

112TH CONGRESS  
1ST SESSION

# S. 1295

To amend the Trade Act of 1974 to create a Citrus Disease Research and Development Trust Fund to support research on diseases impacting the citrus industry, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JUNE 29, 2011

Mr. NELSON of Florida (for himself, Mrs. FEINSTEIN, and Mrs. BOXER) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Trade Act of 1974 to create a Citrus Disease Research and Development Trust Fund to support research on diseases impacting the citrus industry, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Citrus Disease Re-  
5 search and Development Trust Fund Act of 2011”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress finds that—

1           (1) duties collected on imports of citrus and cit-  
2           rus products have ranged from \$50,000,000 to  
3           \$87,000,000 annually since 2004, and are projected  
4           to increase, as United States production declines due  
5           to the effects of huanglongbing (also known as  
6           “HLB” or “citrus greening disease”) and imports  
7           increase in response to the shortfall in the United  
8           States;

9           (2) in cases involving other similarly situated  
10          agricultural commodities, notably wool, the Federal  
11          Government has chosen to divert a portion of the  
12          tariff revenue collected on imported products to sup-  
13          port efforts of the domestic industry to address chal-  
14          lenges facing the industry;

15          (3) citrus and citrus products are a highly nu-  
16          tritious and healthy part of a balanced diet;

17          (4) citrus production is an important part of  
18          the agricultural economy in Florida, California, Ari-  
19          zona, and Texas;

20          (5) in the most recent years preceding the date  
21          of enactment of this Act, citrus fruits have been pro-  
22          duced on 900,000 acres, yielding 11,000,000 tons of  
23          citrus products with a value at the farm of more  
24          than \$3,200,000,000;

1           (6) the commercial citrus sector employs ap-  
2           proximately 110,000 people and contributes approxi-  
3           mately \$13,500,000,000 to the United States econ-  
4           omy;

5           (7) the United States citrus industry has suf-  
6           fered billions of dollars in damage from disease and  
7           pests, both domestic and invasive, over the decade  
8           preceding the date of enactment of this Act, particu-  
9           larly from huanglongbing;

10          (8) huanglongbing threatens the entire United  
11          States citrus industry because the disease kills citrus  
12          trees;

13          (9) as of the date of enactment of this Act,  
14          there are no cost effective or environmentally sound  
15          treatments available to suppress or eradicate  
16          huanglongbing;

17          (10) United States citrus producers working  
18          with Federal and State governments have devoted  
19          tens of millions of dollars toward research and ef-  
20          forts to combat huanglongbing and other diseases  
21          and pests, but more funding is needed to develop  
22          and commercialize disease and pest solutions;

23          (11) although imports constitute an increasing  
24          share of the United States market, importers of cit-

1       rus products into the United States do not directly  
2       fund production research in the United States;

3               (12) disease and pest suppression technologies  
4       require determinations of safety and solutions must  
5       be commercialized before use by citrus producers;

6               (13) the complex processes involved in discovery  
7       and commercialization of safe and effective pest and  
8       disease suppression technologies are expensive and  
9       lengthy and the need for the technologies is urgent;  
10      and

11              (14) research to develop solutions to suppress  
12      huanglongbing, or other domestic and invasive pests  
13      and diseases will benefit all citrus producers and  
14      consumers around the world.

15      (b) PURPOSES.—The purposes of this Act are—

16              (1) to authorize the establishment of a trust  
17      funded by certain tariff revenues to support sci-  
18      entific research, technical assistance, and develop-  
19      ment activities to combat citrus diseases and pests,  
20      both domestic and invasive, harming the United  
21      States; and

22              (2) to require the President to notify the chair-  
23      person and ranking member of the Committee on  
24      Finance of the Senate and the Committee on Ways  
25      and Means of the House of Representatives before

1 entering into any trade agreement that would de-  
 2 crease the amount of duties collected on imports of  
 3 citrus products to less than the amount necessary to  
 4 provide the grants authorized by section 1001(d) of  
 5 the Trade Act of 1974, as added by section 3(a) of  
 6 this Act.

7 (c) EFFECT ON OTHER ACTIVITIES.—Nothing in this  
 8 Act restricts the use of any funds for scientific research  
 9 and technical activities in the United States.

10 **SEC. 3. CITRUS DISEASE RESEARCH AND DEVELOPMENT**  
 11 **TRUST FUND.**

12 (a) IN GENERAL.—The Trade Act of 1974 (19  
 13 U.S.C. 2102 et seq.) is amended by adding at the end  
 14 the following:

15 **“TITLE X—CITRUS DISEASE RE-**  
 16 **SEARCH AND DEVELOPMENT**  
 17 **TRUST FUND**

18 **“SEC. 1001. CITRUS DISEASE RESEARCH AND DEVELOP-**  
 19 **MENT TRUST FUND.**

20 “(a) ESTABLISHMENT.—There is established in the  
 21 Treasury of the United States a trust fund to be known  
 22 as the ‘Citrus Disease Research and Development Trust  
 23 Fund’ (in this section referred to as the ‘Trust Fund’),  
 24 consisting of such amounts as may be transferred to the  
 25 Trust Fund under subsection (b)(1) and any amounts that

1 may be credited to the Trust Fund under subsection  
2 (d)(2).

3 “(b) TRANSFER OF AMOUNTS.—

4 “(1) IN GENERAL.—Subject to paragraph (2),  
5 the Secretary of the Treasury shall transfer to the  
6 Trust Fund amounts that are attributable to the du-  
7 ties collected on articles that are citrus or citrus  
8 products classifiable under chapters 8, 20, 21, 22,  
9 and 33 of the Harmonized Tariff Schedule of the  
10 United States.

11 “(2) LIMITATION.—The amount transferred to  
12 the Trust Fund under paragraph (1) in any fiscal  
13 year may not exceed the lesser of—

14 “(A) an amount equal to  $\frac{1}{3}$  of the amount  
15 attributable to the duties received on articles  
16 described in paragraph (1); or

17 “(B) \$30,000,000.

18 “(c) AVAILABILITY OF AMOUNTS IN TRUST FUND.—

19 “(1) AMOUNTS AVAILABLE UNTIL EX-  
20 PENDED.—Amounts in the Trust Fund shall remain  
21 available until expended without further appropria-  
22 tion.

23 “(2) AVAILABILITY FOR CITRUS DISEASE RE-  
24 SEARCH AND DEVELOPMENT EXPENDITURES.—

1       Amounts in the Trust Fund shall be available to the  
2       Secretary of Agriculture—

3               “(A) for expenditures relating to citrus dis-  
4               ease research and development under section 4  
5               of the Citrus Disease Research and Develop-  
6               ment Trust Fund Act of 2011, including costs  
7               relating to contracts or other agreements en-  
8               tered into to carry out citrus disease research  
9               and development; and

10              “(B) to cover administrative costs incurred  
11              by the Secretary in carrying out the provisions  
12              of that Act.

13       “(d) INVESTMENT OF TRUST FUND.—

14              “(1) IN GENERAL.—The Secretary of the  
15              Treasury shall invest such portion of the Trust  
16              Fund as is not required to meet current withdrawals  
17              in interest-bearing obligations of the United States  
18              or in obligations guaranteed as to both principal and  
19              interest by the United States. Such obligations may  
20              be acquired on original issue at the issue price or by  
21              purchase of outstanding obligations at the market  
22              price. Any obligation acquired by the Trust Fund  
23              may be sold by the Secretary of the Treasury at the  
24              market price.

1           “(2) INTEREST AND PROCEEDS FROM SALE OR  
2 REDEMPTION OF OBLIGATIONS.—The interest on,  
3 and the proceeds from the sale or redemption of, any  
4 obligations held in the Trust Fund shall be credited  
5 to and form a part of the Trust Fund.

6           “(e) REPORTS TO CONGRESS.—Not later than Janu-  
7 ary 15, 2013, and each year thereafter until the year after  
8 the termination of the Trust Fund, the Secretary of the  
9 Treasury, in consultation with the Secretary of Agri-  
10 culture, shall submit to Congress a report on the financial  
11 condition and the results of the operations of the Trust  
12 Fund that includes—

13           “(1) a detailed description of the amounts dis-  
14 bursed from the Trust Fund in the preceding fiscal  
15 year and the manner in which those amounts were  
16 expended;

17           “(2) an assessment of the financial condition  
18 and the operations of the Trust Fund for the cur-  
19 rent fiscal year; and

20           “(3) an assessment of the amounts available in  
21 the Trust Fund for future expenditures.

22           “(f) REMISSION OF SURPLUS FUNDS.—The Sec-  
23 retary of the Treasury may remit to the general fund of  
24 the Treasury such amounts as the Secretary of Agri-  
25 culture reports to be in excess of the amounts necessary



1 to meet the purposes of the Citrus Disease Research and  
2 Development Trust Fund Act of 2011.

3 “(g) SUNSET PROVISION.—The Trust Fund shall ter-  
4 minate on December 31 of the fifth calendar year that  
5 begins after the date of the enactment of the Citrus Dis-  
6 ease Research and Development Trust Fund Act of 2011  
7 and all amounts in the Trust Fund on December 31 of  
8 that fifth calendar year shall be transferred to the general  
9 fund of the Treasury.

10 **“SEC. 1002. REPORTS REQUIRED BEFORE ENTERING INTO**  
11 **CERTAIN TRADE AGREEMENTS.**

12 “The President shall notify the chairperson and rank-  
13 ing member of the Committee on Finance of the Senate  
14 and the Committee on Ways and Means of the House of  
15 Representatives not later than 90 days before entering  
16 into a trade agreement if the President determines that  
17 entering into the trade agreement could result—

18 “(1) in a decrease in the amount of duties col-  
19 lected on articles that are citrus or citrus products  
20 classifiable under chapters 8, 20, 21, 22, and 33 of  
21 the Harmonized Tariff Schedule of the United  
22 States; and

23 “(2) in a decrease in the amount of funds being  
24 transferred into the Citrus Disease Research and  
25 Development Trust Fund under section 1001 so that

1 amounts available in the Trust Fund are insufficient  
 2 to meet the purposes of the Citrus Disease Research  
 3 and Development Trust Fund Act of 2011.”.

4 (b) CLERICAL AMENDMENT.—The table of contents  
 5 for the Trade Act of 1974 is amended by adding at the  
 6 end the following:

“TITLE X—CITRUS DISEASE RESEARCH AND DEVELOPMENT  
 TRUST FUND

“Sec. 1001. Citrus Disease Research and Development Trust Fund.

“Sec. 1002. Reports required before entering into certain trade agreements.”.

7 **SEC. 4. CITRUS DISEASE RESEARCH AND DEVELOPMENT**  
 8 **TRUST FUND ADVISORY BOARD.**

9 (a) PURPOSE.—The purpose of this section is to es-  
 10 tablish an orderly procedure and financing mechanism for  
 11 the development of an effective and coordinated program  
 12 of research and product development relating to—

13 (1) scientific research concerning diseases and  
 14 pests, both domestic and invasive, afflicting the cit-  
 15 rus industry; and

16 (2) support for the dissemination and commer-  
 17 cialization of relevant information, techniques, and  
 18 technologies discovered pursuant to research funded  
 19 through the Citrus Disease Research and Develop-  
 20 ment Trust Fund established under section 1001 of  
 21 the Trade Act of 1974, as added by section 3(a) of  
 22 this Act, or through other research projects intended

1 to solve problems caused by citrus production dis-  
2 eases and invasive pests.

3 (b) DEFINITIONS.—In this section:

4 (1) BOARD.—The term “Board” means the Cit-  
5 rus Disease Research and Development Trust Fund  
6 Advisory Board established under this section.

7 (2) CITRUS.—

8 (A) IN GENERAL.—The term “citrus”  
9 means edible fruit of the family Rutaceae, com-  
10 monly called “citrus”.

11 (B) INCLUSION.—The term “citrus” in-  
12 cludes all citrus hybrids and products of citrus  
13 hybrids that are produced for commercial pur-  
14 poses in the United States.

15 (3) DEPARTMENT.—The term “Department”  
16 means the Department of Agriculture.

17 (4) PERSON.—The term “person” means any  
18 individual, group of individuals, firm, partnership,  
19 corporation, joint stock company, association, coop-  
20 erative, or other legal entity.

21 (5) PRODUCER.—The term “producer” means  
22 any person that is engaged in the domestic produc-  
23 tion and commercial sale of citrus in the United  
24 States.

1           (6) PROGRAM.—The term “program” means  
2 the citrus research and development program au-  
3 thorized under this section.

4           (7) SECRETARY.—The term “Secretary” means  
5 the Secretary of Agriculture.

6           (8) TRUST FUND.—The term “Trust Fund”  
7 means the Citrus Disease Research and Develop-  
8 ment Trust Fund established under section 1001 of  
9 the Trade Act of 1974, as added by section 3(a) of  
10 this Act.

11 (c) IMPLEMENTATION.—

12           (1) REGULATIONS.—Not later than 180 days  
13 after the date of enactment of this Act, the Sec-  
14 retary shall promulgate regulations to carry out this  
15 section.

16           (2) CITRUS ADVISORY BOARD.—

17           (A) ESTABLISHMENT AND MEMBERSHIP.—

18           (i) ESTABLISHMENT.—The Citrus  
19 Disease Research and Development Trust  
20 Fund Advisory Board shall consist of 9  
21 members.

22           (ii) MEMBERSHIP.—The members of  
23 the Board shall be appointed by the Sec-  
24 retary.

1 (iii) STATUS.—Members of the Board  
2 represent the interests of the citrus indus-  
3 try and shall not be considered officers or  
4 employees of the Federal Government sole-  
5 ly due to membership on the Board.

6 (B) DISTRIBUTION OF APPOINTMENTS.—

7 The membership of the Board shall consist of—

8 (i) 5 members who are domestic pro-  
9 ducers of citrus in Florida;

10 (ii) 3 members who are domestic pro-  
11 ducers of citrus in Arizona or California;

12 and

13 (iii) 1 member who is a domestic pro-  
14 ducer of citrus in Texas.

15 (C) CONSULTATION.—Prior to making ap-  
16 pointments to the Board, the Secretary shall  
17 consult with organizations composed primarily  
18 of citrus producers to receive advice and rec-  
19 ommendations regarding Board membership.

20 (D) BOARD VACANCIES.—

21 (i) IN GENERAL.—The Secretary shall  
22 appoint a new Board member to serve the  
23 remainder of a term vacated by a depart-  
24 ing Board member.

1           (ii) REQUIREMENTS.—When filling a  
2 vacancy on the Board, the Secretary  
3 shall—

4           (I) appoint a citrus producer  
5 from the same State as the Board  
6 member being replaced; and

7           (II) prior to making an appoint-  
8 ment, consult with organizations in  
9 that State composed primarily of cit-  
10 rus producers to receive advice and  
11 recommendations regarding the va-  
12 cancy.

13       (E) TERMS.—

14           (i) IN GENERAL.—Except as provided  
15 in clause (ii), each term of appointment to  
16 the Board shall be for 5 years.

17           (ii) INITIAL APPOINTMENTS.—In  
18 making initial appointments to the Board,  
19 the Secretary shall appoint  $\frac{1}{3}$  of the mem-  
20 bers to terms of 1, 3, and 5 years, respec-  
21 tively.

22       (F) DISQUALIFICATION FROM BOARD  
23 SERVICE.—If a member or alternate of the  
24 Board who was appointed as a domestic pro-  
25 ducer ceases to be a producer in the State from

1 which the member was appointed, or fails to  
2 fulfill the duties of the member according to the  
3 rules established by the Board under paragraph  
4 (4)(A)(ii), the member or alternate shall be dis-  
5 qualified from serving on the Board.

6 (G) COMPENSATION.—

7 (i) IN GENERAL.—The members of  
8 the Board shall serve without compensa-  
9 tion, other than travel expenses described  
10 in clause (ii).

11 (ii) TRAVEL EXPENSES.—A member  
12 of the Board shall be allowed travel ex-  
13 penses, including per diem in lieu of sub-  
14 sistence, at rates authorized for an em-  
15 ployee of an agency under subchapter I of  
16 chapter 57 of title 5, United States Code,  
17 while away from the home or regular place  
18 of business of the member in the perform-  
19 ance of the duties of the Board.

20 (3) POWERS.—

21 (A) GIFTS.—The Board may accept, use,  
22 and dispose of gifts or donations of services or  
23 property.

24 (B) POSTAL SERVICES.—The Board may  
25 use the United States mails in the same man-

1           ner and under the same conditions as other  
2           agencies of the Federal Government.

3           (C) VOLUNTEER SERVICES.—Notwith-  
4           standing section 1342 of title 31, United States  
5           Code, the Board may accept and use the serv-  
6           ices of volunteers serving without compensation.

7           (D) TECHNICAL AND LOGISTICAL SUP-  
8           PORT.—Subject to the availability of funds, the  
9           Secretary shall provide to the Board technical  
10          and logistical support through contract or other  
11          means, including—

12                 (i) procuring the services of experts  
13                 and consultants in accordance with section  
14                 3109(b) of title 5, United States Code, but  
15                 at rates for individuals not to exceed the  
16                 daily equivalent of the highest rate payable  
17                 under section 5332 of that title; and

18                 (ii) entering into contracts with de-  
19                 partments, agencies, and instrumentalities  
20                 of the Federal Government, State agencies,  
21                 and private entities for the preparation of  
22                 reports, surveys, and other activities.

23           (E) DETAIL OF FEDERAL GOVERNMENT  
24           EMPLOYEES.—



1 (i) IN GENERAL.—An employee of the  
2 Federal Government may be detailed to the  
3 Commission on a reimbursable or nonreim-  
4 bursable basis.

5 (ii) CIVIL SERVICE STATUS.—The de-  
6 tail of the employee shall be without inter-  
7 ruption or loss of civil service status or  
8 privilege.

9 (F) GENERAL SERVICES ADMINISTRA-  
10 TION.—The Administrator of General Services  
11 shall provide to the Board on a reimbursable  
12 basis administrative support and other services  
13 for the performance of the duties of the Board.

14 (G) OTHER DEPARTMENTS AND AGEN-  
15 CIES.—Departments and agencies of the United  
16 States may provide to the Board such services,  
17 funds, facilities, staff, and other support serv-  
18 ices as may be appropriate.

19 (4) GENERAL RESPONSIBILITIES OF THE  
20 BOARD.—

21 (A) IN GENERAL.—The regulations pro-  
22 mulgated by the Secretary shall define the gen-  
23 eral responsibilities of the Board, which shall  
24 include the responsibilities—

1 (i) to meet, organize, and select from  
2 among the members of the Board a chair-  
3 person, other officers, and committees and  
4 subcommittees, as the Board determines to  
5 be appropriate;

6 (ii) to adopt and amend rules and reg-  
7 ulations governing the conduct of the ac-  
8 tivities of the Board and the performance  
9 of the duties of the Board;

10 (iii) to hire such experts and consult-  
11 ants as the Board considers necessary to  
12 enable the Board to perform the duties of  
13 the Board;

14 (iv) to advise the Secretary on citrus  
15 research and development needs;

16 (v) to propose a research and develop-  
17 ment agenda and annual budgets for the  
18 Trust Fund;

19 (vi) to evaluate and review ongoing re-  
20 search funded by Trust Fund;

21 (vii) to engage in regular consultation  
22 and collaboration with the Department and  
23 other institutional, governmental, and pri-  
24 vate actors conducting scientific research  
25 into the causes or treatments of citrus dis-

1                   eases and pests, both domestic and  
2                   invasive, so as to—

3                   (I) maximize the effectiveness of  
4                   the activities;

5                   (II) hasten the development of  
6                   useful treatments; and

7                   (III) avoid duplicative and waste-  
8                   ful expenditures; and

9                   (viii) to provide the Secretary with  
10                  such information and advice as the Sec-  
11                  retary may request.

12                  (5) CITRUS RESEARCH AND DEVELOPMENT  
13                  AGENDA AND BUDGETS.—

14                  (A) IN GENERAL.—The Board shall submit  
15                  annually to the Secretary a proposed research  
16                  and development agenda and budget for the  
17                  Trust Fund, which shall include—

18                  (i) an evaluation of ongoing research  
19                  and development efforts;

20                  (ii) specific recommendations for new  
21                  citrus research projects;

22                  (iii) a plan for the dissemination and  
23                  commercialization of relevant information,  
24                  techniques, and technologies discovered

1           pursuant to research funded through the  
2           Trust Fund; and

3                   (iv) a justification for Trust Fund ex-  
4           penditures.

5           (B) AFFIRMATIVE SUPPORT REQUIRED.—

6           A research and development agenda and budget  
7           may not be submitted by the Board to the Sec-  
8           retary without the affirmative support of at  
9           least 7 members of the Board.

10          (C) SECRETARIAL APPROVAL.—

11                   (i) IN GENERAL.—Not later than 60  
12           days after receiving the proposed research  
13           and development agenda and budget from  
14           the Board and consulting with the Board,  
15           the Secretary shall finalize a citrus re-  
16           search and development agenda and Trust  
17           Fund budget.

18                   (ii) CONSIDERATIONS.—In finalizing  
19           the agenda and budget, the Secretary  
20           shall—

21                           (I) due to the proximity of citrus  
22                           producers to the effects of diseases  
23                           such as huanglongbing and the quick-  
24                           ly evolving nature of scientific under-  
25                           standing of the effect of the diseases

1 on citrus production, give strong def-  
2 erence to the proposed research and  
3 development agenda and budget from  
4 the Board; and

5 (II) take into account other pub-  
6 lic and private citrus-related research  
7 and development projects and fund-  
8 ing.

9 (D) REPORT TO CONGRESS.—Each year,  
10 the Secretary shall submit to the Committee on  
11 Agriculture and the Committee on Ways and  
12 Means of the House of Representatives and the  
13 Committee on Agriculture, Nutrition, and For-  
14 estry and the Committee on Finance of the  
15 Senate a report that includes—

16 (i) the most recent citrus research and  
17 development agenda and budget of the  
18 Secretary;

19 (ii) an analysis of how, why, and to  
20 what extent the agenda and budget final-  
21 ized by the Secretary differs from the pro-  
22 posal of the Board;

23 (iii) an examination of new develop-  
24 ments in the spread and control of citrus  
25 diseases and pests;

1 (iv) a discussion of projected research  
2 needs; and

3 (v) a review of the effectiveness of the  
4 Trust Fund in achieving the purpose de-  
5 scribed in subsection (a).

6 (6) CONTRACTS AND AGREEMENTS.—To ensure  
7 the efficient use of funds, the Secretary may enter  
8 into contracts or agreements with public or private  
9 entities for the implementation of a plan or project  
10 for citrus research.

11 (d) ADMINISTRATIVE COSTS.—Each fiscal year, the  
12 Secretary may transfer up to \$2,000,000 of amounts in  
13 the Trust Fund to the Board for expenses incurred by the  
14 Board in carrying out the duties of the Board.

15 (e) TERMINATION OF BOARD.—The Board shall ter-  
16 minate on December 31 of the fifth calendar year that  
17 begins after the date of enactment of this Act.

○