

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 6, 2009

TO: Honorable Craig Estes, Chair, Senate Committee on Agriculture & Rural Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB4577 by Martinez, "Mando" (Relating to the seizure and destruction of certain plants.), As Engrossed

No significant fiscal implication to the State is anticipated.

The bill would provide TDA the authority to seize a citrus plant, citrus plant product, or citrus substance that TDA determines is located within proximity to a plant infected by a disease dangerous to any agricultural or horticultural product and is determined by TDA to be likely infected by that disease, regardless of whether the plant currently exhibits symptoms of the disease. The bill would allow TDA to provide for compensation to an owner of a citrus plant, citrus plant product, or citrus substance destroyed. The bill would take effect September 1, 2009.

According to information provided by TDA, citrus canker disease is not currently found in Texas. Based on research conducted by TDA on the current outbreak of the disease in Florida, the estimated total cost of compensation to commercial citrus growers and homeowners with citrus trees in affected areas would be \$1,240,800 per outbreak should such an outbreak occur in Texas. According to TDA's analysis, all citrus trees within a 1900-foot radius of the infected tree(s) (or 260.2 acres) would need to be destroyed to eradicate the infestation. Using an average density of 125 citrus trees per acre in a citrus grove, TDA anticipates that grove owners would be compensated at a rate of \$4,000 per acre in an affected area, for a total of \$1,040,800 per outbreak in compensation to commercial citrus growers. In addition, residential owners of affected citrus trees would need to be compensated at \$100 per tree. Assuming an estimated 2,000 homeowner citrus trees in an affected area, it is anticipated that there would be a total cost of \$200,000 per outbreak in compensation to residential owners of citrus trees.

Since it is unknown if an outbreak of this disease would occur in Texas, nor the number of times such an outbreak might occur, and citrus canker disease is not currently found in Texas, it is assumed that passage of this legislation would have no significant fiscal impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 551 Department of Agriculture, 302 Office of the Attorney General

LBB Staff: JOB, AH, ZS, MN, SD