

SUBJECT: Establishing a citrus producers' pest and disease management corporation

COMMITTEE: Agriculture and Livestock — committee substitute recommended

VOTE: 8 ayes — Gonzalez Toureilles, Anderson, B. Brown, Crabb, Hardcastle, Kleinschmidt, Rios Ybarra, Swinford

0 nays

1 absent — Heflin

WITNESSES: For — Dale Murden, Ray Prewett, Texas Citrus Mutual; (*Registered, but did not testify*, Ken Hodges, Texas Farm Bureau; Ruben Quintero, Sharyland Orchards; Ken Whalen, Texas Daily Newspaper Association, Texas Press Association)

Against — None

On — Todd Staples, Texas Department of Agriculture; (*Registered, but did not testify*, John Da Graca, Texas A&M University, Kingsville Citrus Center; David Kostroun, Texas Department of Agriculture)

DIGEST: CSHB 4578 would establish the Texas Citrus Pest and Disease Management Corporation, Inc. to suppress and control the plant disease citrus greening and the pest insect Asian citrus psyllid to protect the financial well-being of the Texas citrus industry. The corporation would divide the state into several integrated pest management zones where growers would unite in an effort to control and suppress citrus greening and the Asian citrus psyllid within each zone. The corporation would be a quasi-governmental entity exempt from taxation and vehicle registration fees.

The bill would allow the Texas Department of Agriculture (TDA) to enter citrus groves to treat, monitor, or destroy citrus plants if necessary. The bill also would authorize TDA to mandate participation in a suppression program and establish rules on where citrus crops could or could not be planted. Program rules would be designed in the interest of protecting individuals, livestock, wildlife, and honeybee colonies.

Advisory committees. Advisory committees would be established to determine the location of the pest control zones. Advisory committees would include citrus growers as members and be subject to open meetings and public information rules. Advisory committees would recommend the establishment of zones based on:

- geographic boundaries;
- the level of local interest;
- the amount dues would cost;
- the ability for ongoing implementation of a suppression program; and
- any other matter requested by the commissioner.

Zones. The commissioner would hold a public hearing to discuss proposed boundaries of pest management zones. Zones would be finally established upon a vote among growers in a particular zone. If a vote failed, the commissioner could call another vote in a year. A referendum would be approved if at least two-thirds of the voters voted in favor or if those in favor represented more than half the acreage of citrus crops in a particular zone.

Board of directors. The Citrus Pest and Disease Management Corporation would be governed by a board of directors consisting of members elected from each pest management zone, members appointed by the commissioner from other citrus growing areas of the state, and the following individuals:

- an agricultural lender;
- an independent entomologist who specialized in pest management;
- two citrus industry representatives; and
- a pest control industry representative.

The board would have the authority to conduct programs, accept gifts and grants, borrow money, and form an additional advisory committee to establish treatment methods for the suppression of citrus pests and diseases. Board members would not receive compensation, but would be reimbursed for expenses. The commissioner of the Texas Department of Agriculture would have the authority to terminate the corporation after giving 45 days' notice.

Committee on treatment methods. The additional advisory committee on treatment methods would consist of:

- three citrus producers from the commercial citrus growing areas of the state;
- three entomologists with knowledge of integrated pest management;
- two individuals with environmental expertise;
- an environmental engineer with expert knowledge of ground and surface water contamination;
- a toxicologist;
- a representative of consumer interest; and
- a representative of the interests of agricultural workers.

Citrus growers participating in the program would be required to submit a report to the corporation describing the size and location of their citrus crops. The board would be required to document pesticide use and report it to the commissioner.

Agreements. The bill would allow the corporation to enter into agreements with federal and state agencies, Mexican agencies, individuals in the citrus industry, individuals involved in similar programs, or an agency of another state.

Dues. The bill would require growers to pay assessments or dues in order to participate in the program. The bill would allow the corporation to provide incentives to growers for timely payment of dues. The amount of the dues would be determined by the commissioner and voted on by citrus growers. Dues would be used to cover pest-control costs in the zone in which they were collected and to support the corporation's operating costs. Dues amounts would be determined by:

- the extent of infestation;
- the amount of acreage planted;
- historical efforts to suppress;
- the growing season;
- epidemiology;
- historical weather conditions; and
- the costs of financing the program.

Penalties. Growers who did not pay dues would be penalized after reasonable notice. The bill would authorize the corporation to attach a lien to citrus produced and harvested from growers who did not pay dues within 60 days of notice. An offense of fraud related to this program would be punishable as a class C misdemeanor (maximum fine of \$500). Late payment penalty amounts would be based on:

- the seriousness of the violation;
- the history of previous violations;
- the amount necessary to deter future violations;
- the economic situation of the citrus producer; and
- any other matter.

Exemption from dues. Growers who earned less than \$15,000 per year or otherwise could not afford to pay dues could apply for an exemption. The commissioner would establish payment plans for some growers.

Organic producers. The commissioner would develop rules to ensure that organic citrus producers did not lose their organic certification by participating in the program. The bill would allow for the use of alternative pest control methods that used biological, botanical, or other non-synthetic pest control methods.

The bill would take effect September 1, 2009.

NOTES:

The companion bill, SB 1779 by Hinojosa, passed the Senate by 31-0 on April 30 and was reported favorably, as substituted, by the House Agriculture and Livestock Committee on May 8, making it eligible to be considered in lieu of HB 4578.