



Information for Selling Pesticides and Paying Mill Assessment in California

Department of Pesticide Regulation/Product Compliance Branch

► *Whoever makes the first sale of a pesticide product into or within California is responsible for paying the mill fee.*

What is the pesticide “mill assessment”?

California assesses a fee on all end-use pesticide sales, that is **levied at the point of first sale into or within the state**. A “mill” is equal to one-tenth of a cent. Currently, the “mill assessment” is 21 mills, or 2.1 cents per dollar of sales.

What is a pesticide?

A pesticide is any substance intended to control, destroy, repel, or attract a pest. 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 or “germs,” such as, viruses and bacteria).

Before being sold or used in California, all pesticides must be registered with both the U.S. Environmental Protection Agency and the California Department of Pesticide Regulation (DPR).

Examples of pesticide products typically sold in retail stores include:

Types (and product examples)	Pests that are controlled
Algicides (pool chlorine)	Algae
Disinfectants & sanitizers (toilet bowl cleaner)	Bacteria, viruses, mold, mildew
Fungicides (rose dust)	Fungi on plants – powdery mildew
Herbicides (weed killer)	Unwanted plants
Insecticides (ant or roach spray)	Insects and other “bugs”
Molluscicides (snail bait)	Slugs and snails
Repellants (mosquito repellent)	Mosquitoes, ticks
Rodenticides (rat poison)	Mice and other rodent pests

Where do mill assessment revenues go?

Mill assessment revenues are placed in a special fund used to pay for the State’s pesticide regulatory program. DPR is the State lead agency charged with enforcing all aspects of pesticide sales and use in California to protect public health and the environment. DPR's programs are funded primarily from fees on pesticide registrations, professional licenses, and from the mill assessment.

How is the mill assessment rate established?

The rate is set in regulation by DPR (Title 3, California Code of Regulations, section 6386), at a level adequate to support DPR's annual expenditures authorized by the Legislature and to provide a prudent reserve.

Who pays mill assessment?

California Food and Agricultural Code (FAC) section 12841, requires that mill assessment "shall be paid by the registrant . . . or other person **who first sold the pesticide for use into or within this state.**"

The mill collection process

The mill assessment program is a 'self-assessment' system. DPR issues reporting forms on a quarterly basis to companies that have pesticides registered for sale in California, to licensed agricultural pesticide dealers and to licensed pesticide brokers.

Recordkeeping requirements and DPR's audit authority

FAC section 12842, requires that "every person who sells for use in this state any pesticide products that have been registered by (DPR) shall maintain in this state...an accurate record of all transactions subject to assessment....The records are subject to audit by (DPR) and shall clearly demonstrate proof of payment of all applicable assessments for each registered pesticide product...." These requirements apply to all pesticide sellers, whether they sell agricultural or non-agricultural pesticides.

How do retailers know if the mill assessment has been paid on product they sell?

FAC section 12847, requires that invoices for the first sale of pesticides into or within California must indicate payment of the mill assessment. Currently, "retail" sales of non-agricultural products labeled only for home, industrial, or institutional use, are exempted from the invoicing requirement.

If you have questions, you can e-mail DPR's Product Compliance Branch at ProductCompliance@cdpr.ca.gov, or call 916-445-4159.

► DPR is developing "MillPay", an online reporting system, to streamline and enhance the Mill Assessment reporting and payment processes. MillPay will be available online starting 2016.