

ACCP Proposal for Discussion

Features and Benefits – 2/22/2016

License Type	<u>Maximum</u> (from FY05)	<u>Current</u> (reduced in FY08 and FY13)	<u>Proposed</u> Surcharge	Features and Benefits
Pesticide Business Location (PBL)	\$55	\$30.40	\$35	<ul style="list-style-type: none"> • Minor increases for simplicity • Remains well below statutory maximum
Individual Commercial Applicator (ICAL)	\$20	\$11.20	\$15	<ul style="list-style-type: none"> • Minor increases for simplicity • Remains well below statutory maximum
Restricted Use Dealer (RU)	\$40	\$22.40	\$25	<ul style="list-style-type: none"> • Minor increases for simplicity • Remains well below statutory maximum
Fertilizer	\$20	\$11.20	\$35	<ul style="list-style-type: none"> • Increases to the level of PBL licensees • All fertilizer licensees pay
Fertilizer Tonnage	\$0.63/ton	\$0.35/ton	\$0.15	<ul style="list-style-type: none"> • Reduction of almost 60% from current • Remains far below statutory maximum • Reduces total tonnage tax (collected for many purposes and programs) from \$0.97 to \$0.77 -- well below neighboring states • Farmers remain eligible for ACCP
Pesticide Registration – NHH products	\$5, \$170, 1.1% of sales	\$2.80, \$96, 0.6% of sales	\$50	<ul style="list-style-type: none"> • Eliminates % of sales pass-through to farmers • Reduces administrative complexity & reporting of confidential sales data • Eliminates rogue dealer issue • All NHH continue to be eligible
Bulk Storage – Fertilizer *NEW* Bulk Storage – Pesticide *NEW*	N/A	N/A	\$100 per type; \$200 max per site.	<ul style="list-style-type: none"> • Creates new bulk storage surcharge • Assessed on each type (fertilizer and/or pesticide) of bulk storage per site • Collected via existing licenses.
No change to Lifetime Maximum	N/A	N/A	N/A	<ul style="list-style-type: none"> • No expansion of the program • Only collect revenue needed for clean-ups
Create Surcharge Reduction Trigger	N/A	N/A	N/A	<ul style="list-style-type: none"> • Only collect revenue needed for clean-ups
Repeal Pollution Prevention Grants	N/A	N/A	N/A	<ul style="list-style-type: none"> • Only use fund to reimburse clean-ups
Repeal “greenfield” ineligibility	N/A	N/A	N/A	<ul style="list-style-type: none"> • All sites pays; all sites eligible

ACCP Proposal Benefits

Benefits to Farmers

- Reduces direct pass through costs to farmers
 - FY2015 = 92% of \$2.9 million (\$2.7 million)
 - Proposed = 34% of \$850,000 (\$285,000)
- **\$2.4 million reduction** (89%) annually in direct farmer payments
- Everyone maintains eligibility, but no expansion of the program
- Only collects those surcharges that are necessary to fund the program

Benefits to Bulk Storage Businesses

- ACCP Fund remains available for clean-ups
- Eliminates “rogue dealer” problem
- Only collects those surcharges that are necessary to fund the program

Benefits to Registrants

- Eliminates the direct pass through to farmers
 - Eliminates collection of fees and calculation and reporting of sales
 - Eliminates “rogue dealer”
- All Nonhousehold pesticide products remain eligible for clean-up assistance
- Only collects those surcharges that are necessary to fund the program

Benefits to Wisconsin and the Environment

- ACCP Fund remains available
 - Ensures timely reporting of agrichemical spills
 - Results in faster and more complete environmental clean-ups
 - Protects groundwater
 - Saves money
- Less revenue collected = money available in economy for other purposes