

**HF1317 - 1A - Pesticide-Treated Seed**

Chief Author: **Rick Hansen**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/20/2023 10:41:56 PM**  
 Lead Agency: **Pollution Control Agency**  
 Other Agencies:  
     Administrative Hearings      Agriculture Dept  
     University Of Minnesota

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Administrative Hearings</b>	-	-	-	-	-	-
Administrative Hearings	-	-	-	-	-	-
<b>Agriculture Dept</b>						
General Fund	-	678	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
<b>Pollution Control Agency</b>						
General Fund	-	175	-	-	-	-
<b>University Of Minnesota</b>						
General Fund	-	-	-	-	-	-
<b>State Total</b>						
Administrative Hearings	-	-	-	-	-	-
General Fund	-	853	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
<b>Total</b>	-	<b>1,030</b>	<b>805</b>	<b>805</b>	<b>805</b>	<b>805</b>
<b>Biennial Total</b>			<b>1,835</b>			<b>1,610</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Administrative Hearings</b>	-	-	-	-	-
Administrative Hearings	-	-	-	-	-
<b>Agriculture Dept</b>					
General Fund	-	5	5	5	5
Agriculture Fund	-	1	1	1	1
<b>Pollution Control Agency</b>					
General Fund	-	1	-	-	-
<b>University Of Minnesota</b>					
General Fund	-	-	-	-	-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
<b>Total</b>	-	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Jim Carlson      **Date:** 3/20/2023 10:41:56 PM  
**Phone:** 651-284-6540      **Email:** jim.carlson@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
<b>Dollars in Thousands</b>		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
Administrative Hearings	-	-	-	-	-	-
Administrative Hearings	-	-	-	-	-	-
Agriculture Dept						
General Fund	-	678	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
Pollution Control Agency						
General Fund	-	175	-	-	-	-
University Of Minnesota	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>1,030</b>	<b>805</b>	<b>805</b>	<b>805</b>
	<b>Biennial Total</b>			<b>1,835</b>		<b>1,610</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Administrative Hearings	-	-	-	-	-	-
Administrative Hearings	-	2	-	-	-	-
Agriculture Dept						
General Fund	-	678	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
Pollution Control Agency						
General Fund	-	175	-	-	-	-
University Of Minnesota	-	-	-	-	-	-
General Fund	-	15	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>1,047</b>	<b>805</b>	<b>805</b>	<b>805</b>
	<b>Biennial Total</b>			<b>1,852</b>		<b>1,610</b>
<b>2 - Revenues, Transfers In*</b>						
Administrative Hearings	-	-	-	-	-	-
Administrative Hearings	-	2	-	-	-	-
Agriculture Dept						
General Fund	-	-	-	-	-	-
Agriculture Fund	-	-	-	-	-	-
Pollution Control Agency						
General Fund	-	-	-	-	-	-
University Of Minnesota	-	-	-	-	-	-
General Fund	-	15	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Biennial Total</b>			<b>17</b>		<b>-</b>

HF1317 - 1A - Pesticide-Treated Seed

Chief Author: **Rick Hansen**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/20/2023 10:41:56 PM**  
 Agency: **Pollution Control Agency**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	175	-	-	-	-
<b>Total</b>	-	<b>175</b>	-	-	-	-
<b>Biennial Total</b>			<b>175</b>			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	1	-	-	-
<b>Total</b>	-	<b>1</b>	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Jim Carlson      **Date:** 3/14/2023 9:15:13 PM  
**Phone:** 651-284-6540      **Email:** jim.carlson@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>		<b>Biennium</b>	
<b>Dollars in Thousands</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
General Fund	-	175	-	-	-
<b>Total</b>	<b>-</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>175</b>		<b>-</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
General Fund	-	175	-	-	-
<b>Total</b>	<b>-</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>175</b>		<b>-</b>
<b>2 - Revenues, Transfers In*</b>					
General Fund	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>		<b>-</b>

**Bill Description**

HF 1317 established regulations associated with the labeling and use of seed coated with neonicotinoid pesticide. It adds Section 2 to MN Statutes 2022, section 18B.01, requiring proper use, storage, handling, distribution and disposal of seed treated with pesticides in a manner that endangers humans, food, livestock, fish or wildlife or will cause unreasonable adverse effects on the environment. It adds to Section 3 section 18D.40 enhanced penalties to a person who applies a pesticide or plants seed treated with a pesticide that results in damage to adjacent property that is part of the state outdoor recreation system. It also adds Section 6 which requires the development and maintenance of consumer guidance regarding proper use and disposal of seed treated with pesticide, in consultation with the Pollution Control Agency. It adds a definition of waste treated seed under Section 7. Section 8 adds a prohibition on disposal inconsistent with the product label or by burial near a drinking water source or any surface water, via composting, or via incinerating. Section 8 requires the Pollution Control Agency, in consultation with the Department of Agriculture and the University of Minnesota to promulgate rules under MN Chapter 14 providing for the safe and lawful disposal of waste treated seed.

The bill provides \$175,000 in FY24 from the general fund to the Pollution Control Agency for rulemaking required under this act. The funds are available until June 30, 2025.

**Assumptions**

The MPCA used the following assumptions when completing this fiscal note:

The MPCA has historically determined that unwanted or unused seed coated with neonicotinoid pesticide being disposed of meets the definition of “solid waste” in accordance with Minnesota Rules Chapter 7035.0300, subpart 100. Therefore, it is assumed that this bill language does not change that past determination and disposal of unwanted or unused seed would continually be dually regulated by the MPCA and MN Department of Agriculture (MDA).

It is assumed there will be instances when volume of waste seed coated with neonicotinoid pesticide would meet the definition of a hazardous waste in accordance with Minnesota Rules Chapter 7045.0020, subpart 33 and Minnesota Statutes, section 116.06, subdivision 11. However, it is assumed the pesticide treatment label and associated information required under this bill will be sufficient for generators of the waste make a hazardous waste determination without relying on MPCA staff expertise to assist. It is also assumed the vast majority of waste treated seed will be able to be evaluated as non-hazardous industrial solid waste, and eligible for solid waste landfill or Waste-To-Energy incineration management.

It is assumed the MDA will be solely responsible for enforcing the labeling requirements associated with MN Statutes 21.82 and 21.89.

Costs to complete a small rulemaking are included and assumed to meet the requirements of Section 8 of the bill.

It is assumed that any other cost impacts to the MPCA staff, will be related to education and guidance, such as preparation of factsheets and potential presentations to industry groups. MPCA solid waste staff may additionally need to perform some direction during permitted solid waste facility inspections, however all of these activities already take place and are covered by existing appropriations and FTE.

It is assumed that an income agreement or interagency agreement will be completed with the University of Minnesota and the Department of Agriculture to compensate them for the technical consultation on the bill.

### **Expenditure and/or Revenue Formula**

Cost for University of Minnesota and Minnesota Department of Agriculture staff time to consult on the bill.

\$14,500 per entity, for a total of \$29,000 (assumed 100 hours each, at the agency FTE rate below).

Rule making costs are assumed as follows:

Calculation for costs to complete the rulemaking required by the bill. Total of \$145,935.

- a. MPCA program staff, rule coordinator, and legal costs would be incurred in FY24.
- b. Program staff:  $140,000 \times 0.5 \text{ FTE} = \$70,000$
- c. Rule coordinator:  $140,000 \times 0.5 \text{ FTE} = \$70,000$
- d. Legal:  $\$148/\text{hr} \times 10 \text{ hr} = \$1,480$
- e. OAH:  $\$245/\text{hr} = 10 \text{ hr} = \$2,450$
- f. State Register = \$1,505
- g. Transcripts = \$500

\*The annual cost of 1.0 FTE is \$140,000 in FY2023-2027. Annual costs for 1.0 FTE include salary, fringe, and non-specialized employee support costs (work space, computer and office supplies, office equipment, local travel, etc.)

### **Long-Term Fiscal Considerations**

None known

### **Local Fiscal Impact**

None known; rulemaking may determine local government jurisdiction.

### **References/Sources**

Staff familiar with solid waste rules and rulemaking were consulted on this fiscal note.

**Agency Contact:** Pam Anderson (651-757-2190)

**Agency Fiscal Note Coordinator Signature:** John Allen

**Phone:** 651-757-2185

**Date:** 3/14/2023 5:26:57 PM

**Email:** john.j.allen@state.mn.us



**HF1317 - 1A - Pesticide-Treated Seed**

Chief Author: **Rick Hansen**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/20/2023 10:41:56 PM**  
 Agency: **Administrative Hearings**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
<b>Local Fiscal Impact</b>		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Administrative Hearings	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Chloe Burns      **Date:** 3/15/2023 12:41:41 PM  
**Phone:** 651-297-1423      **Email:** chloe.burns@lbo.mn.gov



**State Cost (Savings) Calculation Details**

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<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Administrative Hearings	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Administrative Hearings	-	2	-	-	-	-
<b>Total</b>	-	2	-	-	-	-
<b>Biennial Total</b>			2			-
<b>2 - Revenues, Transfers In*</b>						
Administrative Hearings	-	2	-	-	-	-
<b>Total</b>	-	2	-	-	-	-
<b>Biennial Total</b>			2			-

**Bill Description**

HF1317-1A provides for the Minnesota Pollution Control Agency (MPCA) to conduct rulemaking to adopt rules to provide for the safe and lawful disposal of waste treated seed.

The legislation authorizes MPCA to conduct rulemaking to implement the provisions of 21.915, Pesticide-Treated Seed Use and Disposal; Consumer Guidance Required; 115A.993, Prohibited Disposal Methods; and Sec. 8, Rulemaking Required.

**Assumptions**

The Office of Administrative Hearings (OAH) has used MPCA's assumption that administrative costs for this rulemaking will total \$145,935 in FY2024. Of the estimated rulemaking amount of \$145,935 in FY2024, \$2,450 is for the estimated 10 hours of administrative law judge (ALJ) time.

OAH currently bills ALJ time for rulemaking at the MMB-approved billable rate of \$245 per hour (see Minn. Stat. § 16A.126, subd. 1 (2022)).

**Expenditure and/or Revenue Formula**

Estimated 10 hours of ALJ time for rulemaking activities related to implementing the requirements of 21.915, Pesticide-Treated Seed Use and Disposal; Consumer Guidance Required; 115A.993, Prohibited Disposal Methods; and Sec. 8, Rulemaking Required = 10 hours x \$245/hr = \$2,450 charged to MPCA in FY2024 pursuant to the requirements of Minn. Stat. § 14.53.

**Long-Term Fiscal Considerations**

Costs associated with rulemaking activities are a one-time occurrence.

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:** Denise Collins

**Agency Fiscal Note Coordinator Signature:** Denise Collins

**Phone:** 651-3617875

**Date:** 3/9/2023 5:42:04 PM

**Email:** denise.collins@state.mn.us

HF1317 - 1A - Pesticide-Treated Seed

Chief Author: **Rick Hansen**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/20/2023 10:41:56 PM**  
 Agency: **Agriculture Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	678	678	678	678
Agriculture Fund	-	177	127	127	127
<b>Total</b>	<b>-</b>	<b>855</b>	<b>805</b>	<b>805</b>	<b>805</b>
<b>Biennial Total</b>			<b>1,660</b>		<b>1,610</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	5	5	5	5
Agriculture Fund	-	1	1	1	1
<b>Total</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Jim Carlson      **Date:** 3/20/2023 10:41:04 PM  
**Phone:** 651-284-6540      **Email:** jim.carlson@lbo.mn.gov

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<b>Dollars in Thousands</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	
General Fund	-	678	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
<b>Total</b>	<b>-</b>	<b>855</b>	<b>805</b>	<b>805</b>	<b>805</b>	<b>805</b>
<b>Biennial Total</b>			<b>1,660</b>			<b>1,610</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	678	678	678	678	678
Agriculture Fund	-	177	127	127	127	127
<b>Total</b>	<b>-</b>	<b>855</b>	<b>805</b>	<b>805</b>	<b>805</b>	<b>805</b>
<b>Biennial Total</b>			<b>1,660</b>			<b>1,610</b>
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
Agriculture Fund	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>			<b>-</b>

**Bill Description**

A bill for an act relating to agriculture; defining terms; regulating the use, storage, disposal, and sale of pesticide-treated seed; requiring label statements for certain pesticide-treated seed; requiring consumer guidance; requiring rulemaking; appropriating money; amending Minnesota Statutes 2022, sections 18B.01, subdivision 31; 21.82, subdivision 3; 21.86, subdivision 2; 115A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 18B; 21; 115A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2022, section 18B.01, subdivision 31, is amended to read:

Subd. 31. Unreasonable adverse effects on the environment. "Unreasonable adverse effects on the environment" means any unreasonable risk to humans or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide or seed treated with pesticide.

Sec. 2. [18B.075] PESTICIDE-TREATED SEED.

A person may not use, store, handle, distribute, or dispose of seed treated with pesticide in a manner that:

(1) endangers humans, food, livestock, fish, or wildlife; or

(2) will cause unreasonable adverse effects on the environment.

Sec. 3. Minnesota Statutes 2022, section 21.82, subdivision 3, is amended to read:

(7) the caution statement, framed in a box and including a bee icon developed by the commissioner: "Planting seed treated with a neonicotinoid pesticide may negatively impact pollinator health. Please use care when handling and planting this seed" for any corn or soybean seed treated with a neonicotinoid pesticide.

Sec. 4. Minnesota Statutes 2022, section 21.86, subdivision 2, is amended to read:

Subd. 2. **Miscellaneous violations.** No person may:

(h) use or sell as food, feed, oil, or ethanol feedstock any seed treated with neonicotinoid pesticide.

Sec. 5. [21.915] PESTICIDE-TREATED SEED USE AND DISPOSAL: CONSUMER GUIDANCE REQUIRED.

(a) The commissioner, in consultation with the commissioner of the Pollution Control Agency, must develop and maintain consumer guidance regarding the proper use and disposal of seed treated with pesticide.

(b) A person selling seed treated with pesticide at retail must post in a conspicuous location the guidance developed by the commissioner under paragraph (a).

**Assumptions**

Pesticide treated seeds are considered “treated articles,” and are not pesticides under Federal Insecticide Fungicide and Rodenticide Act (FIFRA). Treated articles that meet EPA’s exemption criteria are not subject to FIFRA or MDA pesticide regulations. Thus, currently, the MDA does not have the authority to regulate pesticide treated seeds under FIFRA or MN statute 18B. This bill directs the Department to regulate the use of pesticide treated seed to protect human and environmental health and work with the MPCA to develop educational material about the proper use and disposal of seed treated with pesticide.

The MDA assumes that pesticides used as seed treatments in Minnesota would need to be screened or assessed for their potential effects on the environment. The Department estimates there are currently approximately 120 active ingredients used as pesticide seed treatments in the United States, in approximately 860 pesticide formulated products. For the purposes of this fiscal note, the MDA assumes all the 120 active ingredients are being used on seed treated, sold, and/or planted in Minnesota.

Corn and soybean seed treated with neonicotinoids would require an additional declaration on the label. There would be a cost to developing the logo, informing labelers of this additional requirement, and monitoring the marketplace for compliance. The development of the logo and the outreach would cost \$50,000. Monitoring the marketplace for the required labeling with the logo on neonicotinoid-treated corn and soybeans can be absorbed by the current seed inspection program funded by fees paid by seed labelers.

The Department assumes it will work collaboratively with University of Minnesota researchers, the agricultural community, appropriate agencies, and other interested groups to evaluate the potential for, and develop and promote recommended practices to prevent, the endangerment of humans, food, livestock, fish, or wildlife and unreasonable adverse effects on the environment from use, storage, handling, distribution, or disposal of seed treated with pesticides. The Department may develop rules to implement a treated seed program as authorized under MN Statute 18B.06. Additionally, the Department assumes it will develop and promote educational materials about the proper use, storage, handling, distribution, or disposal of treated seed. Seed permit holders licensed under MN Statute 21.89 and seed retailers selling treated seed would be notified of the requirement to post disposal requirements at all retail locations. Compliance will be assessed during seed inspections.

Since the MDA currently does not have jurisdiction over pesticide treated seed, the MDA would need additional qualified staff to develop and manage the new program and to assist regulated clientele and users of pesticide treated seed with implementation of any new recommended management practices. In addition to education and outreach, the MDA anticipates a significant number of complaints and spills related to pesticide treated seed that the agency would be required to investigate. It is assumed that the Department would need to ensure spills are cleaned up and did not pose an adverse effect on the environment.

The disposal of neonicotinoid-treated seed will need to be monitored by the seed regulatory program. Labelers and retailers would be required to maintain records documenting the disposal of seed that was no longer viable. Seed inspectors will review these records at the appropriate time to verify that treated seed disposal meets regulatory requirements. This additional inspection activity would be conducted by six inspectors across the state. We anticipate that 1.0 FTE commitment to cover this additional inspection activity.

The Department assumes it would also be responsible for investigating the complaints where the use, storage, handling, distribution, or disposal of treated seed may have endangered humans, food, livestock, fish, or wildlife or caused an unreasonable adverse effect on the environment. Potential scenarios would include spills, improper disposal, and animal death/bee kill investigations. Because of the large volume of treated seed used each spring, the Department assumes that

there could be a significant number of complaints requiring a timely response each year.

The Department also assumes responsibility to ensure the storage and handling of treated seed is in accordance with the guidance developed as required by this bill. This responsibility could potentially add significant time in conducting routine pesticide facility inspections. The Department is unable to estimate the amount of time it would add as the guidance has not yet been developed.

The commissioner of agriculture, in consultation with the commissioner of the Pollution Control Agency and the University of Minnesota, must promulgate rules under the MN Statutes, chapter 14, providing for the safe and lawful disposal of unwanted or unused seed that is treated or coated with pesticide. The rules must clearly identify the regulatory jurisdiction of state agencies and local governments with regard to such seed. The cost for this rulemaking is included as an appropriation.

**Expenditure and/or Revenue Formula**

The Department assumes this bill will take effect on July 1, 2023. It is assumed the Department will need 6 regulatory program FTEs to implement this bill.

- 1.0 FTE (Ag Consultant) to inspect seed disposal records at facilities handling treated seeds.
- 2.0 FTE (Research Scientist 2) to assess the ecological and human health risks of pesticide treated seed and develop and promote recommended practices.
- 3.0 FTE (Ag Consultant) for enforcement activities. This will include the investigation of complaints, the response to spills and clean-up, and conducting routine pesticide facility inspections. This will also include the enforcement on any violations.

Expenditure (Actual Dollars)	Fund	Amount	FY 2024	FY 2025	FY 2026	FY 2027
Salary & Fringe:			FTE	FTE	FTE	FTE
PTU Research Scientist	1000	127,000	2	2	2	2
Inspection and enforcement	1000	127,000	3	3	3	3
Seed Inspection	2018	127,000	1	1	1	1
		Subtotal	762,000	762,000	762,000	762,000
Other Operating Costs	2018		50,000			
Travel	1000		38,000	38,000	38,000	38,000
Inspection and enforcement supplies	1000		5,000	5,000	5,000	5,000
		Subtotal	93,000	43,000	43,000	43,000
	1000	Total	678,000	678,000	678,000	678,000
	2018	Total	177,000	127,000	127,000	127,000

**Long-Term Fiscal Considerations**

The Department assumes that the staff requirements to implement this bill would be ongoing and long-term.

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:** Joshua Stamper (651-201-6639)

**Agency Fiscal Note Coordinator Signature:** Julie Sis

**Phone:** 651-201-6412

**Date:** 3/20/2023 10:15:13 AM

**Email:** julie.sis@state.mn.us

HF1317 - 1A - Pesticide-Treated Seed

Chief Author: **Rick Hansen**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/20/2023 10:41:56 PM**  
 Agency: **University Of Minnesota**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Xunxuan Weerts    **Date:** 3/20/2023 9:53:55 AM  
**Phone:** 651-284-6438    **Email:** xunxuan.weerts@lbo.mn.gov



**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund		-	15	-	-	-
<b>Total</b>		-	<b>15</b>	-	-	-
<b>Biennial Total</b>				<b>15</b>		-
<b>2 - Revenues, Transfers In*</b>						
General Fund		-	15	-	-	-
<b>Total</b>		-	<b>15</b>	-	-	-
<b>Biennial Total</b>				<b>15</b>		-

**Bill Description**

The Commissioner of the Pollution Control Agency, in consultation with the Commissioner of Agriculture and the University of Minnesota, must adopt rules under Minnesota Statutes, Chapter 14, providing for the safe and lawful disposal of waste treated seed. The rules must clearly identify the regulatory jurisdiction of state agencies and local governments with regard to such seed. \$175,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of the Pollution Control Agency for the rulemaking required under this act. This appropriation is available until June 30, 2025.

**Assumptions**

1. The MPCA is estimating a consultation need from the U of M at \$14,500, which would be given through an inter-agency agreement.
2. A University of Minnesota Associate Professor in Entomology would likely be selected to provide these consultation services.
3. An Associate Professor’s hourly rate with salary and fringe is estimated at: \$92.66/hour.
4. Estimated time to complete the consultation: 156.5 hours

**Expenditure and/or Revenue Formula**

$\$92.66/\text{hour} \times 156.5 \text{ hours} = \$14,500$

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

Dean Brian Buhr, College of Food, Agricultural and Natural Resource Sciences

**Agency Contact:** Keeya Steel

**Agency Fiscal Note Coordinator Signature:** Keeya Steel

**Phone:** 612-625-5512

**Date:** 3/20/2023 9:26:43 AM

**Email:** keeya@umn.edu