

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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H.205 (Act 35): An act relating to the regulation of neonicotinoid pesticides – As passed by the General Assembly

<https://legislature.vermont.gov/Documents/2020/Docs/ACTS/ACT035/ACT035%20As%20Enacted.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.¹ Restricted use pesticides can only be purchased by individuals who are certified as pesticide applicators, or individuals working under the direct supervision of certified pesticide applicators.

The existing registration fee for economic poisons, which includes neonicotinoids under current law, 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. Statute currently requires that owners of bees, apiaries, colonies or hives must “report” to the Agency annually, which is effectively a registration. The bill would amend statute to formalize the registration requirement. The Agency would also be required to establish a beekeeper certificate 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 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 in new revenues on an annual basis.*** The new revenue would be dedicated to the pesticide monitoring revolving fund, with authorized uses to be covering costs related to inspections, technical assistance and education for the general public and for beekeepers. The bill would also divert revenue from the existing beekeeper registration fee from the weights and measures testing fund to the pesticide monitoring fund, however the use of the fee revenue will not change. The \$10 annual fee raises approximately \$12,000 per year from 1,200 beekeepers.

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

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, which would include a vehicle. One position would deal primarily with enforcement surrounding the new neonicotinoid restrictions, while the other would manage the pollinator-related activities described in this bill. 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. Authorizing language for the two positions is included in Sec. 8 of this bill.