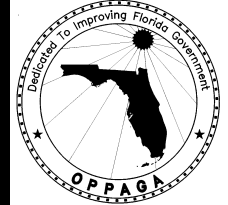




## Office of Program Policy Analysis And Government Accountability



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### Follow-Up Report on the Division of Plant Industry Within the Department of Agriculture and Consumer Services

#### *Report Abstract*

The Department has taken some steps that we recommended, and these actions have reduced its general revenue funding needs by approximately \$100,000. However, additional steps are feasible that would produce further general revenue savings from another \$1.2 million in new revenues and \$1.3 million in cost savings.

#### *Purpose of Review*

Section 11.45(7)(f), F.S., requires agencies to inform us of actions they have taken in response to our recommendations within 18 months of the release of our reports. This follow-up report presents our assessment of the status of recommendations we made to the Department of Agriculture and Consumer Services in Report No. 94-35, dated February 28, 1995.

#### *Background*

The Division of Plant Industry performs a variety of activities to protect the state's plant and apiary industries by detecting, eradicating and controlling harmful diseases and pests. The Division was appropriated \$17.5 million for fiscal year 1996-97, which includes \$12.7 million from general revenue and \$4.8 million from various trust funds. Revenue sources include fees charged for program services such as nursery and apiary inspections, commodity fumigation, and assessments from growers who participate in the boll weevil and Caribbean fruit fly control programs.

#### *Prior Findings*

Although the Division is authorized by law to charge fees for its program services, it is largely funded by general revenue, which provides 73% of its funding in fiscal year 1996-97. Our prior report found that the Division could reduce its need for general revenue by approximately \$2.4 million by taking various steps. These included privatizing or discontinuing certain activities, establishing fees for program services provided for free, and modifying fees that did not cover its costs. Additionally, the effectiveness measures used by the Division did not assess program outcomes, making it difficult for the Legislature to evaluate Division performance.

#### *Current Status*

**Apiary Inspection Program** We recommended the Division downsize its apiary inspection function to reflect the decline in the Florida beekeeping industry. While the number of beekeepers in Florida has declined by over 80% in recent years, Division staffing assigned to this function remained unchanged. We recommended cutting staff by 50% to match the program's reduced workload, which would save \$368,000 annually.

The Division has reduced the program's staffing level from 22 to 18 positions, saving \$68,000 annually. The Division has maintained its present resources partly to monitor the spread of the Africanized bee from Texas eastward. However, the spread of these bees over the last three years has stalled in Texas. We continue to recommend that the program be downsized, which would save an additional \$300,000 annually.

**Plant Movement Permits.** As we recommended, the Division has increased the fee for issuing plant movement permits. These permits enable the Division to track and control the movement of regulated plant materials and organisms, which can be harmful if released in the state. The new fee of up to \$50 is estimated to produce \$8,400 in revenues annually.

**Commodity Fumigation Fees.** The Division fumigates fruits to destroy pests, and provides certification required by some states and countries before fruits can be exported. The Division was not recovering its costs for this service. As we recommended, the Division has increased fumigation fees from \$200 to \$220 per truckload, and it plans to further modify fees over a three-year period to make this function self-supporting. This action had a fiscal impact of \$11,480 in fiscal year 1995-96.

**Nursery Dealer Inspection Fee.** The Division registers and inspects plant nurseries to detect and prevent the spread of diseases and pests. As we recommended, the Division has increased the minimum dealer registration fee from \$23 to \$25, which enables it to better recover its regulatory costs. This action had a fiscal impact of \$14,000. However, the Division has not made other fee modifications. For example, the Division assesses inspection fees to only the first 20 outlets operated by dealers rather than all outlets. As some large retailers operate over 400 outlets, this practice subsidizes large dealers. Further modifying fee levels would produce about \$198,000 in revenues that could be used to reduce the Division's need for general revenue.

**Port of Entry Inspections.** At the time of our review, the Division was proposing to establish a program to inspect imported plant materials for pests at ports in Tampa, Miami, and Orlando. The Division was proposing to fund this program with general revenue. We recommended that if the Legislature approved this program, it be funded by port inspection fees rather than with general revenue. This would produce a general revenue savings of about \$870,000. The port of entry inspection proposal is on hold indefinitely pending resolution of legal actions challenging per-vessel port inspection fees in California.

**Irradiation Facility.** The Division is developing an irradiation facility that can be an alternative to chemically treating products to destroy plant pests. As

we recommended, the 1995 Legislature amended s. 581.031, F.S., to authorize the Division to assess fees for treating products. The facility is not yet operational due to delays in obtaining an operating linear accelerator from a vendor. Once the facility is operational, it should produce an estimated \$375,000 annually.

**Boll Weevil Program Deficit.** The boll weevil eradication program is funded by grower assessments and is currently managed by the Southeastern Boll Weevil Eradication Foundation. The Foundation uses a portion of the fees collected in Florida to support activities in other states, and it does not reimburse the Division for its costs in collecting the assessments. We recommended that the Division assume management of the program, which would cut grower assessments (by eliminating the out-of-state subsidy) and recover administrative costs. This action would have a fiscal impact of \$59,000.

**Citrus Budwood Registration Program Fund Shift.** The Citrus Budwood Registration Program is intended to minimize the spread of citrus diseases by requiring all citrus nurseries to participate in the mandatory program. The program is funded by general revenue, although it serves a selected industry group. The Division could reduce its need for general revenue by \$686,000 by shifting the funding from general revenue to industry fees through the Citrus Inspection Trust Fund.

**Downsize Citrus Grove Holdings.** We recommended that the Division sell grove holdings that it no longer uses for research purposes. The Division has not yet divested these properties. We estimate that selling the groves would save \$59,000 annually and produce one-time sales revenues.

**Performance Measures.** While the Division has improved its performance measures, further improvements are needed. The Division provided nine outcome measures in Exhibit D-2 of its Fiscal Year 1997-98 Legislative Budget Request. However, all of these measures reflect outputs such as the number of insects, plant diseases, or other pests targeted rather than outcomes, or the results, of these activities. Developing better outcome measures will be important as the Department works to implement Performance-Based Program Budgeting.

This project was conducted in accordance with applicable evaluation standards. Copies of this report may be obtained by telephone (904/488-1023 or 800/531-2477), by FAX (904/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302). Web site: <http://www.state.fl.us/oppaga/>

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