

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 1201 Department of Citrus
SPONSOR(S): State Affairs Committee, Clemons
TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 1276

FINAL HOUSE FLOOR ACTION: 116 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/HB 1201 passed the House on March 11, 2020, as CS/SB 1276.

The Department of Citrus (department) is an executive agency of Florida government charged with the marketing, research, and regulation of the Florida citrus industry. The department is governed by the Florida Citrus Commission (commission), a nine-member board appointed by the Governor to represent citrus growers, processors, and packers. The department must be staffed five days per week, 40 hours per week, as necessary to accommodate industry inquiries. The executive director, with the commission's approval, may establish alternate schedules for individual department employees to ensure maximum efficiencies.

The bill establishes the Friends of Florida Citrus Program within the department. It provides for the powers and duties of the program and requires any funds received by the program to be deposited into the Florida Citrus Advertising Trust Fund within the department. It also creates the Friends of Florida Citrus Advisory Council to advise and provide recommendations to the commission regarding the use of any funds received for the Friends of Florida Citrus Program.

The bill also authorizes the department to loan or share department employees with specified state and federal entities. The bill authorizes the department to enter into agreements with such entities under terms and conditions that will benefit the state, subject to prior department approval. The bill deletes provisions setting out the required work schedule for the department.

The bill may have an indeterminate positive fiscal impact on the state. See Fiscal Comments.

The bill was approved by the Governor on June 30, 2020, ch. 2020-152, L.O.F., and will become effective on July 1, 2020.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

The Department of Citrus

The Department of Citrus (department) was established in 1935, with the passage of the Florida Citrus Code.¹ The department is an executive agency of the Florida government charged with the marketing, research, and regulation of the Florida citrus industry.² The department is governed by the Florida Citrus Commission (commission), a nine-member board appointed by the Governor to represent citrus growers, processors, and packers.³ The commission serves in the capacity of a board of directors and as an agency head for the department and oversees and guides the activities of the department.⁴

Florida's citrus industry employs more than 45,000 people, provides an annual economic impact of \$8.6 billion to the state, and contributes hundreds of millions of dollars in tax revenues that help support Florida's schools, roads, and health care services.⁵ The department also has extensive regulatory responsibilities, covering every aspect of the citrus industry, including research, production, maturity standards, licensing, transportation, labeling, packing, and processing.⁶ The department must be staffed five days per week, 40 hours per week, as necessary to accommodate industry inquiries. The executive director, with the commission's approval, may establish alternate schedules for individual department employees to ensure maximum efficiencies.⁷ The department currently has 26 full-time employees.

Intergovernmental Interchange of Public Employees

Florida statutes allow for the interchange of public employees within the government. The state recognizes that intergovernmental cooperation is an essential factor in resolving problems affecting this state and that the interchange of personnel between and among governmental agencies is a significant factor in achieving such cooperation.⁸ The details of the interchange must be put into an agreement reported to the Department of Management Services, and such interchange may not last more than two years.⁹ For the 2019-2020 fiscal year, the assignment of an employee of a state agency may be made if recommended by the Governor or Chief Justice, as appropriate, and if approved by the chairs of the legislative appropriations committees.¹⁰

Marketing Orders

In order to effectuate the policy and purposes of the Florida Citrus Marketing Act,¹¹ the department may enter into, administer, and enforce marketing agreements with handlers and distributors relating to the handling of citrus fruit grown in Florida.¹² Such marketing agreements are only binding on the signatories thereto.¹³

¹ Ch. 601, F.S.

² Florida Department of Citrus, *About the Florida Department of Citrus*, available at <https://www.floridacitrus.org/grower/about/florida-department-of-citrus/> (last visited Jan. 15, 2020).

³ S. 601.04, F.S.; Florida Department of Citrus, *Florida Citrus Commission*, available at <https://www.floridacitrus.org/grower/about/florida-citrus-commission/> (last visited Jan. 15, 2020).

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ S. 601.10(3)(b), F.S.

⁸ S. 112.25, F.S.

⁹ S. 112.24(2), F.S.

¹⁰ S. 112.24(6), F.S.

¹¹ S. 600.011, F.S.

¹² S. 600.051(1), F.S.

¹³ *Id.*

Effect of the Bill

The bill establishes the Friends of Florida Citrus Program (program) within the department. Its purpose is to support and assist existing and future programs within the department. Through the program, the department must:

- Conduct programs and activities related to the protection and enhancement of the quality and reputation of Florida citrus fruit and the canned and concentrated products that are sold in domestic and foreign markets;
- Identify and pursue methods to provide resources and materials for the program; and
- Research methods to integrate the resources and materials that have been identified.

The bill authorizes the department to receive donations from private corporations to support the program. Donations must be deposited into the Florida Citrus Advertising Trust Fund.

The bill establishes the Friends of Florida Citrus Advisory Council (advisory council) to advise and provide recommendations to the commission regarding the use of any funds received for the program. The advisory council must consist of the following members, who are appointed by the commission:

- One member of the commission;
- One member recommended by the Florida Citrus Processors Association;
- One member recommended by the statewide voluntary Florida citrus growers association with the highest membership; and
- Two at-large members, at the discretion of the commission.

Initially, the commission must appoint two members to a term of four years, one member to a term of three years, one member to a term of two years, and one member to a term of one year. Thereafter, members are appointed for four-year terms.

The bill authorizes the department to loan or share department employees with other state and federal agencies, state universities, or the Department of Agriculture and Consumer Services (DACS) for marketing and promotion orders authorized under the authority of DACS or its direct-support organizations or for orders adopted under the authority of the United States Secretary of Agriculture. The bill authorizes the department to enter into agreements with such entity or entities under terms and conditions that will benefit the state, as long as the entity to which a department employee is loaned or shared reimburses the state for all pay and benefits of the employee, not including a service fee for administration.

The bill specifies that if the entity directly pays the loaned or shared employee his or her salary and benefits, an agreement between the entity and the department is not necessary, and the employee may work part-time with the department under terms and conditions mutually agreed upon between the department and the employee. The bill also specifies that all arrangements relating to the loaning or sharing of department employees are subject to prior approval by the department.

The bill deletes provisions setting out the required work schedule for the department.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill may have an indeterminate negative fiscal impact on the state because the department will be responsible for per diem and travel costs related to the advisory council.

The bill allows the department to loan or share its employees with specified state and federal entities. The department must approve the loan, and the terms and conditions must benefit the state. As such, it appears the bill may have an indeterminate positive fiscal impact on the state.