

Summary of Legislative Action

S.B. 1016 Estes/Hegar (Flynn)

The Legislature adopted all of the Sunset Commission's recommendations and added several provisions to Senate Bill 1016. The bill continues the Department of Agriculture; continues the Prescribed Burning Board, but removes its separate Sunset date; and abolishes the Texas-Israel Exchange Fund Board. The bill also restructures the Texas Agricultural Finance Authority, makes numerous changes to strengthen and streamline the Department's regulatory programs, and creates new programs for rural economic development and citrus pest management. The list below summarizes the major provisions of S.B. 1016, and more detailed discussion is located in each issue.

Sunset Provisions

1. Restructure the Texas Agricultural Finance Authority's programs so that they better meet the needs of Texas agriculture.
2. Continue the Prescribed Burning Board as a semi-independent board and strengthen its enforcement authority over noncompliant licensees and unlicensed activity.
3. Abolish the Texas-Israel Exchange Fund, and give TDA the discretion to seek funding for cooperative agricultural research as the agency sees fit.
4. Require the Commissioner of Agriculture, rather than the Governor, to appoint the members of certain boards and combine the two wine advisory committees into one.
5. Eliminate regulation of certain activities and conform the regulation of others to reflect current industry practices.
6. Conform key elements of TDA's licensing and enforcement functions to commonly applied licensing practices.
7. Conform the Structural Pest Control Act with the Agriculture Code to better integrate the program into TDA's regulatory structure.
8. Continue TDA for 12 years.

Provisions Added by the Legislature

1. Grant TDA authority to impose requirements on unlicensed produce dealers to prevent losses to perishable commodity producers.
2. Update the Structural Pest Control Act so that it reflects current industry and regulatory practices.
3. Provide another eligibility requirement for the Commissioner and additional administrative tools for the agency.
4. Create grant programs to encourage rural economic development.

5. Grant the Texas Beef Council authority to administer in Texas the federal program for beef marketing.
6. Update statutory provisions related to livestock.
7. Create entities to promote the use of biofuels.
8. Create an entity to manage citrus pests and diseases.

Fiscal Implication Summary

Senate Bill 1016 contains two provisions that will increase TDA's number of full-time equivalent employees by three and will have a net cost of \$117,038 to the General Revenue Fund for the 2010-11 biennium.

- ◆ **Issue 1** – To avoid the problems of past TAFAs programs, TDA will need to hire two additional staff with expertise in managing complex financial assistance programs. These two staff will be paid for with funds already available in the Texas Agricultural Fund Account.
- ◆ **Issue 2** – Expanding TDA's authority to administer the regulation of prescribed burn managers and enforce against negligent or unlicensed burn managers will require the agency to hire one additional employee. Since this regulatory program generates a very small amount of revenue from licensing, the cost of the employee will come from the General Revenue Fund. The Legislature appropriated \$117,038 for the salary, benefits, and related expenses of this employee for the 2010-11 biennium.
- ◆ Provisions added by the Legislature, including the Rural Investment Fund, Rural Economic Development and Investment Program, Bioenergy Policy Council, and Bioenergy Research Committee, will require funding and staff to implement. However, the Legislature did not provide appropriations for these programs.