

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2020 REGULAR SESSION**

**MEASURE**

2020 BR NUMBER 927

HOUSE BILL NUMBER 365

**TITLE** AN ACT relating to fertilizer and pesticide use and application.

**SPONSOR** Representative Mark Hart

**FISCAL SUMMARY**

STATE FISCAL IMPACT: ☒ YES ☐ NO ☐ UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ☐ ACTUARIAL ANALYSIS  
☒ LOCAL MANDATE ☐ CORRECTIONS IMPACT ☐ HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Agriculture

FUND(S) IMPACTED: ☐ GENERAL ☐ ROAD ☐ FEDERAL ☒ RESTRICTED Consumer and  
Environmental Protection Fund

FISCAL ESTIMATES	2019-2020	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		Indeterminable	Indeterminable	Indeterminable
EXPENDITURES				
NET EFFECT		Indeterminable	Indeterminable	Indeterminable

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** The bill makes various changes to the fertilizer and pesticide laws in KRS Chapter 217B. Among the many changes, the bill establishes procedures for instances of alleged pesticide misuse, prohibits local regulation of pesticides, requires liability insurance for structural pest management companies, and modifies pesticide licensing and examination statutes.

**FISCAL EXPLANATION:** The bill removes fee amounts for licensing and examination of pesticide applicators, operators, dealers, sales agents, and trainees, and requires the Department of Agriculture to set the fee amounts in administrative regulations. Current fees for these licenses and examinations range from \$0 to \$100, and the Department of Agriculture has indicated their intent to raise these fee amounts. While the extent to which the fees will be increased is indeterminable, if the amount of licenses and examinations remains constant, the bill will increase the restricted fund revenues received by the Department of Agriculture.

While the bill continues to restrict the use of fee revenues from structural pest management company employees in KRS 217B.580, 2018 RS HB 200 and the Governor's Recommended budget for the 2020-2022 fiscal biennium notwithstanding KRS 217B.580 to allow the Department of Agriculture to expend those revenues to support the operations of the Department of Agriculture.

Overall, the bill and forthcoming administrative regulations will result in a positive impact on Restricted Fund revenues received by the Department of Agriculture, but the extent of the increase is indeterminable.

KRS 6.945 may apply and any fiscal impact upon cities would be addressed in a local mandate.

**DATA SOURCE(S): Department of Agriculture**

**PREPARER: Nick Peak NOTE NUMBER: 130 REVIEW: JAB DATE: 2/18/2020**