

April 2019

About pesticide broker licensing

Department of Pesticide Regulation
Mill Assessment Office

Who needs to have a pesticide broker license?

You must have a license if you are (1) the first to sell, offer to sell, distribute into or bring into California for sale any pesticide product, AND (2) you are not a licensed pest control dealer or a registrant. (Registrants are companies with pesticides registered with the Department of Pesticide Regulation [DPR] for sale in California.) The licensing requirement applies to Internet or mail-order businesses that sell pesticide products into California.

How do I get a pesticide broker license?

The application can be downloaded from DPR's Web site, www.cdpr.ca.gov, click on "Licensing." To have the application mailed to you, contact DPR's licensing unit, 916-445-4038, or e-mail to LicenseMail@cdpr.ca.gov. There is no application fee.

You are subject to a penalty of \$5,000 for failure to get a license.

What is a pesticide?

A pesticide is any substance intended to control, destroy, repel or prevent a pest, regulate plant growth or defoliate plants. Any living organism that causes damage or economic loss or transmits or produces disease may be the target pest. Pests can be animals (like insects or mice), unwanted plants (weeds), or microorganisms (like plant diseases, viruses and bacteria).

Pesticide products include insecticides, herbicides, algicides (such as pool chlorine), disinfectants and sanitizers, repellants, rodenticides and fungicides. Examples of nonagricultural pesticides include pesticides labeled for home-and-garden use and structural pest control; control of pests on pets; industrial uses such as water treatment; health-related pest control, such as mosquito abatement; and institutional uses such as sanitizers in hospitals, medical offices, schools and food-handling establishments.

The rules apply to both agricultural pesticides and pesticides sold for use in residential, industrial and institutional settings.

How can I tell if a product is a pesticide?

Look on the product label. If it is a pesticide, there will be a registration number assigned by the U.S. Environmental Protection Agency (U.S. EPA). The number is often abbreviated as "EPA Reg. No."

California also considers spray adjuvants to be pesticides requiring registration. These products will have a "CA Reg. No."



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Shortcut for telling if a product is a pesticide

Look on the product label. If it is a pesticide, there will be a U.S. EPA registration number on it. It is often abbreviated on the label as "EPA Reg. No."

Are there requirements on retailers?

Most retail stores do not need to be licensed. Only if the retailer delivers pesticide products from its own out-of-state facility into California would the retailer need to be licensed as a broker.

However, retailers of pesticide products must maintain records that show the names and contact information of their pesticide suppliers in the current year. These records must be available for DPR audit.

What does the law require of pesticide brokers?

- If you are responsible for the first sale of a pesticide into California, each quarter you must report to DPR the total dollars of your pesticide sales and the total pounds or gallons sold into or within California of each pesticide product. You must also pay the mill assessment fee on these sales.
- You must keep records of all purchases, sales and distributions of pesticides into and within California. You must keep these records for four years at your principal place of business (which may be outside California). Records must be kept even if the pesticide registrant or someone else pays the mill fee. Your records are subject to audit by DPR.
- For all sales into or within California, records must include invoices that indicate the mill assessment has been paid. Retail sales of non-agricultural products are exempt from the invoicing requirement.

What is the pesticide mill assessment?

California assesses a "mill assessment" fee on all pesticide sales. A mill is equal to one-tenth of a cent. The assessment rate is currently 21 mills, or 2.1 cents on each dollar of sales. An extra 0.75 mill fee may be charged on sales of agricultural and dual-use products (products labeled for both home and agricultural use) to support the pesticide consultation unit of the California Department of Food and Agriculture.

Registrants are responsible for paying the mill assessment if they distribute or sell the product for use into California. If the first sale is made not by the registrant but by a pesticide broker or pest control dealer, then they must report and pay the mill assessment.

The mill assessment program is a self-reporting system. That is why it is important that all firms that are first sellers of pesticides into and within California are licensed. Without the ability to track all pesticide sellers, it is impossible for DPR to ensure an equitable marketplace where all pay their fair share.

How do pesticide brokers report sales to DPR?

Each quarter, DPR mails licensed pesticide brokers a reporting form. For each product sold, report the registrant name, brand name/product name, total dollars of sales, total pounds or gallons sold, and **California** registration number. Complete the form and return it with payment to DPR no later than 30 days after the end of the quarter. You are required to report each quarter even if you had no pesticide sales.

For more information, go to www.cdpr.ca.gov and click on "Mill Assessment."



The California registration number you will need on the form is the U.S. EPA registration number followed by a two-letter code assigned by DPR.

DPR's two-letter code will not be on the product label but you can get it from the registrant or from DPR's Web site. Go to www.cdpr.ca.gov/docs/label/epanum.htm. (Or go to www.cdpr.ca.gov, click on "Look up pesticide products" and then click "Registration number.") Enter the U.S. EPA registration number, often abbreviated on the product label, "EPA Reg. No." This will retrieve all brand names with that number registered in California along with the letter codes DPR assigned to them.

I have to report all "California-registered" pesticide products. What are they?

All pesticide products sold or used in California must be registered with DPR. Almost all must also be registered by the U.S. EPA.

One class of products – adjuvants – requires registration as a pesticide only in California. An adjuvant is a wetting agent, spreading agent, adhesive, emulsifying agent, water modifier or similar substance used with another pesticide as an aid to the application or to improve its effect. Examples include products used to change the pH of swimming pools and sticking agents added to garden pesticides to improve their effectiveness.

Mill fees must be paid on all pesticide products registered in California, including adjuvants. If a product is a registered adjuvant, it will have a "CA Reg. No." on the label.

Is there a list of California-registered pesticides?

Go to DPR's Web site, www.cdpr.ca.gov, click on "Look up pesticide products." Under "Lists," click on "California registered products." It will open a text file that lists the approximately 12,000 pesticide products registered in California, along with their registration numbers. The file can be inserted into a spreadsheet or database. Instructions on how to break the list into database fields are also posted online. The list does not include products whose registrations have expired, some of which are legal to sell for a period of time.

How would I know if the mill assessment was paid on pesticides delivered to me?

On the first sale of pesticides into or within California, state law requires that the sales invoice show who will pay the mill assessment.

On sales that follow, the invoice must show the assessment was paid. Retail sales of nonagricultural pesticides labeled only for home, industrial or institutional use are exempt from this requirement. For example, a person buying a home-use pesticide product at a local retailer would not receive a sales invoice with mill assessment information on it.

For more information, go to www.cdpr.ca.gov and click on "Mill Assessment."



What is the mill fee used for?

It helps pay for the state's pesticide regulatory program. DPR's mission is to protect human health and the environment by regulating pesticide sales and use, and by fostering reduced-risk pest management.

Can a registrant pass on the responsibility of reporting and paying the mill assessment to a broker or dealer?

The registrant is required to report and pay on any California sale. The only exception is if the shipment is to an out-of-state location and the registrant did not have knowledge at the time of sale the product would be sold for use in California. A registrant would be required to pay mill assessment if they drop-shipped product into California on behalf of the broker but not if they delivered product to a broker warehouse outside California.

Who pays the mill assessment if a registrant ships pesticides on consignment to a broker or dealer?

If the broker or dealer is located in California and receives the product in California from the registrant, the registrant is responsible for the mill assessment. If the broker or dealer is located outside the state and receives the product from the registrant (or other source) at a facility outside the state, the broker or dealer must report the sale and pay mill assessment for the product it sells into or within the state.

If I discover that I have sold an unregistered pesticide into California, do I need to report it?

DPR encourages you to come forward with this information. It shows a desire to bring your business into compliance with state law. Given this positive demonstration of your company's business practices, DPR would be inclined to work with you to mitigate possible fines and to give your firm the opportunity to propose and carry out a plan to prevent future violations.

More questions?

Visit DPR's Web site, www.cdpr.ca.gov, and click on the "Mill Assessment" link. Or contact the Mill Assessment Office at 916-445-4159. You can also e-mail questions to millassessment@cdpr.ca.gov.

Helpful Web links

State law regarding brokers (Food and Agricultural Code Sections 12400-12408):
www.leginfo.ca.gov/cgi-bin/displaycode?section=fac&group=12001-13000&file=12400-12408

State law on mill assessment (Food and Agricultural Code Sections 12841-12847):
www.leginfo.ca.gov/cgi-bin/displaycode?section=fac&group=12001-13000&file=12841-12847

DPR pesticide broker license application packet:
www.cdpr.ca.gov/docs/license/broker.htm

Look up pesticide products registered in California:
www.cdpr.ca.gov/docs/label/labelque.htm#regprods

For more information, go to www.cdpr.ca.gov and click on "Mill Assessment."