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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 151

01/22/2013 Authored by Hansen  
The bill was read for the first time and referred to the Committee on Agriculture Policy

1.1 A bill for an act  
1.2 relating to agriculture; increasing the pesticide gross sales fees; dedicating the  
1.3 proceeds to updating pesticide applicator education and certification; requiring  
1.4 reports; appropriating money; amending Minnesota Statutes 2012, sections  
1.5 18B.26, subdivision 3; 18B.305; proposing coding for new law in Minnesota  
1.6 Statutes, chapter 18B.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. 18B.055] PESTICIDE APPLICATOR EDUCATION AND  
1.9 CERTIFICATION.

1.10 Subdivision 1. Appropriation; reporting required. Notwithstanding section  
1.11 18B.05, the amount collected under section 18B.26, subdivision 3, through the temporary  
1.12 0.1 percent surcharge on pesticide gross sales through calendar year 2017 is appropriated  
1.13 to the commissioner to update pesticide applicator training and certification processes and  
1.14 materials. The commissioner shall report to the legislative committees with jurisdiction  
1.15 over agriculture finance no later than January 15 of each year regarding the commissioner's  
1.16 accomplishments and additional efforts planned through the end of fiscal year 2018.

1.17 Subd. 2. Expiration. This section expires June 30, 2018.

1.18 Sec. 2. Minnesota Statutes 2012, section 18B.26, subdivision 3, is amended to read:

1.19 Subd. 3. **Registration application and gross sales fee.** (a) For an agricultural  
1.20 pesticide, a registrant shall pay an annual registration application fee for each agricultural  
1.21 pesticide of \$350. The fee is due by December 31 preceding the year for which the  
1.22 application for registration is made. The fee is nonrefundable.

1.23 (b) For a nonagricultural pesticide, a registrant shall pay a minimum annual  
1.24 registration application fee for each nonagricultural pesticide of \$350. The fee is due by

2.1 December 31 preceding the year for which the application for registration is made. The  
2.2 fee is nonrefundable. The registrant of a nonagricultural pesticide shall pay, in addition to  
2.3 the \$350 minimum fee, a fee of 0.6 percent for calendar years 2013 through 2017, and  
2.4 0.5 percent thereafter, of annual gross sales of the nonagricultural pesticide in the state  
2.5 and the annual gross sales of the nonagricultural pesticide sold into the state for use in  
2.6 this state. The commissioner may not assess a fee under this paragraph if the amount  
2.7 due based on percent of annual gross sales is less than \$10. The registrant shall secure  
2.8 sufficient sales information of nonagricultural pesticides distributed into this state from  
2.9 distributors and dealers, regardless of distributor location, to make a determination. Sales  
2.10 of nonagricultural pesticides in this state and sales of nonagricultural pesticides for use in  
2.11 this state by out-of-state distributors are not exempt and must be included in the registrant's  
2.12 annual report, as required under paragraph (g), and fees shall be paid by the registrant based  
2.13 upon those reported sales. Sales of nonagricultural pesticides in the state for use outside of  
2.14 the state are exempt from the gross sales fee in this paragraph if the registrant properly  
2.15 documents the sale location and distributors. A registrant paying more than the minimum  
2.16 fee shall pay the balance due by March 1 based on the gross sales of the nonagricultural  
2.17 pesticide by the registrant for the preceding calendar year. A pesticide determined by the  
2.18 commissioner to be a sanitizer or disinfectant is exempt from the gross sales fee.

2.19 (c) For agricultural pesticides, a licensed agricultural pesticide dealer or licensed  
2.20 pesticide dealer shall pay a gross sales fee of 0.65 percent for calendar years 2013 through  
2.21 2017, and 0.55 percent thereafter, of annual gross sales of the agricultural pesticide in the  
2.22 state and the annual gross sales of the agricultural pesticide sold into the state for use in  
2.23 this state.

2.24 (d) In those cases where a registrant first sells an agricultural pesticide in or into the  
2.25 state to a pesticide end user, the registrant must first obtain an agricultural pesticide dealer  
2.26 license and is responsible for payment of the annual gross sales fee under paragraph (c),  
2.27 record keeping under paragraph (i), and all other requirements of section 18B.316.

2.28 (e) If the total annual revenue from fees collected in fiscal year 2011, 2012, or  
2.29 2013, by the commissioner on the registration and sale of pesticides, not including the 0.1  
2.30 percent surcharge dedicated to pesticide applicator education and certification through  
2.31 fiscal year 2018, is less than \$6,600,000, the commissioner, after a public hearing, may  
2.32 increase proportionally the pesticide sales and product registration fees under this chapter  
2.33 by the amount necessary to ensure this level of revenue is achieved. The authority under  
2.34 this section expires on June 30, 2014. The commissioner shall report any fee increases  
2.35 under this paragraph 60 days before the fee change is effective to the senate and house of  
2.36 representatives agriculture budget divisions.

3.1 (f) An additional fee of 50 percent of the registration application fee must be paid by  
3.2 the applicant for each pesticide to be registered if the application is a renewal application  
3.3 that is submitted after December 31.

3.4 (g) A registrant must annually report to the commissioner the amount, type and  
3.5 annual gross sales of each registered nonagricultural pesticide sold, offered for sale, or  
3.6 otherwise distributed in the state. The report shall be filed by March 1 for the previous  
3.7 year's registration. The commissioner shall specify the form of the report or approve  
3.8 the method for submittal of the report and may require additional information deemed  
3.9 necessary to determine the amount and type of nonagricultural pesticide annually  
3.10 distributed in the state. The information required shall include the brand name, United  
3.11 States Environmental Protection Agency registration number, and amount of each  
3.12 nonagricultural pesticide sold, offered for sale, or otherwise distributed in the state, but  
3.13 the information collected, if made public, shall be reported in a manner which does not  
3.14 identify a specific brand name in the report.

3.15 (h) A licensed agricultural pesticide dealer or licensed pesticide dealer must annually  
3.16 report to the commissioner the amount, type, and annual gross sales of each registered  
3.17 agricultural pesticide sold, offered for sale, or otherwise distributed in the state or into the  
3.18 state for use in the state. The report must be filed by January 31 for the previous year's  
3.19 sales. The commissioner shall specify the form, contents, and approved electronic method  
3.20 for submittal of the report and may require additional information deemed necessary to  
3.21 determine the amount and type of agricultural pesticide annually distributed within the  
3.22 state or into the state. The information required must include the brand name, United States  
3.23 Environmental Protection Agency registration number, and amount of each agricultural  
3.24 pesticide sold, offered for sale, or otherwise distributed in the state or into the state.

3.25 (i) A person who registers a pesticide with the commissioner under paragraph (b),  
3.26 or a registrant under paragraph (d), shall keep accurate records for five years detailing  
3.27 all distribution or sales transactions into the state or in the state and subject to a fee and  
3.28 surcharge under this section.

3.29 (j) The records are subject to inspection, copying, and audit by the commissioner  
3.30 and must clearly demonstrate proof of payment of all applicable fees and surcharges  
3.31 for each registered pesticide product sold for use in this state. A person who is located  
3.32 outside of this state must maintain and make available records required by this subdivision  
3.33 in this state or pay all costs incurred by the commissioner in the inspecting, copying, or  
3.34 auditing of the records.

4.1 (k) The commissioner may adopt by rule regulations that require persons subject  
 4.2 to audit under this section to provide information determined by the commissioner to be  
 4.3 necessary to enable the commissioner to perform the audit.

4.4 (l) A registrant who is required to pay more than the minimum fee for any pesticide  
 4.5 under paragraph (b) must pay a late fee penalty of \$100 for each pesticide application fee  
 4.6 paid after March 1 in the year for which the license is to be issued.

4.7 Sec. 3. Minnesota Statutes 2012, section 18B.305, is amended to read:

4.8 **18B.305 PESTICIDE EDUCATION AND TRAINING.**

4.9 Subdivision 1. **Education and training.** (a) The commissioner, as the lead agency,  
 4.10 shall develop, implement or approve, and evaluate, in conjunction consultation with the  
 4.11 University of Minnesota Extension Service, the Minnesota State Colleges and Universities  
 4.12 system, and other educational institutions, innovative educational and training programs  
 4.13 addressing pesticide concerns including:

4.14 (1) water quality protection;

4.15 (2) endangered species protection;

4.16 (3) minimizing pesticide residues in food and water;

4.17 (4) worker protection and applicator safety;

4.18 (5) chronic toxicity;

4.19 (6) integrated pest management and pest resistance; ~~and~~

4.20 (7) pesticide disposal;

4.21 (8) pesticide drift;

4.22 (9) relevant laws including pesticide labels and labeling and state and federal rules  
 4.23 and regulations; and

4.24 (10) current science and technology updates.

4.25 (b) The commissioner shall appoint educational planning committees which must  
 4.26 include representatives of industry and applicators.

4.27 (c) Specific current regulatory concerns must be discussed and, if appropriate,  
 4.28 incorporated into each training session. Relevant changes to pesticide product labels or  
 4.29 labeling or state and federal rules and regulations may be included.

4.30 (d) The commissioner may approve programs from private industry, higher  
 4.31 education institutions, and nonprofit organizations that meet minimum requirements for  
 4.32 education, training, and certification.

4.33 Subd. 2. **Training manual and examination development.** The commissioner,  
 4.34 in conjunction with the University of Minnesota Extension Service and other higher  
 4.35 education institutions, shall continually revise and update pesticide applicator training

5.1 manuals and examinations. The manuals and examinations must be written to meet or  
5.2 exceed the minimum standards required by the United States Environmental Protection  
5.3 Agency and pertinent state specific information. Questions in the examinations must be  
5.4 determined by the commissioner in consultation with other responsible agencies. Manuals  
5.5 and examinations must include pesticide management practices that discuss prevention of  
5.6 pesticide occurrence in ~~groundwaters~~ groundwater and surface water of the state.