

House Study Bill 255

Bill Text

PAG LIN

1 1 Section 1. Section [161.4](#), Code 2001, is amended by adding
1 2 the following new subsection:

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

1 6 Sec. 2. Section [161.4](#), subsection 3, Code 2001, is amended
1 7 to read as follows:

1 8 3. Consult with the department

~~in the adoption of rules~~

1 9

~~necessary for the~~

~~as required for the~~ administration of this

1 10 chapter. The rules of the department shall contain the rules
1 11 of the board adopted for its organization, procedures,
1 12 programs, and requirements as required in this chapter. The
1 13 rules shall at least provide for all of the following:

1 14 a. The board's organization and parliamentary procedures.

1 15 b. Procedures for assessing agrichemical remediation fees
1 16 established by the board, adjusting rates at which
1 17 agrichemical remediation fees are assessed, and suspending or
1 18 reinstating the assessment of agrichemical remediation fees,
1 19 as provided in section 161.6A.

1 20 c. Procedures for paying claims as provided in section
1 21 161.9.

1 22 The board shall provide for agrichemical remediation fees
1 23 by order as provided in section 161.6A.

1 24 Sec. 3. NEW SECTION. 161.6A AGRICHEMICAL REMEDIATION
1 25 FEES.

1 26 The board in consultation with the department shall
1 27 establish agrichemical remediation fees assessed by the board,
1 28 adjust rates at which the agrichemical remediation fees are
1 29 assessed, and suspend or reinstate the assessment of
1 30 agrichemical remediation fees, as provided by order issued by
1 31 the department on behalf of the board. An order shall become
1 32 effective when published in the Iowa administrative bulletin.
1 33 The establishment, adjustment, suspension, or reinstatement
1 34 shall become applicable as provided in the order consistent
1 35 with this section.

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

2 3 a. The amount assessed shall be up to twenty-five dollars
2 4 for a person required to pay a fee to obtain a license to
2 5 manufacture, mix, blend, mix to customer order, offer for
2 6 sale, sell, or distribute a fertilizer or soil conditioner as
2 7 provided in section 200.4. The agrichemical remediation fee
2 8 shall be in addition to the license fee and shall be due,
2 9 paid, and collected in the same manner as the license fee.

2 10 b. The amount assessed shall be up to five cents of each
2 11 inspection fee required to be paid by a person licensed
2 12 pursuant to section 200.4 for each ton of commercial
2 13 fertilizer and soil conditioner sold or distributed in this
2 14 state as provided in section 200.8. If a licensee pays an
2 15 inspection fee on packages of fertilizer or soil conditioner

2 16 in lieu of the per ton inspection fee, the agrichemical
2 17 remediation fee shall be up to twenty-five dollars of the
2 18 amount collected under section 200.8. The agrichemical
2 19 remediation fee shall be due, paid, and collected in the same
2 20 manner as the inspection fee.

2 21 c. The amount assessed shall be up to twenty-five dollars
2 22 for a person required to pay a fee to obtain a commercial
2 23 applicator license for pesticides as provided in section
2 24 206.6. The agrichemical remediation fee shall be in addition
2 25 to the license fee and shall be due, paid, and collected in
2 26 the same manner as the license fee.

2 27 d. The amount assessed shall be up to twenty-five dollars
2 28 for a person required to pay a fee to obtain a pesticide
2 29 dealer license as provided in section 206.8. The agrichemical
2 30 remediation fee shall be in addition to the license fee and
2 31 shall be due, paid, and collected in the same manner as the
2 32 license fee.

2 33 e. The amount assessed shall be up to sixteen percent of
2 34 the registration fee required to be paid to register each
2 35 brand and grade of pesticide for a person required to pay a
3 1 fee to register a pesticide as provided in section 206.12.

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

3 11 2. a. Not later than May 1 of each year the board in
3 12 consultation with the department shall consider adjusting the
3 13 rate for assessing each agrichemical remediation fee as
3 14 provided in this section. The board may adjust the rate for
3 15 assessing any agrichemical remediation fee up to the amount
3 16 for that agrichemical remediation fee as provided in this
3 17 section, as necessary to ensure that the unobligated and
3 18 unencumbered balance of the fund, less any pending or
3 19 unsettled claims, at the end of the following fiscal year is
3 20 at least three million dollars but not more than six million
3 21 dollars. The agrichemical remediation fees assessed by the
3 22 board shall be due, paid, and collected beginning on the
3 23 following July 1.

3 24 b. If, at the end of any three-month period, the assets of
3 25 the fund exceed six million dollars, less any encumbered
3 26 balances or pending or unsettled claims, the board shall
3 27 suspend the assessment of all agrichemical remediation fees.
3 28 If, at any time, the assets of the fund are less than three
3 29 million dollars, less any encumbered balances or pending or
3 30 unsettled claims, the board shall reinstate the assessment or
3 31 adjust the rates for assessing the agrichemical remediation
3 32 fees up to the amounts for the agrichemical remediation fees
3 33 as provided in this section. The suspension, reinstatement,
3 34 or adjustment shall become applicable as provided by order
3 35 issued by the department on behalf of the board, but not later
4 1 than three months following the effective date of the order.

4 2 Sec. 4. Section [161.7](#), subsection 2, Code 2001, is amended
4 3 to read as follows:

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

4 10 Sec. 5. Section [200.4](#), subsection 1, Code 2001, is amended
4 11 to read as follows:

4 12 1.

~~Any~~

- A person who manufactures, mixes, blends, mixes to
4 13 customers order, offers for sale, sells, or distributes any
4 14 fertilizer or soil conditioner in

~~Iowa~~

- this state must first
4 15 obtain a license from the

~~secretary of agriculture and~~

- 4 16 department. The person shall pay a

~~ten dollar~~

- license fee for
4 17 each place of manufacture or distribution from which
4 18 fertilizer or soil conditioner products are sold or
4 19 distributed in

~~Iowa~~

- this state.

~~Such~~

- The license fee shall be
4 20 paid annually on July 1 of each year. The license fee shall
4 21 be ten dollars. In addition to the license fee, the person
4 22 shall also be assessed an agrichemical remediation fee to the
4 23 department which shall be due, paid, and collected in the same
4 24 manner as the license fee, as provided in section 161.6A.

4 25 Sec. 6. Section [200.8](#), Code 2001, is amended by adding the
4 26 following new subsection:

4 27 NEW SUBSECTION. 2A. A licensee who annually offers for
4 28 sale, sells, or distributes four thousand pounds or more of
4 29 fertilizer and soil conditioner, shall be assessed an
4 30 agrichemical remediation fee. The agrichemical remediation
4 31 fee shall be an amount taken from each inspection fee required
4 32 to be paid under this section for each ton of commercial
4 33 fertilizer and soil conditioner sold or distributed in this
4 34 state or on packages of fertilizer and soil conditioner sold
4 35 or distributed in this state in lieu of the per ton inspection
5 1 fee, as provided in section 161.6A.

5 2 Sec. 7. Section [200.9](#), Code 2001, is amended to read as
5 3 follows:

5 4 200.9 FERTILIZER FEES.

5 5 1.

~~Fees~~

- Except as provided in subsection 2, fees collected
5 6 for licenses and inspection fees under sections 200.4 and
5 7 200.8

~~, with the exception of those fees collected for deposit~~

~~5 8~~

~~in the agriculture management account of the groundwater~~

~~5 9~~

~~protection fund,~~

- shall be deposited in the general fund of the
5 10 state and shall be subject to the requirements of section
5 11 8.60. Moneys deposited under this section to the general fund
5 12 shall be used only by the department for the purpose of
5 13 inspection, sampling, analysis, preparation, and publishing of
5 14 reports and other expenses necessary for administration of

5 15 this chapter. The secretary may assign moneys to the Iowa
5 16 agricultural experiment station for research, work projects,
5 17 and investigations as needed for the specific purpose of
5 18 improving the regulatory functions for enforcement of this
5 19 chapter.

5 20 2. a. Groundwater protection fees collected pursuant to
5 21 section 200.8 shall be deposited in the groundwater protection
5 22 fund created in section 455E.11.

5 23 b. Agrichemical remediation fees collected pursuant to
5 24 sections 200.4 and 200.8 shall be deposited in the
5 25 agrichemical remediation fund created in section 161.7.

5 26 Sec. 8. Section 206.6, subsection 1, unnumbered paragraph
5 27 1, Code 2001, is amended to read as follows:
5 28

~~No~~

- A person shall not engage in the business of applying
5 29 pesticides to the

~~lands~~

- land or property of another person at
5 30 any time without being licensed by the

~~secretary~~

- department.

5 31 The

~~secretary shall require~~

- person shall pay an annual license
5 32 fee

~~of~~

- The amount of the license fee shall not be more than
5 33 twenty-five dollars for each license. In addition to the
5 34 license fee, the person shall also be assessed an agrichemical
5 35 remediation fee which shall be due, paid, and collected in the
6 1 same manner as the license fee, as provided in section 161.6A.
6 2 Agrichemical remediation fees shall be deposited in the
6 3 agrichemical remediation fund created in section 161.7.
6 4

~~Application~~

- A person applying for a license shall

~~be made in~~

-
6 5

~~writing~~

- submit a written application to the department on a
6 6 designated form obtained from the department. Each
6 7 application for a license shall contain information regarding
6 8 the applicant's qualifications and proposed operations,
6 9 license classification or classifications for which the
6 10 applicant is applying.

6 11 Sec. 9. Section 206.8, Code 2001, is amended by adding the
6 12 following new subsection:

6 13 NEW SUBSECTION. 2A. In addition to the license fee, a
6 14 pesticide dealer with twenty-five thousand dollars or more in
6 15 gross retail pesticide sales shall also be assessed an
6 16 agrichemical remediation fee which shall be due, paid, and
6 17 collected in the same manner as the license fee, as provided
6 18 in section 161.6A. Agrichemical remediation fees shall be
6 19 deposited in the agrichemical remediation fund created in
6 20 section 161.7.

6 21 Sec. 10. Section 206.12, subsection 3, Code 2001, is
6 22 amended to read as follows:

6 23 3. The registrant, before selling or offering for sale any
6 24 pesticide for use in this state, shall register each brand and
6 25 grade of such pesticide with the

~~secretary~~

- ~~department~~ upon
6 26 forms furnished by the

~~secretary, and the~~

- ~~department.~~

6 27 3A. a. Except as provided in this subsection, the

6 28

~~secretary~~

- ~~department~~ shall set the registration fee annually
6 29 at one-fifth of one percent of gross sales within this state
6 30 with a minimum fee of two hundred fifty dollars and a maximum
6 31 fee of three thousand dollars for each and every brand and
6 32 grade of a pesticide to be offered for sale in this state
6 33

~~except as otherwise provided~~

- In addition to the registration

6 34 fee, for each pesticide offered for sale in this state subject
6 35 to a registration fee, the registrant shall also be assessed
7 1 an agrichemical remediation fee which shall be due, paid, and
7 2 collected in the same manner as the registration fee, as
7 3 provided in section 161.6A. However, an antimicrobial
7 4 pesticide shall not be subject to the agrichemical remediation
7 5 fee. The annual registration fee for products with gross
7 6 annual sales in this state of less than one million five
7 7 hundred thousand dollars shall be the greater of two hundred
7 8 fifty dollars or one-fifth of one percent of the gross annual
7 9 sales as established by affidavit of the registrant. The
7 10 secretary shall adopt by rule exemptions to the minimum fee.

7 11 b.

~~Fifty~~

- Of the amount of moneys collected from each
7 12 registration fee, fifty dollars

~~of each fee collected~~

- shall be
7 13 deposited in the general fund of the state,

~~shall be~~

- subject
7 14 to the requirements of section 8.60, and shall be used only
7 15 for the purpose of enforcing the provisions of this chapter
7 16 and the remainder

~~of each fee collected~~

- shall be

~~placed~~

-
7 17 deposited in the agriculture management account of the
7 18 groundwater protection fund as provided in section 455E.11.
7 19 Moneys collected from the assessment of agrichemical
7 20 remediation fees shall be deposited in the agrichemical
7 21 remediation fund created in section 161.7.
7 22 Sec. 11. AGRICHEMICAL REMEDIATION BOARD AUTHORITY TO
7 23 ESTABLISH FEES. Notwithstanding section 161.6A, as enacted in
7 24 this Act, the agrichemical remediation board in consultation
7 25 with the department of agriculture and land stewardship may
7 26 meet to establish agrichemical remediation fees after May 1,
7 27 2001. The board shall establish rates for agrichemical

7 28 remediation fees consistent with section 161.6A, pursuant to
7 29 an order issued by the department and published in the Iowa
7 30 administrative bulletin. The agrichemical remediation fees
7 31 shall become applicable as provided in this Act, on or after
7 32 July 1, 2001, but not later than June 30, 2002.
7 33 Sec. 12. EFFECTIVE DATE. This Act, being deemed of
7 34 immediate importance, takes effect upon enactment.

7 35 EXPLANATION

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

8 18 This bill establishes agrichemical remediation fees to be
8 19 collected by the department of agriculture and land
8 20 stewardship and deposited into the agrichemical remediation
8 21 fund. The agrichemical remediation fees are established by
8 22 the board in consultation with the department. The fees are
8 23 imposed in the same manner as licensing and inspection fees
8 24 under Code chapter 200 regulating fertilizers and soil
8 25 conditioners and Code chapter 206 regulating pesticides.

8 26 An agrichemical remediation fee is required to be paid by a
8 27 person paying a fee for a license to manufacture, mix, blend,
8 28 mix to customer order, offer for sale, sell, or distribute a
8 29 fertilizer or soil conditioner as provided in Code section
8 30 200.6. An agrichemical remediation fee is imposed on the
8 31 amount of each inspection fee that must be paid for each ton
8 32 of commercial fertilizer and soil conditioner sold or
8 33 distributed in this state or an inspection fee on packages of
8 34 fertilizers or soil conditioners in lieu of the per ton
8 35 inspection fee. An agrichemical remediation fee is required
9 1 to be paid by a person who pays a license fee as a pesticide
9 2 dealer as provided in Code section 206.8. An agrichemical
9 3 remediation fee is required to be paid by a person who is
9 4 required to register a pesticide as provided in Code section
9 5 206.12.

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

9 20 The bill takes effect upon enactment.

9 21 LSB 3481HC 79

9 22 da/cf/24.2

