BILL ANALYSIS

Senate Research Center 87R6269 BEF-F

H.B. 2841 By: Longoria; Guerra (Hinojosa) Water, Agriculture & Rural Affairs 5/6/2021 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Citrus Pest and Disease Management Corporation, Inc., was created in order to bridge the gap between citrus producers, academia, and the general public so that the Texas citrus industry, located in Hidalgo, Cameron, and Willacy Counties, is best protected against biological pests and diseases that have devastated other states' citrus industries.

Unfortunately, some citrus producers have not paid their corporation assessment, which endangers the corporation's operations and the protections it provides for the Texas citrus industry. Currently, a notice is given regarding a delinquent assessment but there is no adequate mechanism for the corporation to seek a judgment to collect on the assessment. H.B. 2841 seeks to address this issue by providing for suits to collect delinquent assessments owed by certain citrus producers to the corporation.

H.B. 2841 amends current law relating to suits to collect assessments owed by certain citrus producers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 80, Agriculture Code, by adding Section 80.0175, as follows:

Sec. 80.0175. SUIT TO COLLECT DELINQUENT ASSESSMENT. (a) Authorizes the Texas Citrus Pest and Disease Management Corporation, Inc. (corporation) to investigate conditions that relate to the prompt remittance of the assessment by a citrus producer at any time after an assessment becomes delinquent.

- (b) Authorizes the corporation, if the corporation determines that a citrus producer has failed to remit an assessment to the corporation as required by Chapter 80 (Official Citrus Producers' Pest and Disease Management Corporation), to:
 - (1) independently bring suit against the citrus producer to obtain appropriate injunctive relief or a judgment in the amount due to the corporation, including:
 - (A) the amount of delinquent assessments;
 - (B) penalties assessed under Section 80.017(a) (relating to the provision that a citrus producer may be subject to a penalty under certain circumstances); and
 - (C) interest on delinquent assessments and penalties; or

- (2) request the Texas Department of Agriculture (TDA), the attorney general, or a county or district attorney having jurisdiction to file suit on the corporation's behalf.
- (c) Requires a court to order the injunctive relief necessary to ensure payment of the delinquent assessments by the citrus producer.
- (d) Requires a court to grant injunctive relief under Subsection (b) without a bond.
- (e) Authorizes the corporation, in a petition for injunctive relief under Subsection (b), to also seek to secure payment of assessments for the current year that are not yet delinquent. Requires the corporation to estimate the amount of any assessments for the year that have not yet been made.
- (f) Provides that a petition under Subsection (b) is sufficient if it alleges that:
 - (1) the corporation is legally constituted and authorized to impose and collect assessments from citrus producers;
 - (2) assessments in the amounts stated were legally imposed on the citrus producer for each year specified in the suit;
 - (3) the assessments are delinquent;
 - (4) penalties, interest, and costs allowed by law in the amounts stated are due in connection with the assessments;
 - (5) the citrus producer named in the suit was legally subject to assessments under this chapter when the assessments became due;
 - (6) the corporation has done all things required under this chapter to enforce the payment of the assessments; and
 - (7) the attorney signing the petition is legally authorized to prosecute the suit on behalf of the corporation.
- (g) Provides that the corporation, TDA, the attorney general, and a county or district attorney are entitled to recover reasonable expenses incurred in obtaining injunctive relief or a judgment under this section, including investigatory costs and fees, reasonable attorney's fees, and court costs.
- (h) Provides that venue for a suit under this section is in Travis County or the county in which the citrus producer named in the suit is located or conducts business related to the production of citrus.

SECTION 2. Effective date: upon passage or September 1, 2021.