BILL ANALYSIS

Senate Research Center

H.B. 2133 By: Campbell (Estes) Administration 5/6/2003 Committee Report (Amended)

DIGEST AND PURPOSE

H.B. 2133 amends the Agriculture Code to address statutory issues of concern to the Texas Department of Agriculture (TDA). The issues include fees charged by TDA regulatory programs, insurance provisions governing public grain warehouses, establishment of voluntary certification program for producers transitioning to organic production practices and maintenance of phytosanitary certificates.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Department of Agriculture in SECTION 4 (Section 71.051, Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 12.034, Agriculture Code, as follows:

Sec. 12.034. New heading: REFUND OR WAIVER OF FEES. Authorizes the Texas Department of Agriculture (TDA) by rule to provide for the waiver of a licensing, registration, or certification fee collected by TDA, including any related fee, and the waiver of an inspection fee.

SECTION 2. Amends Sections 14.041, Agriculture Code, by amending Subsections (a) and (b) and adding Subsection (d), as follows:

(a) Provides that Subsections (c) and (d) are exceptions to the requirement that an applicant for a license file or have on file with TDA a certificate of insurance evidencing that the policy insures, in the name of the applicant, all depositor grain that is or may be in the public grain warehouse for its full market value against loss by or due to water or other fluid resulting from an insured peril, excluding flood and other rising waters from natural causes, malicious mischief, vandalism, rather than theft or intentional waste or destruction, smoke, internal explosion, lightning, hail, windstorm, hurricane, or tornado.

(b) Makes conforming changes.

(d) Requires an applicant for a license to insure depositor grain for its full market value against loss by or due to fire or windstorm if the grain is in temporary or emergency storage. Requires the certificate required under Subsection (a) to indicate that the applicant has an effective insurance policy under this subsection before being authorized to store depositor grain in temporary or emergency storage.

SECTION 3. Amends Section 18.071, Agriculture Code, to delete the word "voluntary" from text authorizing TDA to establish voluntary certification programs under this subchapter.

SECTION 4. Amends Sections 71.051(a) and (c), Agriculture Code, as follows:

(a) Prohibits a person from shipping a nursery product or florist item into this state without first obtaining, rather than filing with TDA, a certificate of inspection issued by the proper authority of the state from which the shipment originates, except as otherwise provided by TDA rule.

(c) Requires each car, box, bale, or package of a nursery product or florist item shipped into this state to bear a tag printed with a copy of the certificate of inspection from the originating state, except as otherwise provided by TDA rule.

SECTION 5. Provides that Section 71.051, Agriculture Code, as amended by this Act, applies only to an item shipped into this state that enters the state on or after September 1, 2003.

SECTION 6. Effective date: September 1, 2003.

LIST OF AMENDMENTS

Committee Amendment No. 1:

Amends H.B. 2133, as engrossed from the House, by adding a new SECTION 6 and renumbering subsequent SECTIONS accordingly.

SECTION 6. Subsection (a) Section 103.005, Agriculture Code, is amended to read as follows:

(a) A person who deals with a license holder under Chapter 101 in the purchasing, handling, selling, and accounting for sales of <u>perishable commodities</u>, [vegetables or citrus fruit] and who is aggrieved by an action of the license holder as a result of a violation of terms or conditions of a contract made by the license holder for the sale of Texas-grown produce may initiate a claim against the fund by filing with the department:

- (1) a sworn complaint against the license holder and
- (2) a filing fee, as provided by TDA rule.