

## **BILL ANALYSIS**

Senate Research Center

S.B. 1708  
By: Staples  
S/C on Agriculture & Coastal Resources  
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As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Currently, the national beef check-off program assesses a \$1 per head fee on the sale of live domestic and imported cattle and a comparable assessment on imported beef and beef products. States retain up to 50 cents of each dollar collected and forward the remainder to the Cattlemen's Beef Promotion and Research Board, which oversees the national program with oversight from the United States Department of Agriculture. Revenues are used to increase beef demand through promotion of programs, research, and education.

In 2001, a federal lawsuit filed in South Dakota requested the court to invalidate the program on the grounds that it violates producers' First Amendment right to freedom of speech and association. In 2002, a federal district judge in South Dakota issued an injunction to halt further collection of assessments under the check-off program. The case is presently pending before the United States Supreme Court and a decision is expected in the spring of 2005.

Current Texas law, passed during the 78th Legislature, Regular Session, 2003, authorized the Texas Beef Council to conduct its own check-off program in the event the federal program was held unconstitutional by the United States Supreme Court.

As proposed, S.B. 1708 ensures that the Texas Department of Agriculture has the authority and flexibility to establish a program that comports with the standards set forth by the Supreme Court ruling.

### **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 Section 41.160, Agriculture Code, to require the commissioner of agriculture, on recommendation of the Texas Beef Council (council), to propose the maximum assessment in a referendum under Section 41.162 (Conduct of Referendum; Balloting) and the manner in which it is collected. Deletes existing text referring to assessments collected by the council under this subchapter.

SECTION 2. Effective date: upon passage or September 1, 2005.