



DC LEGISLATIVE & REGULATORY SERVICES, INC.

### Summary of “Pesticide Registration Enhancement Act ” (PRIA 4)

PRIA Provision	PRIA 2	PRIA 3	PRIA 4
<b>Years Authorized</b>	2008-2012 (5 years)	2013-2017 (5 years)	2019-2023 (5 years)
<b>Maintenance Fees</b>	<p>Under PRIA 2, annual maintenance fees are \$22 million. The caps are as follows:</p> <ul style="list-style-type: none"> <li>• \$71,000 for large businesses with 50 products or less;</li> <li>• \$123,000 for large business with more than 50 products;</li> <li>• \$50,000 for small businesses with 50 products or less;</li> <li>• \$86,000 for small businesses with more than 50 products.</li> </ul> <p>The current per product fee for companies not at one of the caps is about \$3,100. This number varies over time depending on the number of active registrations.</p> <p>Under current law, 1/7 of maintenance fees are set aside for fast track and inerts. Funding is also set aside for partnership and worker protection grants in order to garner environmental and grower group support.</p>	<p>Maintenance fees will be \$27.8 million per year. Of that amount \$800,000 will be set aside annual for IT upgrades. The caps will be as follows:</p> <ul style="list-style-type: none"> <li>• \$115,500 for large businesses with 50 products or less;</li> <li>• \$184,800 for large business with more than 50 products;</li> <li>• \$70,600 for small businesses with 50 products or less;</li> <li>• \$122,100 for small businesses with more than 50 products.</li> </ul> <p>The per product fee for companies not at one of the caps will be about \$3,300.</p> <p>The set aside for fast track, inerts, partnership and worker protection grants will be preserved. (1/8to 1/9 of the total maintenance fees will be set aside, maintaining the same the dollar amount of the set aside.)</p>	<p>Maintenance fees will be \$31 million per year. Of that amount \$500,000 will be set aside annually for efficacy guidelines for public health pests and at \$500,000 will be set aside annually for Good Laboratory Practices (GLP) inspections. The caps will be as follows:</p> <ul style="list-style-type: none"> <li>• \$129,400 for large businesses with 50 products or less;</li> <li>• \$207,000 for large business with more than 50 products;</li> <li>• \$79,1000 for small businesses with 50 products or less;</li> <li>• \$136,800 for small businesses with more than 50 products.</li> </ul> <p>Supplemental maintenance fees will be collected for FY 19 since they were billed at the PRIA 3 rate.</p> <p>The per product fee for companies not at one of the caps will be about \$3,577.</p> <p>The set aside for fast track, inerts, partnership and worker protection grants will be preserved.</p>

<p><b>Registration Fees</b></p>	<p>Under PRIA 1 and 2, industry fought against EPA proposals to place an annual cost of living increase on registration fees and instead provided for two 5% increases over the 5 years of the law.</p>	<p>Fee levels for most fee categories will remain the same and will be increased by 5% in 2013 and by another 5% in 2015.</p> <p>Some modifications to the fee categories and some new fee categories were negotiated between industry and EPA.</p>	<p>Provides for 5% across-the-board registration fee increases on October 1, 2019 and October 1, 2021.</p> <p>Modifications to the fees and categories were negotiated between industry and EPA. Many Registration Division fee categories increased by about 20% due to the increased cost in reviewing additional required data.</p>
<p><b>Maintenance Fee Set Asides</b></p>	<p>Includes set aside of 1/7 of maintenance fees for fast track and inerts.</p> <p>Includes \$500,000 for the Pesticide Education Safety Program. Includes \$750,000 in per year in 2008 and 2009 and \$500,000 per year in 2010-2012 for Partnership Grants.</p>	<p>Includes set aside of 1/8 to 1/9 for fast track and to offset the cost of inert review.</p> <p>Includes \$500,000 per year for the Pesticide Education Safety Program and \$500,000 per year for Partnership Grants.</p> <p>Provides that \$800,000 from maintenance fees will be set aside annually to improve IT systems for:</p> <ul style="list-style-type: none"> <li>• Electronic tracking of registration decisions;</li> <li>• Tracking the status of conditional registrations;</li> <li>• Creating a database for information regarding endangered species assessments for registration review;</li> <li>• Creating electronic label capability for review of labels submitted with registration actions;</li> <li>• Creating electronic capability for confidential statements of formula submitted with registration actions.</li> </ul>	<p>Includes set aside of 1/8 to 1/9 for fast track and to offset the cost of inert review.</p> <p>Eliminates the IT set aside.</p> <p>Includes \$500,000 per year for the Pesticide Education Safety Program and \$500,000 per year for Partnership Grants.</p> <p>Provides up to \$500,000 per year for EPA to develop take public comment and finalize efficacy guidelines for invertebrate public health pests. These guidelines must be implemented as follows:</p> <ul style="list-style-type: none"> <li>• By June 30, 2017 for bed bugs;</li> <li>• By September 30, 2020 for premise control (including crawling insects, flying insects, and baits);</li> <li>• By March 30, 2021 for pests of pets (including spot-ons, collars, shampoos, powders and dips);</li> <li>• By March 30, 2021 for fire ants.</li> </ul> <p>Provides up to \$500,000 per year for GLP inspections and data audits.</p> <p>Allows EPA to access already collected 4(k)(2) funds.</p>

<p><b>Inert Ingredients</b></p>	<p>The Registration Division has a fee category for the registration of a new active ingredient with a new inert, but other divisions do not have a similar provision. There is no other category to have an inert review conducted at the same time as a registration action.</p>	<p>The bill established registration categories and fees for inert ingredient review. These fees are partially offset by the maintenance fee set aside.</p>	<p>No policy change. Fee charts may have changed slightly and some review timeframes have been increased.</p>
<p><b>Technical Screen</b></p>	<p>EPA contractors conduct a 21-day screening assessment to make sure that all of the components of an application are submitted. This screen does not address the adequacy of data submitted. PRIA timeframes start after the 21-day screening process is complete. If missing pieces of an application are not submitted within the 21-day screening period, EPA can reject the application and keep 25% of the fee.</p>	<p>In addition to the 21-day content screen, the bill creates a second, more detailed preliminary technical screen. Under the bill, EPA will do a 45 or 90-day (depending on the registration action) technical screen to ensure that the data submitted is all appropriate. EPA may reject applications if the registrant cannot correct deficiencies within 10 business days. This process will not lengthen any PRIA timeframes. It is intended to catch issues early in the process and allow registrants time to correct errors that could not be addressed if they were caught late in the review process. Errors caught late in the review process often lead to renegotiations.</p>	<p>No change</p>
<p><b>Pre-Decision Deadline</b></p>	<p>No provision in PRIA 1 or 2. The Antimicrobials Division and the Registration Division often issue decisions as “accepted with comments.” Registrants have no recourse to refute the comments and some have issues processing state registrations because of this practice.</p>	<p>EPA will provide the registrant with a draft-accepted label on or before the PRIA deadline. If the registrant agrees with the decision, the decision will be automatically approved and EPA must provide the registrant with a final stamp accepted label within 2 business days. If the registrant disagrees with the decision, it will be given 30 days to reach an agreement with EPA on a final label. If an agreement is not reached, the registrant may withdraw its action and forfeit the entire registration service fee. This provision is intended to address concerns about actions that are “accepted with comments.” This provision only applies to RD and AD actions.</p>	<p>Will also apply to BPPD actions.</p>

<p><b>Small Business Definition/Waivers</b></p>	<p>Under PRIA 2, an applicant that meets the definition of a small business is eligible for a fifty percent (50%) waiver of the pesticide registration service fee. A small business means a corporation, partnership, or un-incorporated business that has 500 or fewer employees and during the 3-year period prior to the most recent maintenance fee billing cycle, has an average annual global gross revenue from pesticides that did not exceed \$60 million (including any such revenue from all of its affiliates). In addition, a small business that has average annual global gross revenues from pesticides of less than \$10 million (including any such revenue from all of its affiliates) over the past 3-year maintenance fee billing cycle at the time of the application is eligible for a 75% waiver of the pesticide registration service fee.</p>	<p>The legislation will not change the definition of a small business or the criteria for small business registration fee waivers.</p> <p>The legislation provides a new 25% maintenance fee waiver for the first product registration for small businesses that: hold less than 5 pesticide registrations; have fewer than 500 employees; and during the 3-year period prior to the most recent maintenance fee billing cycle, have an average annual global gross revenue from pesticides that did not exceed \$10 million.</p> <p>EPA must to report to Congress by October 1, 2016 on the impact of PRIA fees on small businesses with less than 10 employees and less than \$2 million in gross global revenue.</p>	<p>Amends statute slightly to ensure that small business waivers apply to all PRIA actions (including inerts and other actions that are not “pesticide registration decisions”) except for Gold Seal letters.</p>
<p><b>Gold Seal Letters</b></p>	<p>No provision. EPA currently provides this service free of charge.</p>	<p>EPA will charge a fee of \$250 for up to 5 Gold Seal letters on a single product.</p>	<p>EPA will charge a fee of \$277 for up to 5 Gold Seal letters on a single product. Small business waivers will no longer be available when requesting Gold Seal letters.</p>
<p><b>Annual Report Requirements</b></p>	<p>Requires EPA to report annually to Congress on about its progress in meeting PRIA timeframes, inert ingredient review, electronic labels and other process improvements.</p>	<p>Adds annual reporting requirements related to electronic tracking, conditional registrations, registration and confidential statement of formula electronic submissions, updating the Pesticide Incident Data System and the endangered species knowledge database.</p>	<p>Adds annual reporting requirements related to efficacy guidelines for invertebrates of public health significance, the review and approval of vector control products, GLP inspections, worker protection, registration review and electronic database tracking.</p>
<p><b>Appropriations Trigger</b></p>	<p>2008 funding level</p>	<p>\$128 million (2012 OPP funding level)</p>	<p>No change.</p>

<p><b>WPS an Certified Applicator Restrictions</b></p>	<p>None</p>	<p>None</p>	<p>Would prevent EPA from making changes Prior to October 1, 2021 to the January 4, 2017 “<i>Pesticides; Certification of Pesticide Applicators Final Rule</i>” and November 2, 2015 “<i>Pesticides; Agricultural Worker Protection Standard (WPS) Revisions Final Rule.</i>” Except, prior to October 1, 2021, EPA may propose (with no less than a 90 day public comment period) changes to the application exclusion zone provisions of the WPS rule.</p> <p>Requires the General Accountability Office (GAO) to conduct a study and release a report by October 1, 2021 on the use of the WPS designated representative provision, including the effect of the provision on worker health and safety; and any recommendations to prevent the misuse of pesticide application and hazard information, if misuse is identified.</p>
<p><b>Reforms to Reduce Decision Time Review Periods</b></p>	<p>Requires EPA “identify and evaluate reforms to the pesticide registration process under this Act with the goal of reducing decision review periods...”</p>	<p>Requires EPA “identify and evaluate reforms to the pesticide registration process under this Act with the goal of reducing decision review periods...”</p>	<p>Includes the previous provision of law and also mandates that reforms “shall include identifying opportunities for streamlining review processes for applications for a new active ingredient or a new use and providing prompt feedback to applicants during such review process.”</p>
<p><b>Phaseout</b></p>	<p>During the two years following expiration, PRIA timeframes will no apply, but registration fees will need to be paid. Fees will be reduced by 40% in fiscal year 2013 and 70%in fiscal year 2014. Maintenance fees will no longer be collected</p>	<p>During the two years following expiration, PRIA timeframes will no apply, but registration fees will need to be paid. Fees will be reduced by 40% in fiscal year 2018 and 70% in fiscal year 2019. Maintenance fees will no longer be collected.</p>	<p>During the two years following expiration, PRIA timeframes will no apply, but registration fees will need to be paid. Fees will be reduced by 40% in fiscal year 2024 and 70% in fiscal year 2025. Maintenance fees will no longer be collected.</p>