Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

Date: March 18, 2019 Prepared by: Daniel Dickerson

H.205 An act relating to the regulation of neonicotinoid pesticides – House Agriculture and Forestry Recommendation of Amendment – Draft 2.1

https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Agriculture/Bills/H.205 %20pollinator%20protection,%20neonicotinoids/Drafts,%20Amendments,%20Summaries/H.20 5~Michael%20O'Grady~Draft%20No.%202.1,%203-14-2019~3-14-2019.pdf

Bill Summary

The bill would establish a statutory definition for neonicotinoid pesticides and would require the Agency of Agriculture, Food and Markets (Agency) to register neonicotinoids as restricted use pesticides, with exceptions. The registration fee for economic poisons would be increased from \$175 to \$200 annually, with the \$25 increment dedicated to inspection, education and technical assistance costs for the general public and beekeepers in the State. The bill would require owners of bees, apiaries, colonies or hives to register with the Agency and would require the Agency to establish a master beekeeper program. The Agency would be authorized to write rules regarding the provisions of the bill.

Fiscal Impacts

In a given year, there are approximately 12,000 to 14,000 economic poisons registered in the State. Revenues from the existing \$175 fee are allocated as follows: \$160 to the pesticide monitoring revolving fund and \$15 to the agricultural water quality fund. An increase of \$25 on the economic poison registration fee, from \$175 to \$200, would result in approximately \$300,000 to \$350,000 in new revenues on an annual basis. Authorized uses for the new revenues would be inspections, technical assistance and education for the general public and for beekeepers. However, the bill does not currently allocate the new revenues to a particular fund and does not include an appropriation from that fund.

The Agency has stated that two new positions would be needed to carry out its responsibilities as set forth in this proposed legislation, in addition to associated operating costs, including a vehicle. The estimated revenues would be sufficient to cover the costs of the new positions, based on a "per position" cost of \$100,000 yearly in salary and benefits. Because some operating costs, specifically the vehicle, would be one-time in nature, there would likely be ongoing excess revenues from the fee increase. The positions are not currently authorized in the bill and are not in the Governor's FY20 budget proposal.

¹ Exceptions are as follows: certain pet care products, certain personal care products, certain indoor pest control products, and treated article seeds.