

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Flynn, Kolthorst, McClendon

H.B. No. 1580

## A BILL TO BE ENTITLED

### AN ACT

relating to the continuation and functions of the board of directors of the official cotton growers' boll weevil eradication foundation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 74.113, Agriculture Code, is amended by amending Subsection (f) and adding Subsection (1) to read as follows:

(f) An assessment levied on cotton growers in an eradication zone may be applied only to:

(1) eradication [~~in that zone~~];

(2) the foundation's operating costs, including payments on debt incurred for a foundation activity[, ~~except that the funds of one zone may not be used to pay another zone's bank loans or debts~~]; and

(3) the conducting of other programs consistent with the declaration of policy stated in Section 74.101.

(1) With the approval of the board and the commissioner, the foundation may transfer the proceeds from the collection of assessments in one eradication zone to another eradication zone. The board shall consult with affected cotton grower steering committees before recommending that the commissioner approve the transfer of proceeds under this subsection. The transferred proceeds may be applied only as provided by Subsection (f).

SECTION 2. Subchapter D, Chapter 74, Agriculture Code, is amended by adding Section 74.1135 to read as follows:

Sec. 74.1135. ALTERNATIVE METHOD OF ASSESSMENTS. (a) The commissioner may adopt rules that provide for an alternative method, manner, and mechanism by which assessments are imposed and collected under this subchapter. The commissioner may adopt the rules only after receiving a recommendation from the board. The board shall consult with cotton grower steering committees and the technical advisory committee in formulating a recommendation to the commissioner under this subsection. The commissioner may accept, reject, or modify a board recommendation. The rules apply notwithstanding Section 74.113. The rules must require any person collecting an assessment to forward the assessment to the foundation.

(b) The maximum amount of an assessment under this section may not exceed the maximum amount of an assessment approved in an assessment referendum under this subchapter.

SECTION 3. Section 74.127(a), Agriculture Code, is amended to read as follows:

(a) The board of directors of the official cotton growers' boll weevil eradication foundation is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this subchapter expires September 1, 2021 [~~2009~~].

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this  
2 Act takes effect September 1, 2009.

ADOPTED

FLOOR AMENDMENT NO. 1

MAY 07 2009 BY Sen. Heger

Atty. Gen.  
Secretary of the Senate

Amend C.S.H.B. 1580 (committee printing) as follows:

(1) On page 1, line 55, between "establish" and "a  
hostable", insert "and collect".

(2) On page 2, line 40, between "Unless" and "on or  
before", insert "the fee is paid".

(3) On page 2, line 42, after "due" strike "the fee is  
paid".

(4) On page 3, line 24, strike "Section 74.118(a),  
Agriculture Code, is" and substitute "Sections 74.118(a) and  
(b), Agriculture Code, are"

(5) On page 3, between line 30 and line 31, insert the  
following:

"(b) The commissioner may adopt rules relating to  
~~[prohibiting the planting of]~~ noncommercial cotton located in  
eradication zones and requiring that all growers of commercial  
cotton in an eradication zone participate in a boll weevil or  
pink bollworm eradication program that includes cost sharing as  
required by the rules."

(6) On page 3, line 38-39, strike "~~[if the department  
determines the action is necessary to carry out the purpose of  
this subchapter]~~" and substitute "if the department determines  
the action is necessary to carry out the purpose of this  
subchapter".

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 8, 2009**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB1580** by Flynn (Relating to the continuation and functions of the board of directors of the official cotton growers' boll weevil eradication foundation and the management of certain cotton in pest management zones.), **As Passed 2nd House**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would continue the Boll Weevil Eradication Foundation until September 1, 2021. The bill would provide the Foundation the authority to transfer the proceeds from the collection of assessments in one eradication zone to another eradication zone subject to the approval of the Board and the Commissioner of Agriculture.

The bill would require the Boll Weevil Eradication Foundation to conduct a study of the effects of incomplete stalk destruction and volunteer cotton control on boll weevil eradication activities, and submit recommendations for a cotton stalk destruction deadline for each pest management zone to the Department of Agriculture (TDA). The bill would require TDA to set a cotton stalk destruction deadline for each pest management zone based on the foundation's recommendations. The bill would require TDA to establish and collect a hostable cotton fee for fields in which hostable cotton stalks, hostable volunteer cotton, or other hostable noncommercial cotton remains past the stalk destruction deadline for the applicable pest management zone. All hostable cotton fees would be deposited in an account established for the treatment of cotton until the cotton is rendered nonhostable and for other expenses incident to boll weevil eradication.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Revenue would be generated by the bill, but the Comptroller of Public Accounts indicates that this amount cannot be determined.

The Department of Agriculture indicates that any costs associated with the bill could be absorbed within the agency's existing resources.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house; otherwise it would take effect September 1, 2009.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission, 551 Department of Agriculture

**LBB Staff:** JOB, SD, AH, KK

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 1, 2009**

**TO:** Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

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

**IN RE: HB1580** by Flynn (relating to the continuation and functions of the board of directors of the official cotton growers' boll weevil eradication foundation and the management of certain cotton in pest management zones.), **Committee Report 2nd House, Substituted**

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**LBB Staff:** JOB, KK, AH

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 20, 2009**

**TO:** Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

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

**IN RE: HB1580** by Flynn (Relating to the continuation and functions of the board of directors of the official cotton growers' boll weevil eradication foundation.), **As Engrossed**

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