

BILL ANALYSIS

Senate Research Center

S.B. 705
By: Ogden
Agriculture
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As Filed

DIGEST

Currently, no statewide agricultural policy is in place in Texas to provide long-term solutions and immediate relief for recent agricultural losses due in part to natural disasters. This bill provides aid, support, and assistance to agriculture, including the promotion of agriculture and the establishment of the "Go Texan" Partner Program, and provides penalties.

PURPOSE

As proposed, S.B. 705 provides aid, support, and assistance to agriculture, including the promotion of agriculture and the establishment of the "Go Texan" Partner Program, and provides penalties.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Agriculture Commissioner in SECTION 4 (Section 46.002(g), Agriculture Code) and to the Department of Agriculture in SECTIONS 6 and 8 (Section 254.002 and Sections 47.005 and 47.008, Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Sets forth legislative findings regarding the current state of agriculture in the State of Texas.

(b) Sets forth the purposes of this Act.

SECTION 2. Amends Title 3, Agriculture Code, by adding Chapter 48, as follows:

CHAPTER 48. INTERIM COMMITTEE ON STATEWIDE AGRICULTURAL POLICY

Sec. 48.001. ORGANIZATION. Creates an interim committee on statewide agricultural policy (interim committee) consisting of 10 members with the lieutenant governor and the speaker of the house of representatives (speaker) appointing five members each. Requires the lieutenant governor and the speaker to each appoint a presiding officer from among the appointed members of the interim committee. Requires the interim committee to convene at the call of the two presiding officers.

Sec. 48.002. POWERS AND DUTIES. Requires the interim committee to investigate and study issues involving risk reduction, regulatory reform, market expansion and crop insurance reform and create a comprehensive state agricultural policy.

Sec. 48.003. REPORT. Requires the interim committee to develop a report, including a cost-benefit analysis of regulatory reform affecting agriculture, that analyzes the issues described in Section 48.002, and that includes recommended rule or statutory changes. Requires the final reports be delivered to certain people by a certain date.

Sec. 48.004. ADMINISTRATION. Grants the interim committee authority to perform its duties and to call and hold hearings in connection with those hearings. Authorizes the interim committee to request the assistance of state agencies, departments, or offices to carry out its duties. Requires the Senate Committee on Natural Resources and the House Committee on Agriculture to provide staff to the interim committee.

Sec. 48.005. EXPENSES. Requires the interim committee to submit a proposed budget to the appropriate committee on administration in each house. Requires the administrative committees to jointly approve the interim committee budget in an appropriate amount for the interim committee to accomplish its duties.

Sec. 48.006. EXPIRATION. Provides that this chapter expires and the interim committee is abolished on the date the legislature convenes in regular session in 2001.

SECTION 3. Amends Title 4, Agriculture Code, by adding Chapter 60, as follows:

CHAPTER 60. CRISIS MANAGEMENT COUNCIL AND MANAGER

Sec. 60.001. DEFINITIONS. Defines “commissioner,” “agricultural crisis,” “council,” and “manager.”

Sec. 60.002. MANAGER; DUTIES. Requires the commissioner of agriculture (commissioner) to employ an agricultural crisis manager (manager). Authorizes the commissioner to designate an employee of the Texas Department of Agriculture (department) to serve as manager in addition to the employee’s other duties. Sets forth the duties of the manager. Requires the manager to perform certain duties.

Sec. 60.003. COUNCIL COMPOSITION; DUTIES. Sets forth the composition of the Crisis Management Council (council). Requires the governor to appoint not more than five representatives of agricultural industries to serve on the council. Requires the council to perform certain duties. Establishes that the governor’s appointees serve without compensation, but are entitled to reimbursement for actual expenses incurred in the performance of official council duties, subject to approval of the commissioner. Requires other council members to be reimbursed for actual expenses by their representative agencies. Requires the commissioner to provide the council with the necessary staff to carry out its duties.

SECTION 4. Amends Title 3, Agriculture Code, by adding Chapter 46, as follows:

CHAPTER 46. AGRICULTURAL TECHNOLOGY PROGRAM

Sec. 46.001. DEFINITIONS. Defines “commissioner,” “department,” “agricultural crisis,” “agri-tech program,” “applied research,” and “eligible institution.”

Sec. 46.002. ADMINISTRATION; GUIDELINES AND PROCEDURES. Requires the department to develop, maintain, and administer the agri-tech program. Requires the department, in awarding funds to support projects under this chapter, to give priority to certain research projects and consider the recommendations of the council for specific projects. Requires the department to award funds to support projects as needed to address agricultural crises in this state. Requires the department to develop and maintain guidelines and procedures to provide awards under this chapter for certain specific projects. Requires the department to determine whether a higher education institution qualifies as an eligible institution. Requires a higher education institution to demonstrate certain capabilities to be designated as an eligible institution. Requires the commissioner to give special consideration to certain projects in the selection process. Authorizes the commissioner to adopt rules to accomplish the purposes of this chapter.

Sec. 46.003. AGRICULTURE TECHNOLOGY ACCOUNT. Establishes that the agriculture technology account (account) is a general revenue fund account. Provides that the account consists of legislative appropriations, gifts and grants received under Subsection (c), and other money required by law to be deposited in the account. Authorizes the department to solicit and accept gifts in kind and grants of money from any entity or person for the purposes of this chapter. Authorizes the funds in the account to be used only as provided by this chapter. Provides that the account is exempt from the application of Section 403.095, Government Code. Requires income from money in the account to be credited to the account.

Sec. 46.004. USE OF FUNDS IN AGRICULTURE TECHNOLOGY ACCOUNT. Requires the comptroller to issue warrants to each eligible institution in the amount certified by the department to the comptroller from funds appropriated for the agri-tech program. Authorizes

funds awarded from the account to be expended to support the particular research project awarded, and prohibits the expenditure of account funds for the support of general research and instruction conducting or sponsoring the project or for the construction or remodeling of a facility. Requires account funds to be used to match grants provided by the federal government or private industry for specific collaborative research projects at eligible institutions, when practicable within the purposes of this chapter. Provides that supplies, materials, services, and equipment purchased with funds obtained under this section are not subject to State Purchasing and General Services Commission authority.

Sec. 46.005. PROGRESS REPORTS. Requires an institution receiving funds under this chapter to report on the progress of the funded research to the department by a certain date.

Sec. 46.006. MERIT REVIEW. Requires the commissioner to appoint a committee consisting of representatives of the agricultural industry and of private enterprise advanced technology research organizations to evaluate the agri-tech program's effectiveness. Requires the committee to report its findings to the department by a certain date.

SECTION 5. Amends Title 3, Agriculture Code, by adding Chapter 47, as follows:

CHAPTER 47. AGRICULTURE RISK MANAGEMENT EDUCATION

Sec. 47.001. LEGISLATIVE FINDINGS; PURPOSE. Sets forth the legislative findings regarding agricultural risk management. Provides that the purposes of this chapter include increasing risk management educational efforts, establishing a statewide educational program that includes a risk management support system and a comprehensive educational curriculum, and fostering the economic competitiveness and success in this state.

Sec. 47.002. CREATION OF PROGRAMS. Requires the Texas Agricultural Extension Service (TAES) to administer a statewide financial and risk management assistance support system (support system). Authorizes the support system to include computer and communications technology to provide agricultural producers and agribusiness with information needed for individual long-term strategic farm or ranch planning. Requires TAES to develop and implement a statewide comprehensive educational curriculum program to provide agricultural producers and agribusinesses with additional information about risk-management and potential tools and options to consider in managing risks. Authorizes the curriculum to include instructional materials, instructors, and other resources in certain areas of interest. Authorizes TAES to organize and deliver the programs with the assistance of interested agricultural groups.

Sec. 47.003. ELIGIBILITY FOR EDUCATIONAL MATERIALS AND SERVICES. Requires TAES to require a person pay a subscription fee or other charge in exchange for educational services and materials as a condition for educational assistance under this chapter.

SECTION 6. Amends Title 8, Agriculture Code, by adding Chapter 254, as follows:

CHAPTER 254. AGRICULTURAL EMERGENCY FEED PROGRAM

Sec. 254.001. DEFINITIONS. Defines "commissioner" and "department."

Sec. 254.002. AGRICULTURAL EMERGENCY FEED PROGRAM. Requires the department to adopt rules and administer a program, to be implemented by executive order of the governor, to provide assistance for the transportation of hay, other animal feed, or water for use by agricultural producers whose production abilities are hindered during periods of natural disaster or other emergencies.

Sec. 254.003. AGRICULTURAL EMERGENCY FEED ACCOUNT. Establishes that the agricultural emergency feed account (account) is an account in the general revenue fund. Establishes that the account consists of legislative appropriations and other money required by law to be deposited in the account. Authorizes the department to solicit and accept gifts in kind and grants of money from governmental agencies, private corporations, or other people to be used for the purposes of this chapter. Authorizes money in the account to be used only for the purposes of this chapter. Establishes that the account is exempt from the application of Section 403.095,

Government Code. Requires income from money in the account to be credited to the account.

Sec. 254.004. **POWERS OF DEPARTMENT AND GOVERNOR.** Requires the department to negotiate contracts with commercial haulers and create a program to pre-certify commercial haulers for use during a natural disaster or other emergency to provide transportation for relief measures under this chapter. Authorizes the governor, at the request of the commissioner, to authorize expenditures from the disaster contingency fund to provide transportation for relief measures under this chapter. Authorizes the commissioner, upon the issuance of an executive order by the governor, to authorize expenditures from the agricultural emergency feed account.

Sec. 254.005. **LIMITATION ON USE OF PROGRAM.** Provides that the assistance provided under this chapter is subject to action by the governor and available only under certain circumstances.

Sec. 254.006. **APPLICATION FOR ASSISTANCE.** Authorizes only a county extension agent in a county described by Section 255.003 to request assistance from the department under the program. Requires the commissioner to prescribe the method by which the county extension agent may request assistance under the program and an agricultural producer may petition the county extension agent for inclusion in the program.

Sec. 254.007. **CONSIDERATION OF APPLICATION.** Requires the TAES to establish criteria to be used by county extension agents when considering applications for assistance under this chapter. Sets forth the considerations to be taken in establishing the criteria.

Sec. 254.008. **TERMINATION OF ASSISTANCE.** Requires the commissioner to determine monthly the continuing need for assistance to each county under the program. Requires the commissioner to suspend assistance for any county under the program, if the commissioner determines the county no longer needs assistance or that available state resources have been expended.

SECTION 7. Amends Chapter 661F, Government Code, by adding Section 661.152, as follows:

Sec. 661.152. **LEAVE FOR VOLUNTEER FIREFIGHTERS IN CERTAIN DISASTERS.** Provides that this section applies only to certain state employees. Provides that those people to whom this section applies are entitled to a leave of absence from work as a state employee without loss of compensation or risk of termination for the hours during which the employee serves as a volunteer firefighter in certain situations. Requires the state agency that employs a person who requests leave to verify the person's eligibility to take the leave.

SECTION 8. Amends Title 3, Agriculture Code, by adding Chapter 47, as follows:

CHAPTER 47. "GO TEXAN" PARTNER PROGRAM

Sec. 47.001. **DEFINITIONS.** Defines "commissioner," "department," and "Texas agricultural product."

Sec. 47.002. **GENERAL AUTHORITY.** Requires the department to establish the "Go Texan" Partner Program (program) to encourage the development and expansion of markets for Texas agricultural products through participation of eligible applicants who provide funds to be matched for promotional marketing programs.

Sec. 47.003. **ELIGIBLE APPLICANT.** Sets forth the required criteria for being an eligible applicant.

Sec. 47.004. **AUTHORITY OF THE DEPARTMENT.** Requires the department to administer the program and sets forth the department's duties for the program.

Sec. 47.005. **USE OF FUNDS.** Authorizes the funds received under this chapter to only be used for activities promoting the sale of Texas agricultural products. Authorizes the department, by rule, to allocate funds to categories of eligible participants and to general or product-specific

promotional activities.

Sec. 47.006. ESTABLISHMENT OF FUND. Creates a special fund in the general revenue fund, designated the “Go Texan” Partner Program Fund (fund), to receive all monies related to the program. Provides that money in the account is exempt from the application of Section 403.095, Government Code. Requires income from money in the account to be credited to the account.

Sec. 47.007. “GO TEXAN” PARTNER PROGRAM BOARD. Provides that the “Go Texan” Partner Program board (board) is composed of at least eight members appointed by the commissioner to assist the department in the implementation of the program. Requires the board to contain certain members. Provides that a member of the board serves at the pleasure of the commissioner. Provides that a member serves without compensation, but is entitled to reimbursement of certain actual expenses, subject to the approval of the commissioner. Requires money for expense reimbursement to be deducted from the fund. Provides that an eligible applicant is not ineligible to participate in the program solely because a member of the board is also an officer, director, or employee of the applicant organization, provided that the board member recuses himself or herself from any action taken by the board on an application involving that applicant organization. Requires the board to perform certain duties. Requires the commissioner to provide the board with the necessary staff to carry out its duties under this chapter.

Sec. 47.008. RULEMAKING AUTHORITY. Requires the department to promulgate rules to administer this chapter. Requires rules adopted under this chapter to ensure that program administrative expenses shall not exceed 7 percent of the average fund balance for the fiscal year.

Sec. 47.009. ADMINISTRATIVE PENALTIES; CIVIL PENALTIES; INJUNCTIVE RELIEF. Provides that it is unlawful for a person to use, reproduce, or distribute the logo of the “Go Texan” Partner Program without registering with the department or to otherwise violate the provisions of this chapter or rules adopted thereunder. Provides that any person who violates any provisions of this chapter or regulations promulgated under this chapter revokes his or her rights for logo use and eligibility for funding. Authorizes the department to assess an administrative penalty for each violation as provided by Section 12.020, Agriculture Code. Authorizes the state to assess a civil penalty not to exceed \$500 for each violation. Authorizes each day a violation continues to be considered a separate violation for purposes of a civil penalty assessment. Requires the attorney general or the county or district attorney of the county in which the violation occurred to file suit to collect the penalty, on request of the department. Requires a civil penalty collected under this section to be deposited with the Comptroller of Public Accounts to the credit of the general revenue fund. Requires the attorney general or the county or district attorney of the county in which the alleged violation is threatened or is occurring to file suit for injunctive relief. Establishes that venue for an action brought under this subsection is in Travis County.

SECTION 9. Amends Chapter 502F, Transportation Code, by adding Section 502.2761, as follows:

Sec. 502.2761. “GO TEXAN” PARTNER PROGRAM FUND LICENSE PLATES. Requires the department to issue specially designed “Go Texan” Partner Program license plates for certain vehicles. Requires the license plates to contain the words “Go Texan” and the “Go Texan” logo of the department and to be of a color, quality, and design approved by the department. Requires the department to issue license plates to people who have met certain requirements. Requires the department to deposit \$25 of each fee collected under this section to the credit of the fund. Authorizes money in the fund to be used only by the department in establishing promotional programs authorized by Chapter 47, Agriculture Code. Authorizes the remainder of each collected fee under this section, after deposit as provided by Subsection (c), to be used only to defray the cost of administering this section. Requires the owner of a vehicle registered under this section to return the special license plates to the department if the owner disposes of the vehicle during the registration year.

SECTION 10. Amends Section 12.020, Agriculture Code, to make a conforming change.

SECTION 11. Effective date: September 1, 1999.

SECTION 12. Emergency clause.