

## CHAPTER 2022-117

### Committee Substitute for House Bill No. 1097

An act relating to Florida citrus; providing a short title; amending s. 601.04, F.S.; revising the membership of the Florida Citrus Commission; requiring members to meet certain requirements; revising commission appointments to achieve staggered terms for the newly appointed members; revising the requirements for a quorum; amending s. 601.09, F.S.; increasing the number of citrus districts in this state and revising the counties that comprise each district; amending s. 601.13, F.S.; requiring certain entities to provide reports on citrus production research to the commission at specified intervals and upon request of the commission; specifying requirements for the reports; requiring that new varieties of citrus fruit developed as result of research or studies funded by state funds and certain technology be made exclusively available for licensing and commercialization to the Department of Citrus or its designee for a specified timeframe; authorizing the commission to retain the exclusivity for a specified timeframe; amending s. 601.992, F.S.; revising eligibility requirements of not-for-profit corporations on whose behalf the Department of Citrus or the Department of Agriculture and Consumer Services may collect certain financial payments; reenacting s. 600.051(1), F.S., relating to marketing agreements and the powers of the Department of Citrus, to incorporate the amendment made to s. 601.09, F.S., in a reference thereto; reenacting s. 601.15(7)(b), F.S., relating to the use of moneys in the Florida Citrus Advertising Trust Fund, to incorporate the amendment made to s. 601.13, F.S., in a reference thereto; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. This act may be cited as the “Citrus Recovery Act.”

Section 2. Section 601.04, Florida Statutes, is amended to read:

601.04 Florida Citrus Commission; creation and membership.—

(1)(a) There is created within the department the Florida Citrus Commission, which shall be composed of 11 ~~nine~~ members appointed by the Governor. Each member must be a resident ~~citizen~~ of this ~~the~~ state who is and has been actively engaged in the growing, growing and shipping, or growing and processing of citrus fruit in the state for at least 5 years immediately before appointment to the commission and has, during that 5-year period:

1. Derived a major portion of her or his income from such growing, growing and shipping, or growing and processing of citrus fruit; or

2. Been the owner of, member of, officer of, or paid employee of a corporation, firm, or partnership that has, during that 5-year period, derived the major portion of its income from such growing, growing and shipping, or growing and processing of citrus fruit.

(b)1. ~~Seven Six~~ members of the commission shall be classified as grower members and shall be primarily engaged in the growing of citrus fruit as an individual owner; as the owner of, or as stockholder of, a corporation; or as a member of a firm or partnership primarily engaged in citrus growing. Such members may not receive any compensation from any licensed citrus fruit dealer or handler, as defined in s. 601.03, other than gift fruit shippers, but any of the grower members may shall not be disqualified as a member if, individually, or as the owner of, a member of, an officer of, or a stockholder of a corporation, firm, or partnership primarily engaged in citrus growing which processes, packs, and markets its own fruit and whose business is primarily not purchasing and handling fruit grown by others.

2. Three members of the commission shall be classified as ~~grower-handler~~ processor grower-handler members and shall be engaged as owners, or as paid officers or employees, of a corporation, firm, partnership, or other business unit engaged in canning, concentrating, or otherwise processing citrus fruit for market other than for shipment in fresh fruit form handling citrus fruit. One such member shall be primarily engaged in the fresh fruit business, and two such members shall be primarily engaged in the processing of citrus fruits.

3. One member shall be classified as a packer member and shall be engaged as an owner, or as a paid officer or employee, of a corporation, firm, partnership, or other business unit that operates as a packinghouse as defined in s. 601.03. The member shall reside in the Indian River production area of this state as defined in s. 601.091(2).

4. For purposes of this section, a member's residence is his or her actual physical and permanent residence.

(2)(a) One grower member ~~Three commission members~~ shall be appointed from each of the ~~three~~ citrus districts designated in s. 601.09. ~~Members appointed from the same citrus district shall serve staggered terms, such that the term of one of the district's three members expires each year. Each member must reside or grow citrus in the district from which she or he was appointed. For the purposes of this section, a member's residence is her or his actual physical and permanent residence.~~

(b) One grower member shall be a grower with a citrus producing area of more than 5,001 acres. The grower must reside and grow citrus in this state.

(c)1. Members shall be appointed to terms of 3 years each, except that, to establish staggered terms of members from each citrus district, the terms of members appointed before July 1, ~~2022~~ 2012, shall be shortened as follows:

~~a.1. The terms term of two grower members and one packer member one member from each citrus district shall expire June 30, 2022 2012, and their successors her or his successor shall be appointed to terms a term beginning July 1, 2022 2012, and expiring May 31, 2025 2015.~~

~~b.2. The terms term of two grower members and one processor member one member from each citrus district shall expire June 30, 2023 2013, and their successors her or his successor shall be appointed to terms a term beginning July 1, 2023 2013, and expiring May 31, 2026 2016.~~

~~c.3. The terms term of two grower members and one processor member one member from each citrus district shall expire June 30, 2024 2014, and their successors her or his successor shall be appointed to terms a term beginning July 1, 2024 2014, and ending May 31, 2027 2017.~~

2. One grower member and one processor member shall be appointed on or after July 1, 2022, with terms ending May 31, 2025.

3.4. Subsequent appointments shall be made in accordance with this section.

Appointments shall be made by February 1 preceding the commencement of the term and are subject to confirmation by the Senate in the following legislative session. Each member is eligible for reappointment and shall serve until her or his successor is appointed and qualified. The regular terms begin on June 1 and expire on May 31 of the third year after such appointment.

~~(d)(e)~~ When appointments are made, the Governor shall publicly announce the actual classification and district that each appointee represents. A majority of the currently appointed members of the commission constitutes ~~shall constitute~~ a quorum for the transaction of all business and the carrying out of the duties of the commission. Before entering upon the discharge of their duties as members of the commission, each member shall take and subscribe to the oath of office prescribed in s. 5, Art. II of the State Constitution. The qualifications and classification required of each member by this section continue to be required throughout the respective term of office, and if a member, after appointment, fails to meet the qualifications or classification that she or he possessed at the time of appointment, the member must resign or be removed and be replaced with a member possessing the proper qualifications and classification.

~~(e)(d)~~ When making an appointment to the commission, the Governor shall announce the district, classification, and term of the person appointed.

(3)(a) The commission shall elect a chair and secretary and may elect a vice chair and such other officers as the commission deems advisable.

(b) The chair, subject to commission concurrence, may appoint such advisory committees or councils composed of industry representatives as the chair deems appropriate, setting forth the committee or council concerns

that are consistent with the statutory powers and duties of the commission and the department.

Section 3. Section 601.09, Florida Statutes, is amended to read:

601.09 Citrus districts.—

(1) For purposes of this chapter, the state is divided into six ~~three~~ districts composed of:

(a) Citrus District One: Collier, Hendry, and Lee ~~Levy, Alachua, Brevard, Putnam, St. Johns, St. Lucie, Flagler, Indian River, Marion, Seminole, Orange, Okeechobee, Polk, Volusia, and Osceola~~ Counties.

(b) Citrus District Two: Charlotte and Hardee, ~~DeSoto, Highlands, and Glades~~ Counties.

(c) Citrus District Three: Glades, Highlands, and Okeechobee ~~Charlotte, Citrus, Collier, Hernando, Hendry, Hillsborough, Lake, Lee, Manatee, Monroe, Martin, Pasco, Palm Beach, Pinellas, Sarasota, Sumter, Broward, and Miami-Dade~~ Counties.

(d) Citrus District Four: Hardee, Hillsborough, Manatee, Pinellas, and Sarasota Counties.

(e) Citrus District Five: Citrus, Hernando, Levy, Osceola, Pasco, Polk, and Sumter Counties.

(f) Citrus District Six: Alachua, Brevard, Broward, Flagler, Indian River, Lake, Marion, Martin, Miami-Dade, Monroe, Orange, Palm Beach, Putnam, St. Johns, Seminole, St. Lucie, and Volusia Counties.

(2) The Legislature intends that the citrus districts be reviewed and, if necessary to maintain substantially equal volumes of citrus production within each district, redistricted every 5 years. The commission may, once every 5 years, review the citrus districts based on the total boxes produced within each district during the preceding 5 years and, based on the commission's findings, submit recommendations to the Legislature for redistricting in accordance with this subsection.

Section 4. Subsection (3) of section 601.13, Florida Statutes, is renumbered as subsection (5), and a new subsection (3) and subsection (4) are added to that section to read:

601.13 Citrus research; administration by Department of Citrus; appropriation.—

(3) An entity that solicits research proposals and awards funding for those proposals expending funds received from the State Treasury on citrus production research conducted pursuant to chapter 573, as recommended by the Citrus Research and Development Foundation, Inc., or conducted

through contract with the department shall deliver a report that includes all of the following information to the commission biannually and at the request of the commission:

- (a) Project plans selected for funding.
- (b) The financial status of the projects.
- (c) Current findings of the funded research.
- (d) Availability of citrus products or application of growers' practices found through funded research.
- (e) The status of the commercialization process of such products or practices.

(4) Before being released for sale to the general public, any new variety of citrus fruit which is developed as a result of any research or study accomplished using any percentage of funds from the State Treasury as well as any technology that enhances the marketability of new or current citrus fruit varieties must be made available as a first option for licensing and commercialization for a period of 90 days, under commercially reasonable terms, exclusively to the department or its designee. If the department or its designee exercises such exclusive license, the Florida Citrus Commission may retain the exclusivity for up to 8 years after the date of execution.

Section 5. Section 601.992, Florida Statutes, is amended to read:

601.992 Collection of dues and other payments on behalf of certain nonprofit corporations engaged in market news and grower education.—The Department of Citrus or the Department of Agriculture or their successors may collect or compel the entities regulated by the Department of Citrus to collect dues, contributions, or any other financial payment upon request by, and on behalf of, any not-for-profit corporation and its related not-for-profit corporations located in this state that receive payments or dues from their members. Such not-for-profit corporation must be engaged, to the exclusion of agricultural commodities other than citrus, in market news and grower education solely for citrus growers, and must have at least 2,500 ~~5,000~~ members who are engaged in growing citrus in this state for commercial sale. The Department of Citrus may adopt rules to administer this section. The rules may establish indemnity requirements for the requesting corporation and for fees to be charged to the corporation that are sufficient but do not exceed the amount necessary to ensure that any direct costs incurred by the Department of Citrus in implementing this section are borne by the requesting corporation and not by the Department of Citrus.

Section 6. For the purpose of incorporating the amendment made by this act to section 601.09, Florida Statutes, in a reference thereto, subsection (1) of section 600.051, Florida Statutes, is reenacted to read:

600.051 Marketing agreements; powers of department.—

(1) In order to effectuate the declared policy and purposes of this act, the department shall have the power to enter into, administer, and enforce marketing agreements with handlers and distributors engaged in any one or more of the citrus districts established in and by s. 601.09, in the handling and distributing of citrus fruit in fresh fruit form or any variety or varieties, grade, size, or quality thereof, regulating the handling of such citrus fruit in the way and manner and to the extent therein prescribed and agreed upon, which said marketing agreements shall be binding only upon the signatories thereto exclusively. The execution of any such marketing agreement shall in no manner affect the issuance, administration, or enforcement of any marketing order otherwise provided for by chapter 601, and any marketing agreement executed hereunder shall be ineffective to the extent that it is in conflict with any rule, regulation, marketing order, or marketing agreement under any federal law relating to the handling of citrus fruit grown in Florida.

Section 7. For the purpose of incorporating the amendment made by this act to section 601.13, Florida Statutes, in a reference thereto, paragraph (b) of subsection (7) of section 601.15, Florida Statutes, is reenacted to read:

601.15 Advertising campaign; methods of conducting; assessments; emergency reserve fund; citrus research.—

(7) All assessments levied and collected under this chapter shall be paid into the State Treasury on or before the 15th day of each month. Such moneys shall be accounted for in a special fund to be designated as the Florida Citrus Advertising Trust Fund, and all moneys in such fund are appropriated to the department for the following purposes:

(b) Moneys in the Florida Citrus Advertising Trust Fund shall be expended for the activities authorized by s. 601.13 and for the cost of those general overhead, research and development, maintenance, salaries, professional fees, enforcement costs, and other such expenses that are not related to advertising, merchandising, public relations, trade luncheons, publicity, and other associated activities. The cost of general overhead, maintenance, salaries, professional fees, enforcement costs, and other such expenses that are related to advertising, merchandising, public relations, trade luncheons, publicity, and associated activities shall be paid from the balance of the Florida Citrus Advertising Trust Fund.

Section 8. This act shall take effect July 1, 2022.

Approved by the Governor May 16, 2022.

Filed in Office Secretary of State May 16, 2022.