

## The Florida Legislature

# OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY



Report No. 07-S09

### Florida Department of Citrus Advisory Committees

September 6, 2007

#### **Summary**

In response to a request from the Joint Legislative Sunset Committee, we have reviewed the advisory committees of the Florida Department of Citrus (DOC). We reviewed the department's advisory committees and identified and examined their purposes, activities, and related costs and assessed the need for continuation. <sup>1</sup>

The Florida Department of Citrus had six advisory committees in Fiscal Year 2006-07 that incurred travel, staff, and other expenses totaling \$17,352. These advisory committees, which were created by the Florida Citrus Commission, served a public purpose by providing the department with information and expertise on a number of issues important to the citrus industry, such as identifying and prioritizing citrus harvesting problems and evaluating proposals for conducting research on the nutritional benefits of citrus products. Department funding support for these committees comes from excise taxes paid by Florida citrus growers on each box of citrus moved through commercial channels.

The commission currently has five advisory committees, as it has discontinued one internally created committee that completed its assigned tasks (the Special Industry Committee). The remaining five advisory committees meet the criteria for continuation. If they were abolished, the department would incur additional costs to obtain needed expertise currently provided by the committees, and these costs would be borne by citrus growers who financially support the department through excise taxes.

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<sup>&</sup>lt;sup>1</sup> Included in our review were advisory committees that are defined in ss. <u>20.03(</u>3), (7), (8), (9), (10), and (12), *F. S.*, or were created through executive order.

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#### Background

The Florida Department of Citrus's mission is to grow the market for Florida citrus and enhance the economic well-being of growers, the industry, and the state. To accomplish this mission, the department regulates, conducts research for, and promotes Florida's citrus industry.

The Florida Citrus Commission consists of 12 members appointed by the Governor and confirmed by the Senate. The commission appoints an executive director to manage the agency and its programs. The Florida statutes authorize the commission to establish advisory committees as needed to accomplish the department's mission. <sup>2</sup>

The department reported having six advisory committees that incurred travel, staff, and other expenses totaling \$17,352 in Fiscal Year 2006-07 (See Exhibit 1). Department funding support for these committees comes from excise taxes paid by Florida citrus growers on each box of citrus moved through commercial channels.

Exhibit 1 Florida Department of Citrus Reported \$17,352 in Costs for Advisory Committees in Fiscal Year 2006-07 <sup>1</sup>

Advisory Committee	Reported Cost
Federal Program Exploratory Committee	\$6,882
Processing Statistics Reporting Advisory Committee	5,307
Citrus Harvesting Research Advisory Council	2,094
Health and Nutrition Research Council	1,421
Special Industry Committee	1,399
Gift Fruit Shippers Advisory Council	249
Total	\$17,352

Source: Florida Department of Citrus.

These advisory committees, which were created by the commission, performed various functions on behalf of the department. For example, the Citrus Harvesting Research Advisory Council helped oversee the registration of a chemical that would make it easier to pick citrus fruit. In addition, the committees have also been tasked with specific assignments. For instance, the Federal Program Exploratory Advisory Committee was tasked with exploring the feasibility of creating a federal research and promotion program for orange juice. Further, the commission routinely assesses its advisory committees and suspends or abolishes them when their assigned tasks are completed. For example, the commission discontinued the Special Industry Committee in July 2006 after it completed a report that included recommendations for the FDOC's research coordination, legislative relations, and marketing activities.

In addition to the advisory committees listed in Exhibit 1, the department reported that it provided \$80,000 in funding support to the Florida Citrus Industry Research Coordinating Council during Fiscal Year 2006-07. This council is a non-profit organization that evaluates, prioritizes, and coordinates the Florida citrus industry's research requirements. The department coordinates its activities with this council through a commission member who sits on the council's Board of Directors.

See Appendix A for more information on the department's advisory committees.

<sup>&</sup>lt;sup>2</sup> Section 601.04(3)(b), F.S.

<sup>&</sup>lt;sup>3</sup> A federal research and promotion program is a voluntary mechanism through which producers of a crop are allowed to exercise control over crop-related research and marketing activities. A research and promotion program is enacted after being approved in a referendum in which all producers of a crop are eligible to vote.

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#### Assessment

In assessing department advisory committees, we considered various criteria, including whether the committees

- serve a public purpose; <sup>4</sup>
- facilitate public participation in an agency's activities and provide agency staff with stakeholder expertise without duplicating the efforts of other entities;
- are mandated by state or federal law; and
- fulfill their public purposes.

We concluded that the department's advisory committees serve a public purpose by providing information used in commission and department decision-making. For example, the Federal Program Exploratory Advisory Committee heard testimony from experts and the general public on the desirability of the department pursuing a federal research and promotion program for orange juice.

In addition, the committees provide expertise that is not readily available from department staff. For example, the Health and Nutrition Research Council reviews reports from contracted medical experts. These reports support the department's efforts to promote the health and wellness benefits of citrus products in its marketing campaigns. Furthermore, if the committees were abolished, the department would likely incur additional costs to obtain needed expertise currently provided by the committees.

In conclusion, the department's advisory committees assist the department and commission in performing their statutory responsibilities and appear to be a cost-effective means for obtaining scientific expertise and input. Consequently, we concluded that the advisory committees meet the criteria for continuation.

<sup>&</sup>lt;sup>4</sup> Section 20.052, F.S.

# Appendix A

# The Department of Citrus Had Six Advisory Committees in Fiscal Year 2006-07

Advisory committees are listed in order of costs (highest to lowest) incurred in Fiscal Year 2006-07.

Advisory Committee	Purpose	Agency Reported Activities	Impact of Abolition
Federal Program Exploratory Committee	Advises the department on issues related to developing a federal research and promotion program for Florida orange juice. Such a federal program would include domestic and international partners.	The committee has held hearings and testimony on the marketing order issue, and reported recommendations to the commission. The committee met three times in Fiscal Year 2006-07.	The committee provides a means by which the commission can explore the feasibility of this initiative and obtain stakeholder input.
	The committee's reported cost for Fiscal Year 2006-07 was \$6,882.		
Processing Statistics Reporting Advisory Committee	Guides the FDOC in performing its statutorily-required responsibility to collect and distribute processed juice statistics and movement data to the Florida citrus industry.	The committee proposed creating a new pricing category for fruit to improve pricing data. In addition, the committee proposed a change to the Administrative Code to ensure that production and price reporting is done by a wider range	This activity is authorized by s. 601.10(8), F.S., but the committee is not required by statute. As such, the activity could be performed by a private entity, such as the Florida Citrus Processors Association.
	The committee's reported cost for Fiscal Year 2006-07 was \$5,306.	of licensed citrus fruit dealers. The committee met five times in Fiscal Year 2006-07.	
Citrus Harvesting Research Advisory Council	Identifies and prioritizes citrus harvesting problems and recommends courses of action to the FDOC to improve the harvesting process and reduce financial costs to growers. The council's most current focus is on the multi-year process of registering an abscission compound (a chemical agent sprayed on trees that loosens fruit, thereby enhancing the effectiveness of mechanical harvesting equipment).	The council identified short- and long-term recommendations, including development of mechanical harvesting systems to reduce reliance on a chronically unpredictable labor supply. The council met four times in Fiscal Year 2006-07.	FDOC reports that this council provides expert input on identifying economical, dependable harvesting methods so Florida citrus can remain competitive in the global marketplace.
	The council's reported cost for Fiscal Year 2006-07 was \$2,094.		

Advisory			
Committee	Purpose	Agency Reported Activities	Impact of Abolition
Health and Nutrition Research Council	Evaluates research proposals directly associated with the nutritional benefits of citrus and recommends FDOC sponsorship through the funding of approved programs.  The council's reported cost for Fiscal Year 2006-07 was \$1,421.	The council validates the scientific basis of contracted scientific research performed in support of the department's marketing strategy. The council met one time in Fiscal Year 2006-07.	If the council was abolished, the FDOC would have to pay for the input it currently receives from this council. For example, it would have to hire or contract with experts to review scientific research reports conducted for the department.
Special Industry Committee	Identify key industry issues and formulate recommendations to deal with changing circumstances, such as hurricanes, the spread of disease, and increasing competition.  The committee's reported cost for Fiscal Year 2006-07 was \$1,399.	Heard industry testimony and reports from citrus experts. Made a report to the commission in July 2006, in which it made specific recommendations for FDOC's research coordination, legislative relations, and marketing activities. The council met one time in Fiscal Year 2006-07.	None. The commission dissolved the committee in July 2006 after it completed its required report.
Gift Fruit Shippers Advisory Council	Advises the commission on issues confronting the gift fruit industry and made recommendations on the development of marketing programs for the gift fruit shipping season.  The council's reported cost for Fiscal Year 2006-07 was \$249.	The council met to review and provide input on the FDOC's marketing plans for gift fruit. The council meets once a year.	The FDOC reports that the gift fruit sales are extremely sensitive to changes in consumer behavior; thus, industry involvement is critical to the department's marketing initiatives.

Source: OPPAGA analysis of information from the Florida Statutes and Florida Department of Citrus.