

BILL ANALYSIS

Senate Research Center
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S.B. 1459
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas citrus industry is comprised of almost 27,000 acres in the lower Rio Grande Valley. The growers in the area produce more than nine million cartons of fresh grapefruit and oranges each year and another five million cartons of juice fruit. The total business activity supporting Texas citrus production is valued at \$200 million annually and currently up to 3,000 workers in normal producing years.

Citrus pests and diseases are threatening the livelihood of the Texas citrus industry as a whole. Millions of dollars have been invested, utilizing both industry, state and federal funds, to slow the spread of incurable plant diseases such as citrus greening disease and citrus canker as well as pests like the Mexican fruit fly. The concerns led to the creation of a pest management zone. The pest management zone is overseen by the Pest Management Corporation, a nonprofit quasi-governmental entity created by the Texas Legislature in 2009, and consisting of local elected and appointed board members.

The pest management zone designation consists of Hidalgo, Cameron, and Willacy Counties. Abandoned groves in the pest management zone pose a great threat to commercial groves. There are many instances where landowners have agriculture tax exemption for citrus but do not properly manage, treat or care for their citrus trees. These unmanaged citrus trees can harbor pests that spread very serious disease to commercial and active groves, leading to devastating effects on the Texas citrus industry. S.B. 1459 provides a tool to try and help prevent the spread of diseases that threaten the Texas citrus industry.

As proposed, S.B. 1459 amends current law relating to incentives to encourage landowners to destroy, remove, or treat citrus trees located in a pest management zone.

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 Subchapter D, Chapter 23, Tax Code, by adding Section 23.524, as follows:

Sec. 23.524. TEMPORARY CESSATION OF AGRICULTURAL USE TO MANAGE THE SPREAD OF CERTAIN PESTS. (a) Defines "commissioner," "corporation," "infested," "pest," and "pest management zone."

(b) Provides that the eligibility of land for appraisal under this subchapter (Appraisal of Agricultural Land) does not end because the land ceases to be devoted principally to agricultural use to the degree of intensity generally accepted in the area for the period prescribed by Subsection (c) if:

(1) the land is located in a pest management zone and appraised under this subchapter primarily on the basis of the production of citrus in the tax year in which the agreement described by this subsection is executed;

(2) the owner of the land has executed an agreement to destroy, remove, or treat all the citrus trees located on the land that are or could become infested with pests with the Texas Citrus Pest and Disease Management Corporation, Inc., the commissioner of agriculture, or the United States Department of Agriculture, and complies with the requirements of Subsection (d); and

(3) the cessation of use is caused by the destruction, removal, or treatment of the citrus trees located on the land under the terms of the agreement described by this subsection.

(c) Provides that Subsection (b) applies to land eligible for appraisal under this subchapter only during the period that begins on the date the agreement described by that subsection regarding the land is executed and that ends on the fifth anniversary of that date.

(d) Requires the owner of the land to which this section applies, not later than the 30th day after the date the owner executes an agreement described by Subsection (b), to notify in writing the chief appraiser for each appraisal district in which land is located that the agreement has been executed and that the owner intends to destroy, remove, or treat the citrus trees located on the land under the terms of the agreements, and to submit a copy of the agreement to each chief appraiser with the notification.

(e) Provides that, for the purposes of this subchapter, a change of use of the land subject to this section is considered to have occurred on the day the period described by Subsection (c) begins if the owner has not fully complied with the terms of the agreement described by Subsection (b) on the date the agreement ends.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2017.