



PESTICIDE REGISTRATION FEE

Introduction

Senate Bill (SB) 21 from the 1998 Legislative Session amended state laws pertaining to pesticide registration. This issue memorandum will provide some background information on the pesticide registration fee, detail the statutory changes made by SB 21, and review the revenue generated by the pesticide registration fee.

Background

South Dakota state law requires pesticide products that are sold in South Dakota to be registered with the South Dakota Department of Agriculture. The Department of Agriculture reviews pesticide labels for compliance with state and federal labeling requirements. The statutes that govern pesticide registration are found in chapter 38-20A of the South Dakota Codified Laws (SDCL). Revenue from the pesticide registration fee has been used to fund a variety of weed and pest programs, and the amount of the fee has changed many times since the fee was established. (For a comprehensive review of South Dakota's weed and pest control program and the history of the pesticide registration fee, see *Issue Memorandum 95-29, South Dakota's Weed and Pest Control Program, September 14, 1995.*)

Statutory Changes to the Pesticide Registration Fee

The new law requires every pesticide to be registered biennially. The biennial application fee for each pesticide registered is \$175. In addition to the \$175 application fee, a fifty-percent late fee may be assessed for late registrations. Previously pesticides were registered annually, and the fee was \$75 for each product registered. The \$175 application fee for each registered pesticide is distributed to the following funds:

\$ 40.00	Pesticide Regulatory Fund (SDCL 38-21-57)
\$ 42.50	Weed and Pest Fund (SDCL 38-22-35)
\$ 42.50	Public Lands Weed and Pest Fund (SDCL 38-20A-58)
\$ 30.00	Agricultural Experiment Station (SDCL 13-58)
<u>\$ 20.00</u>	Cooperative Extension Service (SDCL 13-54)
\$175.00	

The pesticide regulatory fund is used to defray the expenses of the weed and pest control program in the South Dakota Department of Agriculture. The Weed and Pest Commission makes grants to county weed and pest boards and other governmental agencies from the weed and pest fund. The public lands weed and pest fund is used for weed and pest control on lands

managed by the Office of School and Public Lands.

The Agricultural Experiment Station and the Cooperative Extension Service were first included in the distribution of the pesticide registration fee revenue through SB 21. The money that these two organizations receive from the pesticide registration fee is used for operating expenses at the research

farms operated by South Dakota State University, namely maintenance and repair projects.

Revenue

The following table shows revenue (rounded to the nearest thousand dollars) from the pesticide registration fee for state fiscal years (FY) 1998 and 1999.

Fund	FY1998	FY1999
Pesticide Regulatory Fund	\$272,000	\$135,000
Weed & Pest Fund	\$286,000	\$141,000
Public Lands Weed & Pest Fund	\$284,000	\$141,000
Ag Experiment Station	\$164,000	\$100,000
Coop Extension Service	<u>\$109,000</u>	<u>\$ 66,000</u>
TOTAL	\$1,115,000	\$583,000

Summary

The pesticide registration fee is used to fund a variety of weed and pest control programs for the state of South Dakota.

Most recently, the Agricultural Experiment Station and the Cooperative Extension Service have received funding through the pesticide registration fee.

This issue memorandum was written by David Becker, Senior Fiscal Analyst for the Legislative Research Council. It is designed to supply background information on the subject and is not a policy statement made by the Legislative Research Council.
