

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 19(FIN)
 (S) Publish Date: 5/03/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title Pesticide & Broadcast Chemicals RDU Environmental Health
 Component Solid Waste
 Sponsor Representative Meyer
 Requester House Finance Component No. 2344

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	86.0	158.1	158.1	158.1	158.1	158.1
Travel	8.0	10.0	10.0	10.0	10.0	10.0
Contractual	118.7	25.2	25.2	25.2	25.2	25.2
Supplies	2.0	3.0	3.0	3.0	3.0	3.0
Equipment	6.9	7.4	1.0	1.0	1.0	1.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	221.6	203.7	197.3	197.3	197.3	197.3

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1156)	318.0	318.0	318.0	318.0	318.0	318.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	(70.8)	(70.8)	(70.8)	(70.8)	(70.8)	(70.8)
1004 GF	(25.6)	(43.5)	(48.5)	(48.5)	(48.5)	(48.5)
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (1156 Receipt Supported Services)	318.0	318.0	316.6	316.6	316.6	316.6
TOTAL	221.6	203.7	197.3	197.3	197.3	197.3

Estimate of any current year (FY2005) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time	1	2	2	2	2	2
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Alaska is the only state that does not charge a fee for the registration of pesticides. This bill allows the department to fund a registration system, applicator licensing system, and increased enforcement and technical assistance with registration and applicator licensing fees. The current pesticide program is funded under a federal grant requiring state match and state general fund for a position that processes registrations at no charge to the manufacturers and suppliers of pesticides.

(continued on second page)

Prepared by: Kristin Ryan, Director Phone 907-269-7644
 Division Environmental Health Date/Time 4/28/05 2:47 PM
 Approved by: Kurt Fredriksson, Commissioner Date 4/28/2005
 Agency Department of Environmental Conservation

FISCAL NOTE # 3

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. CSHB 19(FIN)

Currently there are 5,500 pesticides registered in Alaska. Each year new pesticides are registered so the total number of pesticides generally increases annually. Based on the experience of other states in Region X that have implemented or increased their pesticide registration fees, Alaska can expect that some number of manufacturers and suppliers will choose not to register or renew pesticide registrations. An attrition rate as high as 40% can be expected. Using the current number of pesticides that are registered in the state, a \$85 label registration fee could generate up to \$467.5 each year.

Because of attrition and other factors we project a total of 3,300 pesticides will actually be registered in Alaska following the implementation of the fee, resulting in approximately \$280.5 in potential revenue. The fact that many of the pesticides registered in Alaska are not sold or used frequently suggests that attrition will occur and fee waivers will be granted.

An estimated 1,500 pesticide applicators will be required by regulation to have a license to apply pesticides. Pesticide applicators will be charged an annual \$25 licensing fee for a license that will require renewal every three years. Annual revenue of \$37.5 is expected from the pesticide applicator licensing fee.

Total annual revenue for the label registration and applicator licensing fee is expected to be \$318.0.

An Environmental Conservation Manager I will be hired to manage the statewide pesticide program, develop and implement the pesticide registration system, increase enforcement, and increase technical assistance on the safe use of pesticides. An Environmental Specialist III will be hired to conduct inspections to determine compliance with the registration requirements and implement enforcement action as appropriate.

Contractual costs of \$50.0 are included in the first year for update of the registration tracking database and \$40.0 to develop a CD for training and certification demands unable to be provided through traditional channels. Thereafter, \$10.0 of contractual costs continue to support the department's billing system for the invoicing associated with the registration fee.

Other budget line item funding is included for travel to conduct inspections and for basic position support costs and equipment.

With the implementation of an annual \$85 registration fee and annual \$25 applicator certification fee, the program will be completely funded by federal grants and fees. All general funds currently used will be completely supplanted by FY 2008. A portion of general funds remains in the budget for the first two fiscal years to offset one-time start up costs.

Personal Services New Position Detail

DRAFT

**Department of Environmental Conservation
Implementation of AAxxx**

Scenario: A Scenario for FY2006 Fiscal Notes #3 (4247)
Component: Solid Waste Management (2344)
RDU: Environmental Health (207)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#003	Environ Conserv Mgr I	FT	A	SS	Wasilla	2A	21 B	12.0		58,968	0	0	26,984	85,952

Justification:

This position will implement AAxxx and be focused on increasing the enforcement activity of the pesticide program, providing technical assistance to the public and businesses, and management of the statewide pesticide program.

Funding Detail:

1156	Receipt Supported Services	100.00%	85,952
Total Funding:		100.00%	85,952

18-#004	Environmental Spec III	FT	A	GP	Wasilla	2A	18 B	12.0		47,316	914	0	23,852	72,082
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Justification:

This position will implement AAxxx and be focused on increased enforcement related to registration and the safe use of pesticides according to the federal label.

Funding Detail:

1156	Receipt Supported Services	100.00%	72,082
Total Funding:		100.00%	72,082

Component Summary:

Total New Positions: 2

Fund Description	Fund Percent	Fund Amount
1156 Receipt Supported Services	100.00%	158,034
Total Funding:	100.00%	158,034

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.