

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 631
By: Duncan
Natural Resources
3/26/1999
Committee Report (Substituted)

DIGEST

Currently, certain aspects of the Texas Boll Weevil Eradication Foundation (the foundation) with respect to its operation are acting within changes made by the 75th Legislature. There is a need for certain revisions to the boll weevil eradication statute. C.S.S.B. 631 would make it clear that the commissioner of agriculture is authorized to inspect the books and records of the foundation at any time, provide for re-enactment and modification of applicator liability provisions set to expire September 1, 1999, enable the foundation to consider best value purchasing criteria in contracting for services, create a compliance certificate program in areas where growers have established eradication programs, and provide mandatory venue in Travis County for disputes arising.

PURPOSE

As proposed, C.S.S.B. 631 establishes modifications of the official cotton growers' boll weevil eradication program.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the commissioner of agriculture in SECTION 4 (Section 74.115(c), Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 74.108, Agriculture Code, by adding Subsection (d), to require the commissioner of agriculture (commissioner) to have the power to inspect the books and other financial records of the Texas Boll Weevil Eradication Foundation (foundation) at any time.

SECTION 2. Amends Section 74.1101, Agriculture Code, to delete text regarding the foundations maintenance of required liability coverage with respect to an applicator. Deletes existing Subsections (d) and (e) authorizing the commissioner to provide that the foundation include the applicator on an insurance policy, and deleting the effective date for the section.

SECTION 3. Amends Chapter 74D, Agriculture Code, by adding Section 74.1102, as follows:

Sec. 74.1102. CONTRACTING. Authorizes the foundation to purchase goods and services that provide the best value for the foundation, for a purchase of goods and services under this chapter. Provides that in determining the best value for the foundation, the purchase price and whether the goods or services meet specifications are the most important considerations. Sets forth other relevant factors that the foundation may consider.

SECTION 4. Amends Section 74.115, Agriculture Code, as follows:

Sec. 74.115. New heading: PAYMENT OF ASSESSMENTS; ASSESSMENT LIENS. Authorizes the foundation to develop a compliance certificate program to manage the payment and collection of an assessment levied under this subchapter. Authorizes the foundation, subject to certain rules, to issue a compliance certificate for cotton for which an assessment has been paid. Authorizes the commissioner to adopt rules relating to the compliance certificate program for eradication assessments. Authorizes the rules to include certain provisions. Provides that an assessment lien in favor of the foundation attaches and is perfected 60 days after the date the foundation mails notice of assessment on certain cotton. Sets forth conditions under which a buyer of cotton takes free of the assessment lien. Authorizes the foundation to assign with, with

approval of the commissioner, assessments or liens in favor of the foundation only if the proceeds of the loan are designated for use in the eradication zone from which the assessments or liens originated.

SECTION 5. Amends Chapter 74D, Agriculture Code, by adding Section 74.131, as follows:

Sec. 74.131. VENUE. Provides that the venue for an action arising out of this subchapter in which the foundation is a party is in Travis County. Establishes that this section does not expand the liability of the foundation provided under Section 74.129.

SECTION 6. Emergency clause.

Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 3.

Amends Chapter 74D, Agriculture Code, by adding Section 74.1102, regarding contracting.

SECTION 4.

Amends Section 74.115, Agriculture Code, to authorize the development of a compliance certificate program, and the commissioner of agriculture to adopt rules relating to the program. Deletes proposed SECTION 4 authorizing the Department of Agriculture to adopt rules relating to quarantine areas.

SECTION 5.

Amends Chapter 74D, Agriculture Code, to provides that the venue for an action arising out of this subchapter in which the foundation is a party is in Travis County. Establishes that this section does not expand the liability provided under Section 74.129. Deletes proposed text regarding venue.