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## FISCAL IMPACT REPORT

**SPONSOR** Nunez      **DATE TYPED** 02/06/04      **HB** 50/aHAGC

**SHORT TITLE** “Business License” in Pesticide Control Act      **SB** \_\_\_\_\_

**ANALYST** Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	NFI		\$380.0	Recurring	Other State Funds

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates SB 7  
Relates to Appropriation in the General Appropriation Act

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	\$380.0	\$15.0	Recurring	Other State Funds

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
New Mexico State University (NMSU)  
New Mexico Department of Agriculture (NMDA)

Not Response  
Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of HAGC Amendment

The House Agriculture and Water Committee amendments remove the term “business license” in the title and all references to “business license” in the bill.

Synopsis of Original Bill

House Bill 50 amends the Pesticide Control Act to define “business license”, establishes a license requirement for commercial pesticide applicators and raises fees.

Significant Issues

NMDA reports that the establishment of a business license would effectively aid the NMDA in addressing compliance efforts. Further, the NMDA reports, Under the Food Quality Protection Act, the Environmental Protection Agency (EPA) is withdrawing the use of several classes of pesticides, thereby negatively impacting pesticide registration fee income at the state level. Fees in New Mexico would be established by rule and not to exceed the caps in the statute.

**FISCAL IMPLICATIONS**

NMDA estimates approximately \$380 thousand of fee income would be generated to carry out the provisions of the Pesticide Control Act.

**ADMINISTRATIVE IMPLICATIONS**

The NMDA analysis states the increased revenue would allow NMDA to:

- maintain an effective program, keep resources and add personnel necessary to efficiently and adequately provide the services and duties mandated under the Pesticide Control Act,
- enhance needs related to security and verification of applicator and registrant information, database availability on website, efficient processing and response to public information requests,
- enhance involvement in border area issues relating to pesticides,
- allow for development, use, and maintenance of technologies to increase efficiency in processing of licenses and pesticide registrations, public and industry outreach through distance learning opportunities, and
- develop website development, investigation of citizen complaints, and enhancing laboratory analysis.

**OTHER SUBSTANTIVE ISSUES**

According to NMDA, pesticide product registration fees in New Mexico are the third lowest in the nation and substantially minor compared to other states. Current annual fees in New Mexico are \$35/product, compared to Arizona at \$100, Colorado at \$95, Texas at \$210, and a national average of \$184.

**RLG/lg**