer that would pay a \$25 registration fee. This would add \$56,000 per year to the Agrichemical Remediation Fund.
5. Currently, a \$0.17 per ton fertilizer inspection fee is collected by the Department of Agriculture and Land Stewardship that is deposited into the General Fund. This Bill allocates \$0.05 of that fee to the Agrichemical Remediation Fund and would add \$155,000 per year.

**FISCAL IMPACT**

House File 743 would decrease funding to the General Fund by \$155,000 and increase funding to the Agrichemical Remediation Fund by \$361,000 for FY 2002 and subsequent years.

**SOURCE**

Department of Agriculture and Land Stewardship

(LSB 3481hv, DFK)

FILED MAY 1, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR