



## **Background**

The PAA regulates all individuals and businesses that apply restricted use pesticides, and only those individuals and businesses that apply general use pesticides as a commercial endeavor. Under the PAA, there are six categories of pesticide applicator licenses: commercial applicator, limited commercial applicator, public applicator, private applicator, qualified supervisor, and certified operator. The level of regulation for applicators depends on the type of pesticide applied and the environment in which it is applied. The PAC assists the Commissioner of Agriculture in promulgating rules and in receiving public input.

There are currently almost 6,000 pesticide applicators licensed in Colorado. All supervisors, operators, and technicians employed by these entities are also required to undergo training through the Plant Industry Division in the Department of Agriculture. The division is funded through the U.S. Environmental Protection Agency (EPA) and the Federal Insecticide, Fungicide, and Rodenticide Act, and the Plant Health, Pest Control, and Environmental Protection Cash Fund, which earns fees and fines assessed under the PAA. The Pesticide Registration Fund, which collects fees under the Pesticide Act, covers remaining program expenditures.

## **Fiscal Impact of Programs Set to Expire**

This bill continues a program in the Department of Agriculture that is set to repeal, effective July 1, 2015. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2016-17, one year after the repeal date. There is no need for an appropriation of the \$1,412,821 base funding in FY 2015-16, since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request for FY 2015-16.

The state revenue and state expenditures impact for FY 2016-17 reflects the program's anticipated fee revenue and base budget request beginning that year, plus increases to cover the implementation of this bill. PAA cash fund expenditures are expected to be \$1,412,821 and 13.7 FTE in FY 2016-17. The anticipated base revenue from PAA fees is \$642,546 per year in FY 2015-16 and FY 2016-17. The program will also receive Pesticide Registration Fund revenue to cover costs above fee revenues through the PAA.

## **State Expenditures**

In addition to the continuing program costs described above, the bill will minimally increase expenditures in the Department of Agriculture in FY 2015-16 and each year thereafter.

***Pesticide Advisory Committee.*** The addition of two members to the PAC may increase expenditures in the Department of Agriculture. Committee members receive no compensation, but may be reimbursed for actual and necessary traveling and subsistence expenses incurred in their official committee duties. Current PAC members do not typically require expense reimbursement because the majority live in the Denver metropolitan area, therefore these expense reimbursements are expected to be minimal and can be absorbed within existing appropriations.

***Electronic licensing.*** The department received cash fund spending authority through the capital construction request process in FY 2014-15 to implement an eLicensing program for the approximate 40,000 permits, license applications, and renewals processed each year. The online pesticide application is expected to be implemented in 2016, and requires no additional appropriation.

**Effective Date**

The bill takes effect upon signature of the Governor, and continues a program that would have expired July 1, 2015.

**State and Local Government Contacts**

Agriculture

Public Health and Environment

Regulatory Agencies