HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1265 Florida Crop Diversification Commission
SPONSOR(S): Buchanan
TIED BILLS: **IDEN./SIM. BILLS:** SB 1398

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture, Conservation & Resiliency Subcommittee	16 Y, 0 N	Mamontoff	Moore
2) Agriculture & Natural Resources Appropriations Subcommittee			
3) Infrastructure Strategies Committee			

SUMMARY ANALYSIS

The Department of Agriculture and Consumer Services (DACS) supports and promotes Florida agriculture, protects the environment, safeguards consumers, and ensures the safety and wholesomeness of foods.

Florida's agriculture is among the most diverse in the United States, contributing over 300 commodities to national and international markets. The industry provides over $120 billion in economic revenue, second only to tourism, and supports more than two million jobs. In recent years, agricultural productivity has become increasingly vulnerable to threats such as extreme climate events, pests and diseases, and degrading water quality. Due to these various threats impacting the agriculture industry, adaptation is of considerable importance to the long-term sustainability of agricultural production in Florida.

The bill creates the Florida Crop Diversification Commission (Commission) adjunct to DACS. The Commission is composed of the following nine members:

- The Commissioner of Agriculture or his or her designee;
- The dean for research of UF/IFAS or his or her designee; and
- Seven members appointed by the Commissioner of Agriculture based upon their knowledge and experience in agricultural production, processing, or manufacturing.

The bill directs the Commission to do the following:

- Evaluate alternative agricultural crops and determine whether more viable crops or products exist that would provide an economic benefit to growers using current agricultural infrastructure on land that has been taken out of production by diseases or adverse weather conditions;
- Develop best management practices for recommended crops or products recommended by the Commission;
- Assist local economic development councils in encouraging the development of manufacturing and processing facilities for new recommended crops or products;
- Publish the Commission's findings annually after review and approval from the Commissioner; and
- Submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by July 1, 2026, and each July 1st thereafter.

The bill directs the Commission to contract with a nonprofit organization for the design and implementation of the Florida Crop Diversification Initiative.

The bill appropriates the sum of $500,000 in nonrecurring funds from the General Revenue Fund to DACS.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Department of Agriculture and Consumer Services

The Department of Agriculture and Consumer Services (DACS) supports and promotes Florida agriculture, protects the environment, safeguards consumers, and ensures the safety and wholesomeness of foods. Among other programs and activities, DACS:

- Protects Florida's livestock, honey bees, and crop plants from pests and diseases;
- Manages over a million acres of state forest land for multiple uses, including timber, wildlife habitat, and recreation;
- Acts as the state's clearing house for consumer concerns; and
- Tests for toxins, allergens, chemical contaminants, pesticide residues, food additives, and fraudulent formulations in food samples.[1]

Florida's Agriculture

Florida's agriculture is among the most diverse in the United States, contributing over 300 commodities to national and international markets.[2] The state's diverse and mild climate makes it perfect for growing many different crops. South Florida is warm enough for growing vegetables such as sweet corn, tomato, strawberry, green beans, and lettuce, even during winter. South Florida's warm winters make it possible to grow tropical fruits and vegetables such as avocado, mango, cassava, boniato, and lychee. North Florida climate conditions are more favorable for agronomic grain and fiber crops during the summer growing season. While some crops are regionally-specific in Florida, others are grown throughout the state but with varying production seasons and different market windows.[3]

The agriculture industry provides over $120 billion in economic revenue to the state, second only to tourism, and supports more than two million jobs.[4] While approximately $8 billion in sales is generated by the industry annually, in recent years agricultural productivity has become increasingly vulnerable to threats such as changing rainfall patterns, flooding, saltwater intrusion, hurricane damage,[5] and disease.

Threats to Florida's Agriculture

Florida's agriculture industry faces challenges from extreme climate events, invasive pests and diseases, and degrading water quality.

Crop growth and productivity are influenced by extreme climate events that affect land and irrigation water availability as well as crop yield and quality. [6] Crops suffer direct damage from freezing temperatures, heat stress, strong winds from tornadoes or hurricanes, droughts, or intensive rainfall events that cause runoff, flooding, and erosion.[7] Agricultural productivity and water resources can also

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[1] Office of Program Policy Analysis & Government Accountability Government Program Summaries (GPS), Department of Agriculture and Consumer Services (DACS), https://oppaga.fl.gov/ProgramSummary/ProgramDetail?programNumber=4122 (last visited Jan. 16, 2024).

[2] Florida Climate Institute, *Climate Change Impacts and Adaptation in Florida's Agriculture*, pp.240, *available at* https://floridaclimateinstitute.org/docs/climatebook/Ch08-Her.pdf [hereinafter Florida Climate Institute].

[3] *Id*. at 237.

[4] *Id*. at 235.

[5] United States Department of Agriculture (USDA), Climate Hubs, *Hurricane Preparation and Recovery Guides for Florida Producers*, https://www.climatehubs.usda.gov/hubs/southeast/hurricane-preparation-and-recovery-guides-florida-producers (last visited Jan. 17, 2024); DACS, *Commissioner Wilton Simpson Announces Florida Agricultural Losses Estimated at Over $446 Million Following Hurricane Idalia*, https://www.fdacs.gov/News-Events/Press-Releases/2023-Press-Releases/Commissioner-Wilton-Simpson-Announces-Florida-Agricultural-Losses-Estimated-at-Over-447-Million-Following-Hurricane-Idalia (last visited Jan. 17, 2024).

[6] Florida Climate Institute at 237.

[7] *Id*. at 238.

be degraded from these weather events, resulting in substantial losses of soil, nutrients, and fertilizers in agricultural fields; pollutant loadings to waterbodies; and subsequent water quality issues.[8]

In most years, hurricanes negatively impact agricultural productivity.[9] While total economic losses from a hurricane are devastating, agricultural losses alone can often exceed $1 billion. Florida agriculture's structures, livestock, and crops are highly exposed to extreme wind and flooding events during hurricanes. Hurricanes have always been a threat to Florida, but new research suggests that their intensity is increasing.[10] After making landfall on September 28, 2022, Hurricane Ian devastated Southwest Florida's agriculture industry with losses calculated to be around $1.03 billion.[11] These loss figures do not include the cost of replanting or repairing damages that would return the industry to pre-hurricane status.[12] Nearly five million acres of agricultural land were affected. The commodity groups most affected (not including grazing land) were field and row crops,[13] citrus, vegetables, and melons.[14] Almost one year later, Hurricane Idalia caused up to $447 million in crop and infrastructure losses to the agricultural industry.[15]

The climate that makes Florida perfectly adapted to agriculture is also ideal for plant diseases and invasive pests to thrive.[16] Huanglongbing (HLB), also known as citrus greening, is one of the most serious diseases affecting citrus across the state.[17] The disease is spread by the Asian citrus psyllid (*Diaphorina citri*) (ACP). ACP transmits the bacteria into a citrus tree when it feeds on new shoots. There is no cure for this disease, and all commercial varieties of citrus are susceptible. Since its first detection in Florida in 2005, HLB has spread throughout all the citrus-producing areas in Florida, reduced citrus production by 75 percent, and more than doubled the cost of production.[18] Other examples of pests and diseases negatively affecting the agriculture industry include the Eastern Lubber Grasshopper, the Emerald Ash Borer, Exotic Fruit Flies, Laurel Wilt Disease, Invasive Mollusks, and the Lime Swallowtail Citrus Pest.[19]

Another concern for agricultural producers is the quality of water used for irrigation.[20] Sea level rise increases the risk of salt water intrusion into aquifers that are used for irrigation purposes. Therefore,

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[8] *Id*. at 239.

[9] USDA Southeast Climate Hub, *Hurricane Preparation and Recovery Guides for Florida Producers*, https://www.climatehubs.usda.gov/hubs/southeast/hurricane-preparation-and-recovery-guides-florida-producers (last visited Jan. 24, 2024).

[10] *Id*.

[11] UF/IFAS, *Estimated Agricultural Losses Resulting from Hurricane Ian*, available at https://fred.ifas.ufl.edu/media/fredifasufledu/economic-impact-analysis/reports/FRE-Final-Hurricane-Ian-Report.pdf (last visited Jan. 24, 2024); Manatee, Hillsborough, Palm Beach, Hardee and Hendry were the counties with the highest reported losses. Fox Weather, *Florida Suffers $1 billion hit to agriculture industry from Hurricane Ian*, https://www.foxweather.com/lifestyle/florida-hurricane-food-crop-damage-total (last visited Jan. 24, 2024).

[12] *Id.*

[13] Field and row crops include hay and sugarcane. UF/IFAS, *Estimated Agricultural Losses Resulting from Hurricane Ian*, available at https://fred.ifas.ufl.edu/media/fredifasufledu/economic-impact-analysis/reports/FRE-Final-Hurricane-Ian-Report.pdf (last visited Jan. 24, 2024).

[14] *Id*.

[15] Citrus, Columbia, Dixie, Gilchrist, Hamilton, Hernando, Jefferson, Lafayette, Levy, Madison, Manatee, Pasco, Pinellas, Sarasota, Suwannee, and Taylor counties were declared disaster areas. WUSF, *Florida's agriculture losses from Hurricane Idalia pile up to over $400 million*, https://www.wusf.org/environment/2023-09-28/floridas-agriculture-losses-hurricane-idalia-pile-up-over-400-million (last visited Jan. 24, 2024); DACS, *Commissioner Wilton Simpson Announces Florida Agricultural Losses Estimated at Over $447 Million Following Hurricane Idalia*, https://www.fdacs.gov/News-Events/Press-Releases/2023-Press-Releases/Commissioner-Wilton-Simpson-Announces-Florida-Agricultural-Losses-Estimated-at-Over-447-Million-Following-Hurricane-Idalia (last visited Jan. 24, 2024).

[16] Florida Climate Institute at 238; UF/IFAS, *Citrus Greening*, https://sfyl.ifas.ufl.edu/archive/hot_topics/agriculture/citrus_greening.shtml (last visited Jan. 17, 2024).

[17] USDA, Animal and Plant Health Inspection Service, *Citrus Greening*, https://www.aphis.usda.gov/aphis/ourfocus/planthealth/plant-pest-and-disease-programs/pests-and-diseases/citrus/citrus-greening (last visited Jan. 24, 2024).

[18] *Id*.

[19] DACS, *Plant Pests and Diseases*, https://www.fdacs.gov/Agriculture-Industry/Pests-and-Diseases/Plant-Pests-and-Diseases (last visited Jan. 24, 2024).

[20] Florida Climate Institute at 249.

some groundwater wells used for irrigation may no longer be viable as freshwater supplies in the near future. As a result, alternative water sources or water treatment will be needed for agriculture in areas where salinity concentration exceeds safe levels for crops. As more cropland is impacted, the agriculture industry may soon be forced to adapt.[21]

Alternative and Sustainable Agriculture
Due to the various threats impacting the agriculture industry, adaptation is of considerable importance to the long-term sustainability of agricultural production in Florida. The Institute of Food and Agricultural Sciences of the University of Florida (UF/IFAS)[22] is currently conducting research on alternative crops at its Gulf Coast Research and Education Center. The Alternative Crops Team (Team) investigates crops that are not currently commercially grown in Florida on a large scale, evaluates their suitability for Florida production, and notifies growers about promising candidates.[23]

The Team's ten members employ interdisciplinary research approaches to select or develop crop varieties well-suited to Florida growing conditions, optimize crop-management practices, develop pest-management recommendations, and evaluate the potential market and demand for new products. Current agricultural candidates include artichoke, blackberry, hops, industrial hemp, and pomegranate. The Team's long-range goal is to create new markets and enable growers to diversify their operations to improve profitability and sustainability.[24]

Commissions
A commission is a body created by specific statutory enactment within a department, the office of the Governor, or the Executive Office of the Governor and exercising limited quasi-legislative or quasi-judicial powers, or both, independently of the head of the department or the Governor.[25]

A commission may be established if:
- It meets a statutorily defined purpose;
- Its powers and responsibilities conform with the definitions for governmental units;
- Its members, unless expressly provided otherwise in the Florida Constitution, are appointed to staggered four-year terms; and
- Its members, unless expressly provided otherwise by statute, serve without additional compensation or honorarium, and are authorized to receive only per diem and reimbursement for travel expenses.[26]

Effect of the Bill

The bill creates the Florida Crop Diversification Commission (Commission) adjunct to DACS. The Commission is composed of the following nine members:
- The Commissioner of Agriculture or his or her designee;
- The dean for research of UF/IFAS or his or her designee; and
- Seven members appointed by the Commissioner of Agriculture based upon their knowledge and experience in agricultural production, processing, or manufacturing.

The seven Commissioner-appointed members must include:
- Four members who are currently involved in agricultural production or who have been involved in agricultural production within the last three years;
- One member who has experience in agricultural processing or manufacturing;

[21] UF/IFAS, *Saltwater Intrusion and Flooding: Risks to South Florida's Agriculture and Potential Management Practices*, AE572/AE572: Saltwater Intrusion and Flooding: Risks to South Florida's Agriculture and Potential Management Practices (ufl.edu) (last visited Jan. 15, 2024).
[22] UF/IFAS is a federal-state-county partnership dedicated to developing knowledge in agriculture, human and natural resources, and the life sciences. UF/IFAS, *About UF/IFAS*, https://ifas.ufl.edu/about-us/ (last visited Jan. 17, 2024).
[23] UF/IFAS Gulf Coast Research and Education Center, *Alternative Crops*, https://gcrec.ifas.ufl.edu/alternative-crops/ (last visited Jan. 16, 2024).
[24] *Id.*
[25] Section 20.03(4), F.S.
[26] Section 20.052(4)(a)-(d), F.S.

- One member who has experience in the packing or processing of fresh agricultural products; and
- One member who has experience in agricultural marketing analysis and the viability of agricultural products.

The bill directs the Commission to do all of the following:

- Evaluate alternative agricultural crops and determine whether one or more viable crops or products exist that would provide an economic benefit to growers using current agricultural infrastructure on land that has been taken out of production by diseases or adverse weather conditions.
- Develop best management practices for crops or products recommended by the Commission.
- Assist local economic development councils in encouraging the development of manufacturing and processing facilities for new recommended crops or products.
- Publish the Commission's findings annually after review and approval by the Commissioner of Agriculture.
- Submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by July 1, 2026, and each July 1 thereafter.

In addition, the bill directs the Commission to contract for the design and implementation of the Florida Crop Diversification Initiative (Initiative). The Initiative must provide direct cash payments to nurseries and agricultural producers in the state to rapidly stimulate the adoption of alternative crops, moderate the required economic outlay, and speed the economic recovery of producers, packers, nurseries, processors, and communities. The entity with which the Commission contracts for the Initiative must be a nonprofit organization that has a history of focusing on alternative crops and that has the organizational capacity to manage a statewide initiative and carry out the requirements.

The annual report submitted by the Commission must include, at a minimum:

- Information about each crop or product recommended, detailing the environmental impact of each;
- An assessment of each recommended crop's suitability to the state's climate, and the expected economic benefit to growers and communities in the state; and
- Recommendations for best practices to sustain and improve the agriculture industry in the state.

For the 2024-2025 fiscal year, the bill appropriates the sum of $500,000 in nonrecurring funds from the General Revenue Fund to DACS to implement the Commission and the Initiative.

B. SECTION DIRECTORY:

Section 1. Creates s. 570.233, F.S., relating to the Florida Crop Diversification Commission.

Section 2. Provides an appropriation.

Section 3. Provides an effective date of upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

For the 2024-2025 fiscal year, the bill appropriates $500,000 in nonrecurring funds from the General Revenue Fund to DACS for the purpose of implementing the Commission and the Initiative.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may have an indeterminate positive fiscal impact on the private sector as a result of direct cash payments to nurseries and agricultural producers made by the Initiative.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.