

Department of Agriculture Fees; House Sub. for SB 60

House Sub. for SB 60 extends the sunset for certain fees assessed by the Kansas Department of Agriculture (KDA) on pesticides, fertilizer, and milk, cream, and dairy products. Additionally, the bill reinstates certain dam inspection fees and allows the KDA to assess a fee for processing certain paper documents when an electronic alternative for submission exists. Finally, the bill requires the Secretary of Agriculture (Secretary) to lower certain fees and potentially raise certain fees through rules and regulations, if certain criteria are met.

Pesticide and Fertilizer Fees

The bill extends the sunset for certain pesticide and fertilizer fees from July 1, 2018, to July 1, 2023. The following table outlines the program; the specific fee; the amount the fee would have reverted to on July 1, 2018; and the fee amount that is extended.

MODIFICATIONS TO KDA FEES: PESTICIDE & FERTILIZER, WATER APPROPRIATIONS			
Program	Service	Amount the Fee Would Have Reverted to on July 1, 2018	Fee Extended under Bill
Pesticide & Fertilizer	Business License Application	\$112 per category	\$140 per category
Pesticide & Fertilizer	Uncertified Applicator Registration	\$10	\$15
Pesticide & Fertilizer	Government Agency Registration	\$35 maximum	\$50 maximum
Pesticide & Fertilizer	Pest Control Technician Registration	\$25 maximum	\$40 maximum
Pesticide & Fertilizer	Commercial Certification Examination per category and re-exam per category	\$35 maximum	\$45 maximum
Pesticide & Fertilizer	Certified Private Applicator Certificates	\$10 maximum	Fee fixed by rule and regulation
Pesticide & Fertilizer	Chemigation User Permit	\$55	\$75
Pesticide & Fertilizer	Chemigation User Permit for additional points of diversion	\$10	\$15
Pesticide & Fertilizer	Chemigation Equipment Operator Certification or renewal	\$10	\$25
Water Appropriations	Application for a permit to appropriate water based on acre feet	\$100 \$150 \$150+\$10	\$200 \$300 \$300+\$20
Water Appropriations	Application for a permit to appropriate water for storage based on acre feet	\$100 \$100+\$10 for each additional 250	\$200 \$200+\$20 for each additional 250
Water Appropriations	Application to change a point of diversion less than 300 feet	\$50	\$100
Water Appropriations	Application to change a point of	\$100	\$200

MODIFICATIONS TO KDA FEES: PESTICIDE & FERTILIZER, WATER APPROPRIATIONS

Program	Service	Amount the Fee Would Have Reverted to on July 1, 2018	Fee Extended under Bill
	diversion more than 300 feet		
Water Appropriations	Application to change the place of use	\$100	\$200
Water Appropriations	Application to change the use made of water	\$150	\$300
Water Appropriations	Term permit based on acre feet	\$100 \$100 \$150+\$10 for each additional 100	\$200 \$300 \$300+\$20 for each additional 100
Water Appropriations	Term permit for storage based on acre feet	\$100 \$100+\$10 for each additional 250	\$200 \$200+\$20 for each additional 250
Water Appropriations	Reinstatement Request	\$100	\$200
Water Appropriations	Extension of time for diversion work or perfection of water right	\$50	\$100
Water Appropriations	Temporary permit or extension	\$100	\$200

The bill also extends the sunset on a penalty of \$10 a day for failing to file an affidavit and pay inspection fees from July 1, 2015, to July 1, 2023. Under former law, the penalty would have reverted to \$5 a day.

The bill requires the Secretary, through rules and regulations, to reduce the fee for registrations of agricultural chemicals and commercial fertilizers whenever it is determined the fee is yielding more revenue than is necessary for the administration of the registration program for a period of not less than one year. (Prior law had allowed the Secretary to reduce fees, but had not required it.) It requires \$100 of any registration fee be credited to the State Water Plan Fund regardless of the registration fee imposed by the Secretary.

Dam Inspection Fees

The bill authorizes fees for inspection of Class 1 and Class 2 dams that are conducted by the Chief Engineer or an authorized representative in the amount of \$1,500.

Milk, Cream, and Dairy Fees

The bill also extends the sunset to June 30, 2023, on several fees imposed by the Secretary in relation to milk, cream, and dairy businesses. The following table outlines the fee; the amount the fee would have reverted to on July 1, 2018; and the fee amount that is extended.

MODIFICATIONS TO KDA FEES: MILK, CREAM, AND DAIRY		
Fee	Amount the Current Fee Would Have Reverted to on July 1, 2018	Fee Extended under Bill
Dairy Manufacturing Plant License	\$120	\$200
Milk Distributor License	\$120	\$200
Milk Hauler License	\$25	\$35
Milk or Cream Transfer Station License	\$50	\$100
Single Service Manufacturing License	\$50	\$100
Grade A Inspection–Milk Producer	\$.01 per 100 pounds of milk produced	\$.015 per 100 pounds of milk produced
Grade A Inspection–Packaged Milk or Milk Products Sold in Kansas at Retail	\$.01 per 100 pounds	\$.02 per 100 pounds
Grade A Raw Milk for Pasteurization	\$.01 per 100 pounds	\$.02 per 100 pounds
Milk or Cream for Manufacturing Purposes–Produced by Milk Producers	\$.01 per 100 pounds	\$.015 per 100 pounds
Milk or Cream for Manufacturing Purposes–Delivered to Dairy Manufacturing Plant	\$.0075 per 100 pounds	\$.02 per 100 pounds
Kansas-Manufactured Frozen Dairy Dessert or Frozen Dairy Dessert Mix	\$1 per 1,000 gallons	\$2 per 1,000 gallons
Imported Frozen Dairy Dessert or Frozen Dairy Dessert Mix	\$1 per 1,000 gallons	\$2 per 1,000 gallons

The bill also amends two exemptions from inspection fees. Under prior law, any manufacturing plant located on a dairy was exempted from paying the fees for delivering Grade A raw milk for pasteurization or for delivering milk or cream for manufacturing purposes. The bill amends that exemption to include only dairies where less than 7.0 million pounds of milk is processed annually. This revised exemption will go into effect on January 1, 2018.

The bill requires the Secretary, through rules and regulations, to also reduce any dairy license or inspection fee whenever it is determined the fee is yielding more revenue than is necessary for the administration of the registration program. (Prior law had allowed the Secretary to reduce fees, but had not required it.) Continuing law allows the Secretary to increase the fee through rules and regulations when the Secretary determines there is a need to produce sufficient revenue to administer the program.

Paper Document Processing Fee

The bill authorizes the Secretary to charge and collect, by order, a fee necessary for administering and processing paper documents, but only if an electronic option is available for

submitting the documents. The fee is in addition to any fee the Secretary is authorized to charge by law and is equal to 6.0 percent of the cost to obtain a specific license, not to exceed \$50.