

**Department of  
Agriculture and Consumer Services  
Fee Increases &  
Grant Consultations**

Joint Legislative Commission on Governmental Operations  
Subcommittee on NER and Transportation  
November 17, 2009

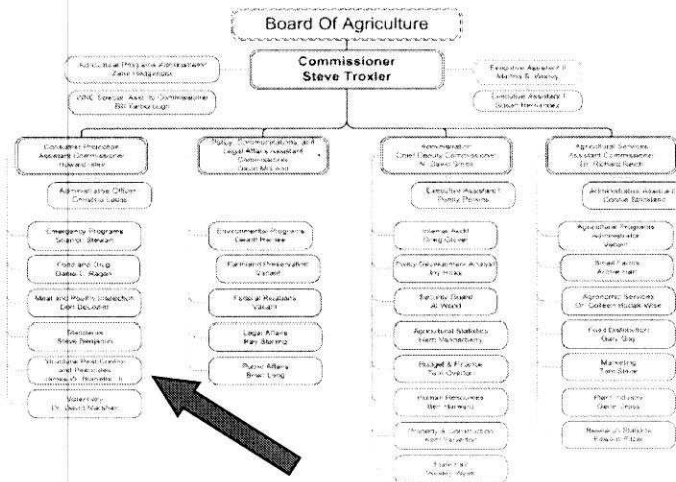
# Structural Pest & Pesticides Division Overview

Joint Legislative Commission on Governmental Operations Subcommittee  
on Transportation/Natural and Economic Resources

November 17th, 2009



## Dept. of Agriculture & Consumer Services



## Structural Pest Control Section

### Structural Pest Control's Mission

- Protect the health and safety of the public and the environment by regulating the pest control industry and the products used;
- Improve the quality of pest control services; and
- Reduce fraudulent, unscrupulous activities

### Structural Pest Control Committee

- 9-member Committee
- Created by G.S. 106-65.23



## Pesticides Section

### Pesticide's Mission

- Protect the public health, safety and welfare
- Promote continued environmental quality by minimizing and managing risks associated with the legal use of pesticides through administration and enforcement of the NC Pesticide Law of 1971 and regulations adopted by the Pesticide Board.

### Pesticide Board

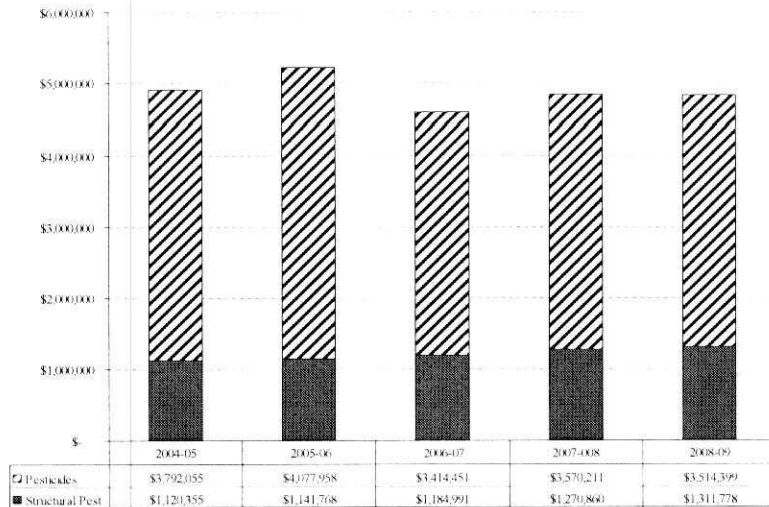
- 7-member Board appointed by the Governor
- Established by G.S. 143-436

## DACS Divisions

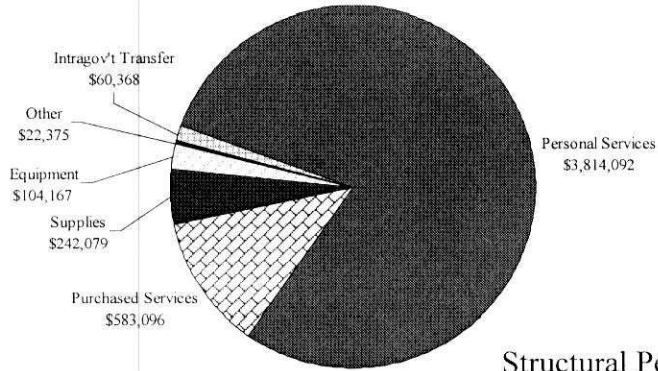
### *Structural Pest Control & Pesticides*

Structural Pest	Pesticide
<ul style="list-style-type: none"> <li>• Certifies, Licenses, &amp; Monitors:                             <ul style="list-style-type: none"> <li>– Insecticide</li> <li>– Fungicide</li> <li>– Rodenticide</li> </ul> </li> <li>• 22 Employees</li> <li>• \$1.3 M budget FY 2008-09</li> </ul>	<ul style="list-style-type: none"> <li>• Certifies, Licenses, Monitors &amp; Investigates:                             <ul style="list-style-type: none"> <li>– Commercial applicators</li> <li>– Public operators</li> <li>– Farmers</li> <li>– Pesticide dealers</li> </ul> </li> <li>• Pesticide Disposal</li> <li>• 52 Employees</li> <li>• \$3.5 M budget FY 2008-09</li> </ul>

## 5-yr Budget History



## FY2008-09 Actual Expenditures

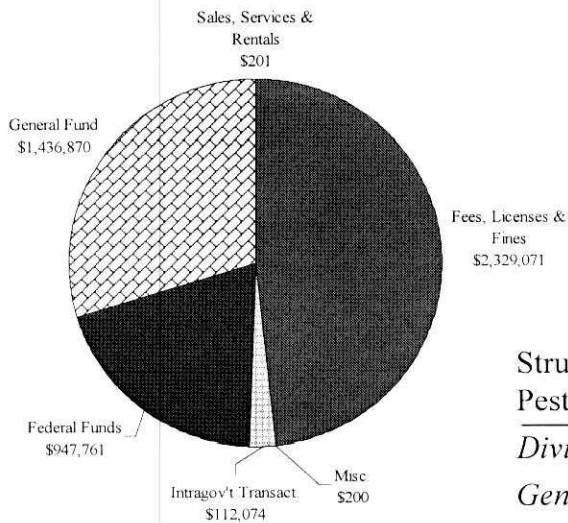


Structural Pest: \$1,311,778  
Pesticides: \$3,514,399  


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**Division: \$4,826,177**

## FY2008-09 Actual Receipts



Structural Pest: \$673,338  
Pesticides: \$2,715,969  


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*Division Receipts: \$3,389,307*  
*General Fund: \$1,436,870*

## Fees

### *Structural Pest Control*

Licenses	
Pest Control License - Household Pest	\$ 150
Pest Control License - Wood Destroying Organisms	\$ 65
Pest Control License - Fumigation	\$ 65
Certified Applicator License	\$ 30
Registered Technician License	\$ 25
Duplicate License	\$ 10
License Transfer	\$ 10
Duplicate Certified ID Card	\$ 5
ID Card Transfer Fee	\$ 5
Re-Inspection Fee	\$ 10
2nd Re-Inspection	\$ 50
3rd Re-Inspection	\$ 100
Pest Control Licenses Exam Fee	\$ 25
Certified Applicator Exam Fee	\$ 10

## Fees

### *Pesticides*

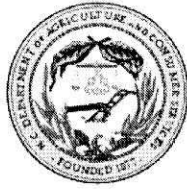
Registration Fee	\$ 100
Application Certification	\$ 6
Licenses	\$ 50
Aerial Applicator License	
Ground Applicator License	
Dealer License	
Consultant License	
Aircraft Inspection	\$ 25
Delinquent Penalties	\$ 200

## Special Funds

- Registered Structural Pest Control
  - Funds the development and production of materials for the Registered Technician Training Program
  - Funded by a \$25 fee for all individuals enrolled in the technician training program
- Pesticide Environmental Trust Fund
  - Supports agro-medicine programs and pesticide related programs (disposal, recycling, handling, etc)
  - Funded by an annual \$25 or \$50 environmental assessment fee on each registered brand of pesticide

## FY2009-11 Budget Actions

- Reduced General Fund appropriation by \$500,000 to reflect increase in pesticide registration fee.
  - Increased fee from \$100 to \$150 per brand/grade of pesticide
  - Impacts all brands/ grades sold in NC



**Steve Troxler**  
Commissioner

## North Carolina Department of Agriculture and Consumer Services

**To:** Members of the Joint Legislative Commission on Governmental Operations  
Kathy Davis, Committee Assistant  
Fiscal Research Division

**From:** North Carolina Department of Agriculture and Consumer Services/Structural Pest Control Committee

**Date:** November 2<sup>nd</sup>, 2009

**Subject:** Request for Consultation

Pursuant to G.S. 12-3.1, the North Carolina Department of Agriculture and Consumer Services is writing to request consultation with the Joint Legislative Commission on Governmental Operations to increase the Re-Inspection Fee allowable under the NC Structural Pest Control Law.

### **Background**

The North Carolina Structural Pest Control Committee has proposed to amend 02 NCAC 34.1103(a), by increasing the re-inspection fee to be charged to a licensed or certified applicator following a finding by the Structural Pest Control and Pesticides Division of a primary deviation in structural pest control work. The current re-inspection fee for any primary deviation found with respect to work performed by a certified or licensed individual under the North Carolina Structural Pest Control Law is \$10.00. This fee was established effective July 1, 1976, and readopted effective November 22, 1977.

The proposed amendment increases the fee to \$25.00. G. S. 106-65.29 gives the North Carolina Structural Pest Control Committee the authority to "adopt rules with respect to:...(8) Fees for reinsertion following a finding of a deviation, as defined by the Committee."

### **Explanation**

The re-inspection fee was established in 1977. At that time, there were 274 pest control companies in NC, with 384 licensed and 1088 certified individuals. Today there are 817 companies; 797 licensed and 1321 certified individuals. As our State's population has continued to increase, so too have the costs of Pest Control Services to consumers whom we are charged to protect. The administrative and enforcement costs of the Structural Pest Control regulatory programs, including Inspection, compliance monitoring, laboratory analyses, and travel costs have gone up as well. The re-inspection fee which helps support all of these efforts, however, has not been increased in 32 years. Therefore, the Division is requesting that the Structural Pest Control Committee increase the Re-inspection Fee to \$25.00.





**Steve Troxler**  
Commissioner

## North Carolina Department of Agriculture and Consumer Services

**To:** Members of the Joint Legislative Commission on Governmental Operations  
Kathy Davis, Committee Assistant  
Fiscal Research Division

**From:** North Carolina Department of Agriculture and Consumer Services/Pesticide Board

**Date:** October 15, 2009

**Subject:** Request for Consultation

Pursuant to G.S. 12-3.1, the North Carolina Department of Agriculture and Consumer Services is writing to request consultation with the Joint Legislative Commission on Governmental Operations to increase the certification/recertification fee allowable under the NC Pesticide Law.

### **Background**

The North Carolina Pesticide Board has proposed to amend 02 NCAC 09L .1111 by increasing the fee per three year certification/recertification period. The current fee of \$6.00 per three year certification/recertification period was established on October 1, 1987 as a Temporary Adoption, with the final rule effective on March 1, 1988. The proposed amendment increases the fee to \$10.00 per three year certification/recertification period. G. S. 143-440 (b) gives the North Carolina Pesticide Board the authority to "require the certification and recertification of private pesticide applicators and, charge a fee of up to ten dollars (\$10.00)...."

### **Explanation**

When the fee was established in 1988 at \$6.00, there were approximately 60,000 certified private pesticide applicators in North Carolina. During the next twenty years, that number decreased to approximately 17 thousand, resulting in a nearly 72 percent decrease in the numbers of certified applicators paying the certification fees every three years. During that same period, the administrative and enforcement costs of maintaining the certification and recertification record keeping and data management programs; the costs of keeping certified applicators updated on their requirements and continuing certification credit status; as well as the compliance monitoring, assistance and enforcement costs, have continued to increase. The fees that help support all of these efforts, however, continue to decrease.

Effective October 1, 2002, the Pesticide Board adopted rules to requiring an applicant for an initial private pesticide applicator's certification to pass a comprehensive written examination. The Division is responsible for developing and administering these examinations. That same year, the Pesticide Board increased the continuing certification credit requirements for private pesticide applicators requiring more

specific and verifiable training to be completed in order for a private applicator to be recertified without a written examination. Despite our ongoing efforts to seek and implement new operational efficiencies wherever possible, both of these rule changes further increased the data management, outreach and education requirements upon the Department in administering and enforcing the program without any increase in the resources to support these increased program elements.

Therefore, the Division is requesting that the Pesticide Board increase the certification/recertification fee to the maximum allowable under the North Carolina Pesticide Law, \$10.00. This in effect amounts to an increase of approximately \$1.33 per year for each certified private pesticide applicator.

**Agriculture Report to November 2009 Governmental Operations Commission on Grants for FY 2009-10**

Division	Official Grant Title	Grant Description	Funding Entity	FY 2009-10	
				Amount	FTE
1 Markets	National Organic Cost-Share Program	The purpose of this grant is to financially aid growers in the obtainment of organic certification	US Department of Agriculture	\$20,000	0.00
2 Markets	NC Commodity Asian Export Promotion	The purpose of this grant is to provide funding for a Trade Mission to China to encourage the export of NC agriculture products to China.	Tobacco Trust Fund	\$33,000	0.00
3 Food Distribution	FDPI ARRA Facility and Equipment Needs	The purpose of this grant is to repair the roof and gutters for a food distribution facility	US Department of Agriculture	\$50,712	0.00
4 Emergency Programs	NC Regional CAMET Exercise Series	The purpose of this grant is to conduct and exercise series that includes two regional Companion Animal Mobile Equipment Trailer drills and a NC Agriculture Emergency Operations Center (AgEOC) exercise in conjunction with the central region. Funds are proposed to be used for facility rental, meals, travel, and lodging for exercise participants.	US Department of Agriculture	\$25,000	0.00
5 Food and Drug	FDA FERN Microbiological Cooperative Agreement Program	The purpose of this grant is to support analysis of food and food products in the event of microbiological contaminations, and to conduct method development and matrix extensions as needed to support FDA and FERN food safety and defense objectives. Funds are proposed to be used for personnel, equipment, travel, materials, and supplies.	Department of Health and Human Services	\$249,774	2.00

10/16/09

## Notification of Application for Grant Funds/Awards, 2009-10

**OSBM**

Office of State Budget and Management, 116 West Jones Street, Raleigh, NC 27603-8005, 919-807-4700.  
Instructions at [http://www.osbm.state.nc.us/files/pdf\\_files/grants\\_instr.pdf](http://www.osbm.state.nc.us/files/pdf_files/grants_instr.pdf)

1 Department .....	Department of Agriculture and Consumer Services
2 Division (except in DHHS) .....	Markets
DHHS only, choose division from drop down list .....	
3 Contact person (name) .....	Kevin Hardison
4 Phone number .....	919-733-7887
5 E-mail .....	Kevin.Hardison
6 Funding Entity (grantor) .....	USDA,AMS
7 CFDA number .....	10.163
8 Grant title .....	National Organic Cost-Share Program
9 Grant application deadline (MM/DD/YY) .....	09/15/09
10 Start date of grant (MM/DD/YY) .....	10/01/09
11 End date of grant (MM/DD/YY) .....	09/30/10
12 Application type .....	New
13 Is this grant already in agency's continuation budget? .....	No
14 Budget code the grant will be expended in (XXXXX) .....	13700
15 Fund code (XXXX or NA) .....	XXXX
16 Is there a state matching requirement? .....	No
17 If yes, what is the matching requirement? .....	
18 If yes, what is the source of state funds being used to match grant funds? .....	
19 Is there a maintenance of effort (MOE) requirement? .....	No
20 If yes, what is the MOE? .....	
21 Is an additional General Fund appropriation required to meet the state match requirement? .....	No
22 Will any of these funds be passed through to local governments or non-state entities? .....	No
23 If yes, identify affected entities by type .....	
24 Will additional state monies be required to continue the program if grant expires or is reduced? .....	No
25 If yes, is this a requirement of the grant? .....	
26 Are new FTEs funded through the grant? .....	No

	For 2009-10 Complete either Authorized or Proposed					
	SFY 2008-09 Actual	SFY 2009-10 Authorized	SFY 2009-10 Proposed	SFY 2010-11 Proposed	SFY 2011-12 Proposed	SFY 2012-13 Proposed
27 If yes, give the number by type for each year: <i>Permanent</i>						
<i>Time-Limited</i>						
28 Amount of grants funds applied for in each year .....			\$20,000.00	\$10,000.00		
29 Amount of grants funds awarded in each year .....						
30 Purpose of grant or amendment .....	The purpose of this grant is to financially aid growers in the obtainment of organic certification.					
31 Comments .....	This form is the post-notification to OSBM 10-9-09 copy to Terri Overton, Catherine Stogner, and Trevor Minor LP					

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions

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10/9/09

## Notification of Application for Grant Funds/Awards, 2009-10

**OSBM**

Office of State Budget and Management, 116 West Jones Street, Raleigh, NC 27603-8005, 919-807-4700.  
Instructions at [http://www.osbm.state.nc.us/files/pdf\\_files/grants\\_instr.pdf](http://www.osbm.state.nc.us/files/pdf_files/grants_instr.pdf)

- 1 Department .....
- 2 Division (except in DHHS) .....  
DHHS only, choose division from drop down list
- 3 Contact person (name) .....
- 4 Phone number .....
- 5 E-mail .....
- 6 Funding Entity (grantor) .....
- 7 CFDA number .....
- 8 Grant title .....
- 9 Grant application deadline (MM/DD/YY) .....
- 10 Start date of grant (MM/DD/YY) .....
- 11 End date of grant (MM/DD/YY) .....
- 12 Application type .....
- 13 Is this grant already in agency's continuation budget? .....
- 14 Budget code the grant will be expended in (XXXXX) .....
- 15 Fund code (XXXX or NA) .....
- 16 Is there a state matching requirement? .....
- 17 If yes, what is the matching requirement? .....
- 18 If yes, what is the source of state funds being used to match grant funds? .....
- 19 Is there a maintenance of effort (MOE) requirement? .....
- 20 If yes, what is the MOE? .....
- 21 Is an additional General Fund appropriation required to meet the state match requirement? .....
- 22 Will any of these funds be passed through to local governments or non-state entities? .....
- 23 If yes, identify affected entities by type .....
- 24 Will additional state monies be required to continue the program if grant expires or is reduced? .....
- 25 If yes, is this a requirement of the grant? .....
- 26 Are new FTEs funded through the grant? .....

Department of Agriculture and Consumer Services
Marketing (09-088-MKT)
Peter Thornton
919-733-7912
Peter Thornton
Tobacco Trust Fund
NC Commodity Asian Export Promotion
09/22/08
10/01/08
09/30/09
New
No
13700
xxxx
No
No
No
No
No
No
No
No

	For 2009-10					SFY 2012-13
	SFY 2008-09	SFY 2009-10	SFY 2009-10	SFY 2010-11	SFY 2011-12	
	Actual	Authorized	Proposed	Proposed	Proposed	Proposed
27 If yes, give the number by type for each year: <i>Permanent</i>						
28 Amount of grants funds <u>applied for</u> in each year			\$33,000.00			
29 Amount of grants funds <u>awarded</u> in each year			\$33,000.00			

- 30 Purpose of grant or amendment .....
- 31 Comments .....

Trade Mission to China to encourage the export of NC agricultural products to China. Funding is proposed to be used for travel and meetings.

Project Number 2008-003-16 This form is the post-notification to OSBM. 9/21/09 copy to Terri Overton, Catherine Stogner and Trevor Minor. LP

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions.

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8/28/09

## Notification of Application for Grant Funds/Awards, 2009-10

**OSBM**

Office of State Budget and Management, 116 West Jones Street, Raleigh, NC 27603-8005, 919-807-4700

Instructions at [http://www.osbm.state.nc.us/files/pdf\\_files/grants\\_instr.pdf](http://www.osbm.state.nc.us/files/pdf_files/grants_instr.pdf)

- 1 Department .....
- 2 Division (except in DHHS) .....  
DHHS only, choose division from drop down list.....
- 3 Contact person (name) .....
- 4 Phone number .....
- 5 E-mail .....
- 6 Funding Entity (grantor) .....
- 7 CFDA number.....
- 8 Grant title .....
- 9 Grant application deadline (MM/DD/YY) .....
- 10 Start date of grant (MM/DD/YY) .....
- 11 End date of grant (MM/DD/YY) .....
- 12 Application type .....
- 13 Is this grant already in agency's continuation budget? .....
- 14 Budget code the grant will be expended in (XXXXX).....
- 15 Fund code (XXXX or NA) .....
- 16 Is there a state matching requirement? .....
- 17 If yes, what is the matching requirement? .....
- 18 If yes, what is the source of state funds being used to match grant funds .....
- 19 Is there a maintenance of effort (MOE) requirement? .....
- 20 If yes, what is the MOE? .....
- 21 Is an additional General Fund appropriation required to meet the state match requirement? .....
- 22 Will any of these funds be passed through to local governments or non-state entities? .....
- 23 If yes, identify affected entities by type .....
- 24 Will additional state monies be required to continue the program if grant expires or is reduced? .....
- 25 If yes, is this a requirement of the grant? .....
- 26 Are new FTEs funded through the grant?.....

Department of Agriculture and Consumer Services
Food Distribution (10-013-FDD)
Rosemary Elliott
919-575-4490
Rosemary Elliott
USDA
10 567
FDPI R ARRA - Facility and Equipment Needs
03/03/09
08/02/09
08/30/10
New
No
13700
xxxx
No
Other
No
No
No
No
No
No

- 27 If yes, give the number by type for each year: *Permanent* .....
- Time-Limited* .....
- 28 Amount of grants funds applied for in each year .....
- 29 Amount of grants funds awarded in each year .....
- 30 Purpose of grant or amendment .....

	For 2009-10 Complete either Authorized or Proposed					
	SFY 2008-09 Actual	SFY 2009-10 Authorized	SFY 2009-10 Proposed	SFY 2010-11 Proposed	SFY 2011-12 Proposed	SFY 2012-13 Proposed
27 Permanent						
27 Time-Limited						
28 Applied for			\$50,712.00			
29 Awarded		\$50,712.00				
30 Purpose	To repair roof and gutters for a food distribution facility					

- 31 Comments .....

Award # 5NC440603--Funding for this project is provided through ARRA funds This form is the post-notification to OSBM, 8/26/09 copy to Terri Overton and Trevor Minor LP

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions

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10/9/09

## Notification of Application for Grant Funds/Awards, 2009-10

**OSBM**

Office of State Budget and Management, 116 West Jones Street, Raleigh, NC 27603-8005, 919-807-4700  
 Instructions at [http://www.osbm.state.nc.us/files/pdf\\_files/grants\\_instr.pdf](http://www.osbm.state.nc.us/files/pdf_files/grants_instr.pdf)

1 Department .....	Department of Agriculture and Consumer Services
2 Division (except in DHHS) .....	Emergency Programs (10-006-EP)
DHHS only, choose division from drop down list .....	
3 Contact person (name) .....	Joseph Gilroy
4 Phone number .....	919-807-4301
5 E-mail .....	Joseph Gilroy
6 Funding Entity (grantor) .....	USDA, APHIS, VS
7 CFDA number .....	10-025
8 Grant title .....	North Carolina Regional CAMET Exercise Series
9 Grant application deadline (MM/DD/YY) .....	07/31/09
10 Start date of grant (MM/DD/YY) .....	08/05/09
11 End date of grant (MM/DD/YY) .....	08/04/10
12 Application type .....	New
13 Is this grant already in agency's continuation budget? .....	No
14 Budget code the grant will be expended in (XXXXX) .....	13700
15 Fund code (XXXX or NA) .....	1017
16 Is there a state matching requirement? .....	Yes
17 If yes, what is the matching requirement? .....	\$26,829.74
18 If yes, what is the source of state funds being used to match grant funds? .....	General Fund
19 Is there a maintenance of effort (MOE) requirement? .....	No
20 If yes, what is the MOE? .....	
21 Is an additional General Fund appropriation required to meet the state match requirement? .....	No
22 Will any of these funds be passed through to local governments or non-state entities? .....	No
23 If yes, identify affected entities by type .....	
24 Will additional state monies be required to continue the program if grant expires or is reduced? .....	No
25 If yes, is this a requirement of the grant? .....	
26 Are new FTEs funded through the grant? .....	No

	For 2009-10 Complete either Authorized or Proposed					
	SFY 2008-09 Actual	SFY 2009-10 Authorized	SFY 2009-10 Proposed	SFY 2010-11 Proposed	SFY 2011-12 Proposed	SFY 2012-13 Proposed
27 If yes, give the number by type for each year: <i>Permanent</i>						
<i>Time-Limited</i>						
28 Amount of grants funds applied for in each year .....		\$25,000.00	\$25,000.00			
29 Amount of grants funds awarded in each year .....						
30 Purpose of grant or amendment .....	NCD&CS-Emergency Programs plans to conduct an exercise series that includes two regional Companion Animal Mobile Equipment Trailer (CAMET) drills and a NC Agriculture Emergency Operations Center (AgEOC) exercise in conjunction with the central region. Funds are proposed to be used for facility rental, meals, travel, and lodging for exercise participants.					
31 Comments .....	CA# 09-6100-0047-CA This form is the post-notification to OSBM. 9/28/09 copy to Terri Overton and Trevor Minor. LP					

Return completed form as email attachment and indicate in message that proper agency sign-offs have been obtained. Contact your OSBM budget analyst if you have questions.

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