



VERMONT LEGISLATIVE Joint Fiscal Office

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Fiscal Note

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Act 59 (H.484) – An act relating to miscellaneous agricultural subjects

As enacted^{1,i}

Act Summary

This act makes various changes to agricultural and environmental statutes and hazardous waste collection and disposal programs.

Fiscal Impact

Several provisions of the act have fiscal impacts:

- The act's provisions pertaining to beneficial agricultural substances have a de minimis impact on State revenue.
- The new pesticide registration fee will generate an estimated \$613,000 for the Pesticide Monitoring Special Fund in fiscal year 2026.
- Provisions pertaining to household hazardous waste collection plans and the Paint Product Stewardship Program have a de minimis impact on State revenue.

Section 1: Registration requirements for beneficial agricultural substances

Under current law, distributors of fertilizer and other substances that promote plant growth, such as soil amendments and plant biostimulants, must register their products annually with the Secretary of Agriculture, Food, and Markets. Distributors pay an annual \$85 registration fee per product to do so. Registration fees are deposited to the “AF&M – Feed Seeds & Fertilizer” special fund, the use of which is restricted to State agricultural programs.

This act introduces a definition of “beneficial substances” to statute. This is a largely technical change that is meant to align Vermont with national standards for product definition and labeling to promote the uniform regulation of these substances. Most products captured by this definition are non-fertilizer substances that are beneficial to plant growth, such as soil amendments and biostimulants, that are already registered and distributed in Vermont. This act updates statutory language to clarify that these substances, while placed under a new definition, continue to fall under existing registration requirements.

If this act results in increased product registrations (and \$85 fees paid to the State), it could increase State revenue. However, the Agency of Agriculture, Food and Markets (AAFM) is aware of only a few products

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registered in other states that might be newly subject to this act's registration requirements. Given that AAFM already registers several thousand products annually, it does not expect a significant increase in registrations or revenue from this act. Any fiscal impact is expected to be minimal, likely under \$1,000 annually.

Sections 2 and 3: Pesticide registration fee and disposal funding study

Currently, every pesticide sold in the State must be registered annually with AAFM. Registrants pay an annual fee of \$200 for each product registered. Of this amount, \$185 is deposited to the Pesticide Monitoring Special Fund and \$15 is deposited to the Agricultural Water Quality Special Fund.

Section 2 of the act establishes an additional \$50 fee charged to registrants of pesticide products and deposited to the Pesticide Monitoring Special Fund. This fee will be used to generate additional revenue for AAFM's support of costs incurred by solid waste management districts in disposing of obsolete and unwanted pesticides. The fee will be collected until an extended producer responsibility program for pesticides is implemented in the State that fully funds the collection of obsolete and unwanted pesticides. The Joint Fiscal Office (JFO) estimates this provision will generate an additional \$613,000 in revenue for the Pesticide Monitoring Special Fund in fiscal year 2026.

Section 3 directs the Secretary of Agriculture, Food and Markets, in consultation with the Commissioner of Environmental Conservation, to study potential funding sources to reimburse solid waste management entities for all costs associated with the collection and disposal of unwanted or obsolete pesticides at municipal hazardous waste collection events. The study will also consider the viability of an extended producer responsibility program for pesticides, as well as other disposal options. The Secretary is required to submit a report to the committees of jurisdiction by December 15, 2025.

Section 11: Agency of Natural Resources Administration of Household Hazardous Waste Collection Plans

Section 11 requires the Secretary of Natural Resources to adopt and administer certain household hazardous waste collection plans if manufacturers fail to meet their obligations to submit these plans to the State under 10 V.S.A. § 7183 by July 1, 2025. If manufacturers comply by the deadline, ANR will not be required to take this action.

Under current law, manufacturers must run collection programs for specified household hazardous waste, with ANR overseeing and approving their plans. The proposed language in this section acts as a contingency: if manufacturers do not submit their required plans by July 1, 2025, ANR must implement one on their behalf. The State will recover its costs by charging each manufacturer a prorated share of plan administration and oversight costs, plus an additional charge equal to 10% of the plan's total cost. This charge will be deposited in the Solid Waste Management Account within the Waste Management Assistance Fund to support pollution prevention and hazardous waste reduction grants for municipalities and small businesses.

Based on information provided by ANR, the fiscal impact of this section on Solid Waste Management Account revenue is likely de minimis. ANR expects the potential imposition of a 10% charge will incentivize full manufacturer compliance, meaning it is unlikely to be triggered. To the extent this expectation holds, no additional State revenue or costs will be generated by this provision in fiscal year 2026 or beyond.

Section 14: Paint Product Stewardship Program

This section amends requirements under Vermont's Paint Stewardship Program, which provides environmentally sound disposal of postconsumer architectural paint free of charge to the individual disposing of the product.

Under current law, architectural paint cannot be sold in the State unless its producer or a nonprofit stewardship organization acting on its behalf implements a Paint Stewardship Program plan approved by the Secretary of Natural Resources. Vermont's Paint Stewardship Program is run by PaintCare, a nonprofit stewardship organization. The costs incurred by PaintCare to transport and process postconsumer paint are covered by a

paint stewardship assessment fee paid by the producer, which is passed on to consumers as an addition to the product's purchase price.²

This act makes several changes to the Paint Stewardship Program:

- Changes how the paint stewardship assessment for architectural paint is set from approval by the Secretary of Natural Resources to specification in statute. The act codifies the existing stewardship assessment fee for architectural paint into law:
 - \$0 for each half pint or smaller;
 - \$0.65 for amounts greater than a half pint but less than one gallon;
 - \$1.35 for amounts greater than one gallon but less than two; and
 - \$2.45 for amounts greater than one gallon but less than five.
- Renames the Paint Stewardship Program the “Paint Product Stewardship Program” (Program) and expands its requirements to producers of aerosol coating products, coating-related products, and nonindustrial coatings.

Section 15: Implementation; Fee Report

The act also requires the Secretary of Natural Resources to recommend stewardship assessment fees for architectural paint and other paint products to the committees of jurisdiction by December 15, 2025. The new Program requirements for non-architectural paint products will then take effect on July 1, 2026.

The act also requires producers of aerosol coating products, coating-related products, and nonindustrial coatings to do the following:

- Submit a stewardship plan for the expanded Program to the Secretary by July 1, 2026
- Report annually to the Secretary on Program operation beginning on March 1, 2027

Aerosol coating products, coating-related products, and nonindustrial coatings are not currently subject to a stewardship assessment fee. Once the expanded Program requirements take effect, consumers will pay a paint product stewardship assessment fee on the purchase of these products. The amount of this assessment fee will be set by the General Assembly after receipt of the Secretary's fee report. This fee will increase the purchase price that is subject to sales tax, thus increasing the sales tax collected by the State on these products.³

The amount of this increase will depend on future sales of these products and the amount of the stewardship assessment fee. For reference, the existing fee schedule on the sale of architectural paint generated approximately \$994,000 in revenue for PaintCare's Vermont program in calendar year 2024. Because stewardship assessment fees are subject to the six percent Vermont sales tax, this sum generated approximately \$60,000 in sales tax revenue over that period.

¹ The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be accessed through a bill number search on the JFO page.

² 10 VSA § 6672

³ Tax Department letter regarding paint stewardship assessment