By: King of Zavala H.B. No. 2995

## A BILL TO BE ENTITLED

AN ACT

- 2 relating to the administration of the citrus budwood certification
- 3 program and the creation of the citrus nursery stock certification
- 4 program; providing civil, criminal, and administrative penalties
- 5 and authorizing fees.

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- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 7 SECTION 1. The heading to Chapter 19, Agriculture Code, is
- 8 amended to read as follows:
- 9 CHAPTER 19. CITRUS BUDWOOD AND CITRUS NURSERY STOCK CERTIFICATION
- 10 PROGRAMS [PROCRAM]
- 11 SECTION 2. Section 19.001, Agriculture Code, is amended to
- 12 read as follows:
- 13 Sec. 19.001. PURPOSE. The purpose of this chapter is to:
- 14 (1) establish a certified citrus budwood program to
- 15 produce citrus trees that are horticulturally sound, are free from
- 16 virus and other recognizable bud-transmissible diseases, and are of
- 17 an assured type of citrus variety;
- 18 (2) <u>establish a certified citrus nursery program for</u>
- 19 citrus nursery stock sold in or into the citrus zone as part of an
- 20 effort to produce citrus trees that are free from pathogens,
- 21 including citrus greening disease, which is spread by the Asian
- 22 <u>citrus psyllid;</u>
- 23 (3) provide standards for foundation groves,
- 24 certified citrus nurseries, and certified citrus nursery trees; and

- 1 (4) [(3)] provide for an advisory council to make
- 2 recommendations on the implementation of the programs [program].
- 3 SECTION 3. Section 19.002, Agriculture Code, is amended by
- 4 adding Subdivisions (1-a), (2-a), (2-b), and (5-a) and amending
- 5 Subdivisions (4) and (5) to read as follows:
- 6 (1-a) "Asian citrus psyllid" has the meaning assigned
- 7 by Section 80.003.
- 8 (2-a) "Certified citrus nursery" means a nursery that
- 9 meets standards required by the department for production of citrus
- 10 <u>nursery stock free from pests of citrus.</u>
- 11 (2-b) "Certified citrus nursery stock" means citrus
- 12 nursery stock propagated from cuttings or by budding, grafting, or
- 13 air-layering and grown from certified citrus budwood that meets
- 14 standards required by the department for assurance of type of
- 15 citrus variety and for freedom from dangerous pathogens.
- 16 (4) "Citrus grower" means a citrus producer growing
- 17 and producing citrus nursery stock for commercial or retail
- 18 marketing purposes.
- 19 (5) "Citrus nursery" means a producer of citrus
- 20 trees  $[\tau]$  propagated through the budding or grafting of citrus trees
- 21 using certified citrus budwood.
- 22 (5-a) "Citrus nursery stock" means citrus plants to be
- 23 <u>used in a commercial or noncommercial setting.</u>
- SECTION 4. Section 19.003, Agriculture Code, is amended to
- 25 read as follows:
- Sec. 19.003. SCOPE. Except as otherwise provided by this
- 27 chapter, this [This] chapter applies to all citrus nurseries and

- 1 citrus growers.
- 2 SECTION 5. Chapter 19, Agriculture Code, is amended by
- 3 adding Sections 19.0031 and 19.0041 to read as follows:
- 4 Sec. 19.0031. CITRUS ZONE. The following counties are
- 5 designated as the citrus zone of this state for the purpose of this
- 6 chapter: Brooks, Cameron, Hidalgo, Jim Hogg, Kenedy, Starr,
- 7 Willacy, and Zapata.
- 8 Sec. 19.0041. CITRUS NURSERY STOCK CERTIFICATION PROGRAM.
- 9 (a) The citrus nursery stock certification program is established.
- 10 The department administers the program.
- 11 (b) The department shall accomplish the purposes of the
- 12 program through the certification of nurseries growing or selling
- 13 <u>citrus nursery stock in the citrus zone.</u>
- 14 (c) All citrus nursery stock grown in or sold in or into the
- 15 citrus zone must be grown in a certified citrus nursery.
- 16 (d) The department, in consultation with the advisory
- 17 council, shall set standards for certified citrus nurseries and
- 18 citrus nursery stock certification, and shall inspect citrus
- 19 nurseries and the records of citrus nurseries to ensure that citrus
- 20 nurseries comply with the provisions of the citrus nursery stock
- 21 <u>certification program.</u>
- (e) The department shall provide for an annual renewal of a
- 23 certificate for a certified citrus nursery, including the
- 24 imposition of applicable fees. The department shall renew the
- 25 certificate if the nursery maintains the standards set by the
- 26 department under Subsection (d).
- 27 SECTION 6. Section 19.005(a), Agriculture Code, is amended

- 1 to read as follows:
- 2 (a) The commissioner shall appoint the advisory council.
- 3 The advisory council is composed of 11 [seven] members, including:
- 4 (1) one member representing the department;
- 5 (2) one member representing The Texas A&M
- 6 University-Kingsville Citrus Center at Weslaco;
- 7 (3) two members representing the <u>commercial</u> citrus
- 8 nursery industry;
- 9 (4) two members representing commercial citrus
- 10 growers; [and]
- 11 (5) one member having specialized knowledge in citrus
- 12 diseases and pests;
- (6) one member representing nurseries that propagate
- 14 citrus nursery stock for retail marketing purposes;
- 15 (7) one member representing Texas Citrus Mutual; and
- 16 (8) two members representing the citrus packing shed
- 17 industry.
- 18 SECTION 7. Section 19.006, Agriculture Code, is amended to
- 19 read as follows:
- Sec. 19.006. RULES. The department, with the advice of the
- 21 advisory council, shall adopt standards and rules:
- 22 (1) necessary to administer the citrus budwood
- 23 certification program and the citrus nursery certification
- 24 program; [and]
- 25 (2) to regulate the sale of citrus budwood and citrus
- 26 nursery trees as supplies of certified citrus budwood and certified
- 27 citrus nursery trees become available; and

	H.B. No. 2995
1	(3) requiring citrus nursery stock grown in or sold
2	into the citrus zone to be propagated:
3	(A) using certified citrus budwood; and
4	(B) in an enclosed structure that:
5	(i) is built to specifications as
6	determined by department rule; and
7	(ii) has a top and sides that are built to
8	exclude insects that may transmit citrus pathogens.
9	SECTION 8. Sections 19.007, 19.008, 19.009, 19.010, and
10	19.011, Agriculture Code, are amended to read as follows:
11	Sec. 19.007. CERTIFICATION STANDARDS. (a) The department
12	shall establish:
13	(1) the certification standards for genetic purity for
14	varieties of citrus budwood by type;

(3) procedures for certification of citrus budwood 18

introduction of dangerous citrus pathogens into budwood stock from

procedures that must be followed to prevent the

grown in foundation groves; and 19

and in foundation groves;

- 20 (4) procedures for certification of <u>citrus nurseries</u>
- and citrus nursery trees. 21
- 22 (b) The department shall establish standards and procedures
- 23 for:

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- 24 inspecting and testing for diseases, using current
- technologies in disease diagnosis, and for desirable horticultural 25
- characteristics of citrus budwood grown in designated foundation 26
- 27 groves;

1	(2) certifying citrus budwood <u>and citrus nurseries</u>
2	meeting requirements established under this chapter;
3	(3) maintaining a source of citrus budwood of superior
4	tested varieties for distribution to the citrus industry;
5	(4) verifying propagation of citrus varieties and
6	special rootstocks for growers on request, including an inspection
7	of the citrus nursery's books and records; [and]
8	(5) maintaining appropriate records required for
9	participation in the citrus budwood certification and citrus
10	nursery stock certification programs;
11	(6) inspecting citrus nurseries to ensure that the
12	structures in which citrus nursery stock is propagated meet
13	standards set by the department, including standards for:
14	(A) size;
15	(B) construction;
16	(C) insect resistance;
17	(D) citrus nursery sanitation;
18	(E) movement of the citrus nursery stock from one
19	structure to another at the nursery;
20	(F) proximity to nearby citrus groves; and
21	(G) other standards for the operation of a
22	certified nursery as may be required by the department; and
23	(7) requiring each citrus nursery to submit source
24	tree bud cutting reports to the department not later than the 30th
25	day after citrus trees are budded [program].
26	Sec. 19.008. APPLYING FOR FOUNDATION GROVE DESIGNATION,
27	[AND] BIIDWOOD CERTIFICATION AND CITRUS NURSERY CERTIFICATION (a)

- 1 A person who desires to operate a foundation grove and produce
- 2 certified citrus budwood for sale to the citrus industry must
- 3 [shall] apply for foundation grove designation and citrus budwood
- 4 certification in accordance with rules adopted by the department.
- 5 (b) A person who desires to operate a citrus nursery to
- 6 propagate citrus nursery stock for sale in or into the citrus zone
- 7 must apply for citrus nursery certification in accordance with
- 8 rules adopted by the department.
- 9 Sec. 19.009. REVOCATION. The department shall establish
- 10 rules regarding the revocation of foundation grove designation,
- 11 [and] citrus budwood certification, and citrus nursery
- 12 certification.
- Sec. 19.010. PROGRAM COST; FEES; ACCOUNT. (a) The
- 14 department shall set and collect fees from persons applying for
- 15 foundation grove designation, [ex] citrus budwood certification,
- 16 <u>or citrus nursery certification</u>. The department shall set the fees
- 17 in an amount that recovers the department's costs in administering
- 18 and enforcing the citrus budwood certification program and the
- 19 citrus nursery certification program. The department may also
- 20 accept funds from the citrus industry or other interested persons
- 21 to cover the costs of administering the programs [program].
- (b) All fees and funds collected or contributed under this
- 23 section shall be deposited to the credit of an account in the
- 24 general revenue fund. Money in the account may be appropriated only
- 25 to the department for the purpose of administering and enforcing
- 26 this chapter.
- Sec. 19.011. STOP-SALE ORDER. (a) If a person offers

- 1 citrus budwood or a citrus nursery tree for sale falsely claiming
- 2 that it is certified  $\underline{\,}$  [ $\frac{\text{or}}{\,}$ ] that it comes from a designated
- 3 foundation grove, or that it comes from a certified citrus nursery,
- 4 or offers citrus budwood, [ex] a citrus nursery tree, or citrus
- 5 nursery stock for sale in violation of rules adopted under this
- 6 chapter, the department may issue a written order to stop the sale
- 7 of that citrus budwood, [or] citrus nursery tree, or citrus nursery
- 8 <u>stock</u>. A person may not sell citrus budwood, [<del>or</del>] a citrus nursery
- 9 tree, or citrus nursery stock that is subject to a stop-sale order
- 10 under this section until:
- 11 (1) the sale is permitted by a court under Subsection
- 12 (b); or
- 13 (2) the department determines that the sale of the
- 14 citrus budwood, [ex] citrus nursery tree, or citrus nursery stock
- 15 is in compliance with this chapter and rules adopted under this
- 16 chapter.
- 17 <u>(a-1)</u> The department may issue a written order to stop the
- 18 sale of citrus nursery stock from a citrus nursery or to stop the
- 19 operation of all or part of a citrus nursery if a person propagates
- 20 citrus nursery stock in a citrus nursery for sale in or into the
- 21 citrus zone and:
- (1) the person falsely claims that the citrus nursery
- 23 <u>is certified; or</u>
- 24 (2) if the citrus nursery is certified, the person
- 25 fails to comply with the rules adopted under this chapter.
- 26 <u>(a-2)</u> A person may not sell citrus nursery stock out of a
- 27 citrus nursery, or operate a citrus nursery or a part of a citrus

- 1 nursery, that is subject to a stop-sale order under this section
- 2 until:
- 3 (1) the sale is permitted by a court under Subsection
- 4 (b); or
- 5 (2) the department determines that the citrus nursery
- 6 <u>is in compliance with this chapter and rules adopted under this</u>
- 7 chapter.
- 8 (b) The person named in the order may bring suit in a court
- 9 in the county where the citrus budwood, [<del>or</del>] citrus nursery tree, or
- 10 citrus nursery subject to the stop-sale order is located. After a
- 11 hearing, the court may, as applicable, permit the citrus budwood or
- 12 citrus nursery tree to be sold, or permit the citrus nursery to
- 13 <u>continue operations</u>, if the court finds, as applicable, the citrus
- 14 budwood or citrus nursery tree is not being offered for sale or that
- 15 the citrus nursery is not operating in violation of this chapter.
- 16 (c) This section does not limit the department's right to
- 17 act under another section of this chapter.
- 18 (d) The department shall inspect each citrus nursery in the
- 19 citrus zone not less than once every two months in order to enforce
- 20 this section.
- 21 SECTION 9. Section 19.012(a), Agriculture Code, is amended
- 22 to read as follows:
- 23 (a) A person commits an offense if the person:
- 24 (1) sells or offers to sell citrus budwood, [or] a
- 25 citrus nursery tree, or citrus nursery stock falsely claiming that
- 26 it is certified or that it comes from a designated foundation grove
- 27 or a certified citrus nursery;

- 1 (2) uses, for commercial purposes, citrus budwood that
- 2 is required by department rule to be certified and is not certified
- 3 or does not come from a designated foundation grove; [or]
- 4 (3) sells or offers to sell in or into the citrus zone
- 5 citrus nursery stock that has not been propagated in a certified
- 6 citrus nursery;
- 7 (4) operates, in the citrus zone for the propagation
- 8 of citrus nursery stock, a citrus nursery that is not a certified
- 9 citrus nursery or that is not in compliance with this chapter or a
- 10 rule adopted under this chapter;
- 11 (5) operates, outside of the citrus zone for the
- 12 propagation of citrus nursery stock for sale into the citrus zone, a
- 13 citrus nursery that is not a certified citrus nursery or that is not
- 14 in compliance with this chapter or a rule adopted under this
- 15 chapter; or
- 16 (6) fails to comply with an order of the department
- 17 issued under this chapter.
- SECTION 10. Sections 19.013(a) and (c), Agriculture Code,
- 19 are amended to read as follows:
- 20 (a) A person who violates this chapter, a rule adopted under
- 21 this chapter, or an order adopted under this chapter is liable to
- 22 the state for a civil penalty not to exceed \$500 for each violation.
- 23 Each day a violation continues is a separate violation for purposes
- 24 of civil penalty assessment.
- 25 (c) A civil penalty collected under this section in a suit
- 26 filed by the attorney general shall be deposited to the credit of an
- 27 account in the general revenue fund. A civil penalty collected

## H.B. No. 2995

- 1 under this section in a suit filed by a county or district attorney
- 2 shall be divided between the state and the county in which the
- 3 county or district attorney brought suit, with 50 percent of the
- 4 amount collected paid to the state for deposit to the credit of an
- 5 account in the general revenue fund and 50 percent of the amount
- 6 collected paid to the county. Funds credited to the account in the
- 7 general revenue fund may be appropriated only to the department for
- 8 purposes of administering and enforcing this chapter and rules
- 9 adopted under this chapter.
- 10 SECTION 11. Section 19.014, Agriculture Code, is amended to
- 11 read as follows:
- 12 Sec. 19.014. ADMINISTRATIVE PENALTIES. The department may
- 13 assess an administrative penalty under Chapter 12 for a violation
- 14 of this chapter if the department finds that a person:
- 15 (1) sells or offers to sell citrus budwood,  $[ext{or}]$  a
- 16 citrus nursery tree, or citrus nursery stock falsely claiming that
- 17 it is certified or that it comes from a designated foundation grove
- 18 or a certified citrus nursery under this chapter;
- 19 (2) uses citrus budwood in violation of rules adopted
- 20 under this chapter;
- 21 (3) uses, for commercial purposes, citrus budwood that
- 22 is required by department rule to be certified and is not certified
- 23 or does not come from a designated foundation grove; [or]
- 24 (4) <u>sells or offers to sell citrus nursery stock in or</u>
- 25 into the citrus zone falsely claiming that the citrus nursery stock
- 26 was propagated in a certified citrus nursery;
- 27 (5) operates, in the citrus zone for the propagation

H.B. No. 2995

- 1 of citrus nursery stock, a citrus nursery that is not a certified
- 2 citrus nursery or that is not in compliance with this chapter or a
- 3 rule adopted under this chapter;
- 4 (6) operates, outside of the citrus zone for the
- 5 propagation of citrus nursery stock for sale into the citrus zone,
- 6 <u>a citrus nursery that is not a certified citrus nursery or that is</u>
- 7 not in compliance with this chapter or a rule adopted under this
- 8 chapter; or
- 9 (7) fails to comply with an order of the department
- 10 issued under this chapter.
- 11 SECTION 12. (a) Not later than October 1, 2013, the
- 12 Department of Agriculture shall adopt rules to administer Chapter
- 13 19, Agriculture Code, as amended by this Act.
- 14 (b) Not later than October 1, 2013, the commissioner of
- 15 agriculture shall appoint the members to the advisory council as
- 16 provided by Section 19.005, Agriculture Code, as amended by this
- 17 Act.
- 18 SECTION 13. The changes in law made by this Act apply only
- 19 to an offense committed on or after the effective date of this Act.
- 20 An offense committed before the effective date of this Act is
- 21 covered by the law in effect when the offense was committed, and the
- 22 former law is continued in effect for that purpose. For purposes of
- 23 this section, an offense was committed before the effective date of
- 24 this Act if any element of the offense was committed before that
- 25 date.
- 26 SECTION 14. The changes in law made by this Act apply only
- 27 to a violation committed on or after the effective date of this Act.

H.B. No. 2995

- 1 A violation committed before the effective date of this Act is
- 2 covered by the law in effect when the violation was committed, and
- 3 the former law is continued in effect for that purpose.
- SECTION 15. This Act takes effect September 1, 2013.