

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA
APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE,
ENVIRONMENT, AND GENERAL GOVERNMENT
Senator Albritton, Chair
Senator Rodrigues, Vice Chair

MEETING DATE: Wednesday, January 27, 2021
TIME: 3:30—6:00 p.m.
PLACE: *Toni Jennings Committee Room, 110 Senate Building*

MEMBERS: Senator Albritton, Chair; Senator Rodrigues, Vice Chair; Senators Ausley, Berman, Boyd, Bradley, Brodeur, Garcia, Mayfield, Stewart, and Thurston

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
PUBLIC TESTIMONY WILL BE RECEIVED FROM ROOM A1 AT THE DONALD L. TUCKER CIVIC CENTER, 505 W PENSACOLA STREET, TALLAHASSEE, FL 32301			
1	Overview of the Implementation of SB 712 (Ch. 2020-150, L.O.F) "The Clean Waterways Act" by the Department of Agriculture and Consumer Services		Presented
2	Overview of the Implementation of SB 712 (Ch. 2020-150, L.O.F) "The Clean Waterways Act" by the Department of Environmental Protection		Presented
3	Overview of Activities of the Department of Citrus and Market Situation of the Citrus Industry		Presented
4	Overview of the Florida Citrus Industry by Florida Citrus Mutual		Presented
5	Overview of Research Activities and Citrus Greening by the Citrus Research and Development Foundation		Not Considered
Other Related Meeting Documents			

FDACS Office of Agricultural Water Policy BMP and SB 712 Legislative Update

**Senate Appropriations Subcommittee on Agriculture,
Environment, and General Government**

Senator Ben Albritton, Chair

Christopher Pettit, Director

Office of Agricultural Water Policy

**Florida Department of Agriculture and Consumer
Services**



Agricultural Best Management Practices

- Management strategies, tools and practices that improve water quality, conserve water, enhance soil health and protect water resources
- Based on the best available science and technology
- Must be technically and economically feasible
- Must balance production and water resource protection



Benefits of Best Management Practices

- Increase efficiencies in nutrient, irrigation and water management
- Conservation and protection of water and environmental resources
- Promote climate resiliency and carbon sequestration
- Improve soil health
- Preserve and enhance wildlife habitat
- Promote groundwater recharge



FDACS Role in BMP Implementation

- Develop BMPs in Manuals and adopt BMPs by Rule
- Assist Producers with BMP Enrollment
- Identify and support targeted cost-share of select BMPs
- Fund research to develop new BMPs and improve BMP effectiveness
- Verify proper implementation through site visits and record review

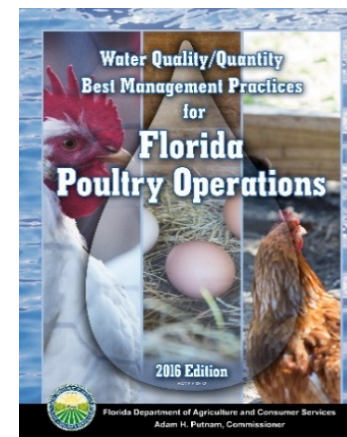
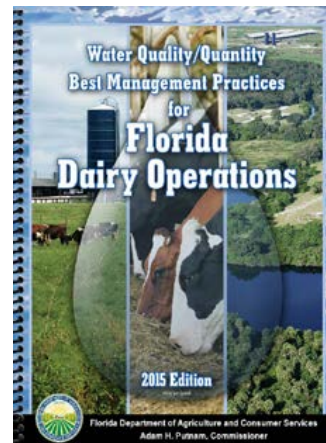
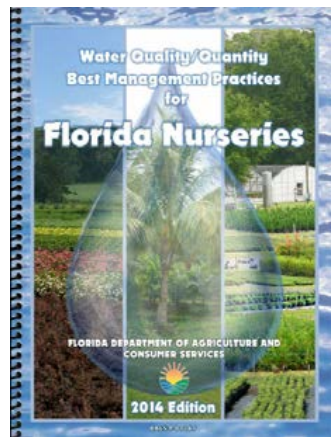
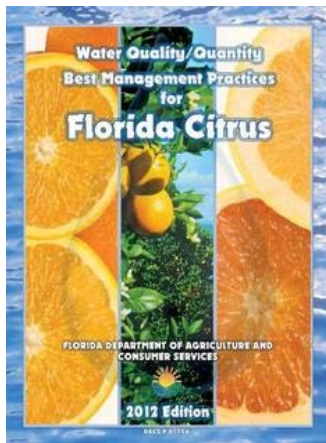
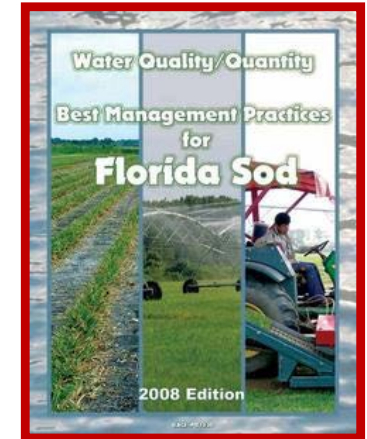
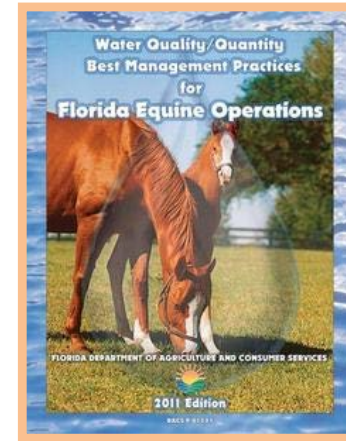
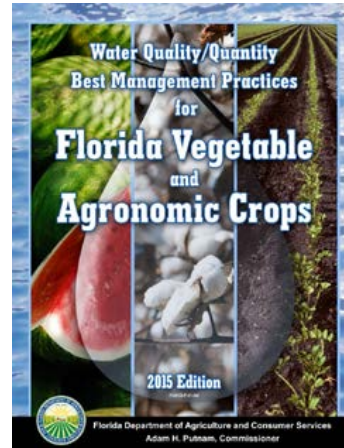
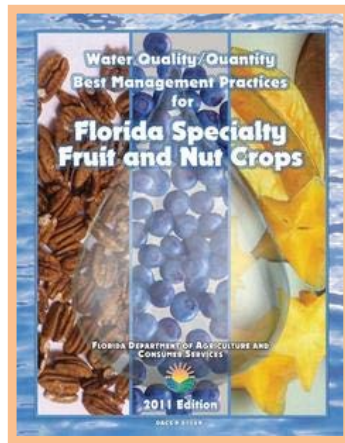
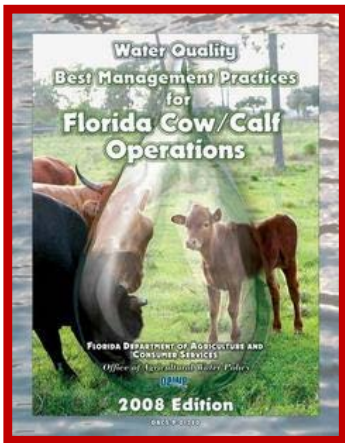


Producer Options in BMAP Areas

1. Sign an NOI and properly implement applicable BMPs for presumption of compliance, OR
2. Follow an FDEP or WMD-prescribed water quality monitoring plan at a Producer's expense



Adopted BMP Manuals



New SB 712 Requirements

- Implementation verification site visits to audit the proper implementation of best management practices by enrolled producers at least every two years
- Collection and Retention of nutrient application records
- Transfer of nutrient application information to FDEP for utilization in BMAP assessment
- Development of a research plan to inform future LBR development beginning in the 2022 Legislative Session



SB 712 Records Requirements

- During an verification visit, producer records are required to demonstrate compliance with the BMPs (Collect and Review).
- Certain records detailing nutrient application are required to be collected and retained by OAWP.
 - OAWP Rulemaking to standardize record retention across varied BMP manuals and recordkeeping processes (Nutrient Application Record Form)
 - Nutrient application information is provided to the FDEP for utilization within BMAP assessment



BMP Research and SB 712 Requirements

- Scientific and technical foundation for BMP development and improvement
 - New technologies and innovative practices
 - Demonstration projects
- OAWP Research Priorities
 - <https://www.fdacs.gov/Agriculture-Industry/Water/Agricultural-Best-Management-Practices/BMP-Research>
- Research Plan Development (SB 712)
 - Collaboration with UF/IFAS, other research universities, state colleges with an agricultural program
 - Coordination with FDEP
 - Legislative Budget Request



OAWP Implementation of SB 712

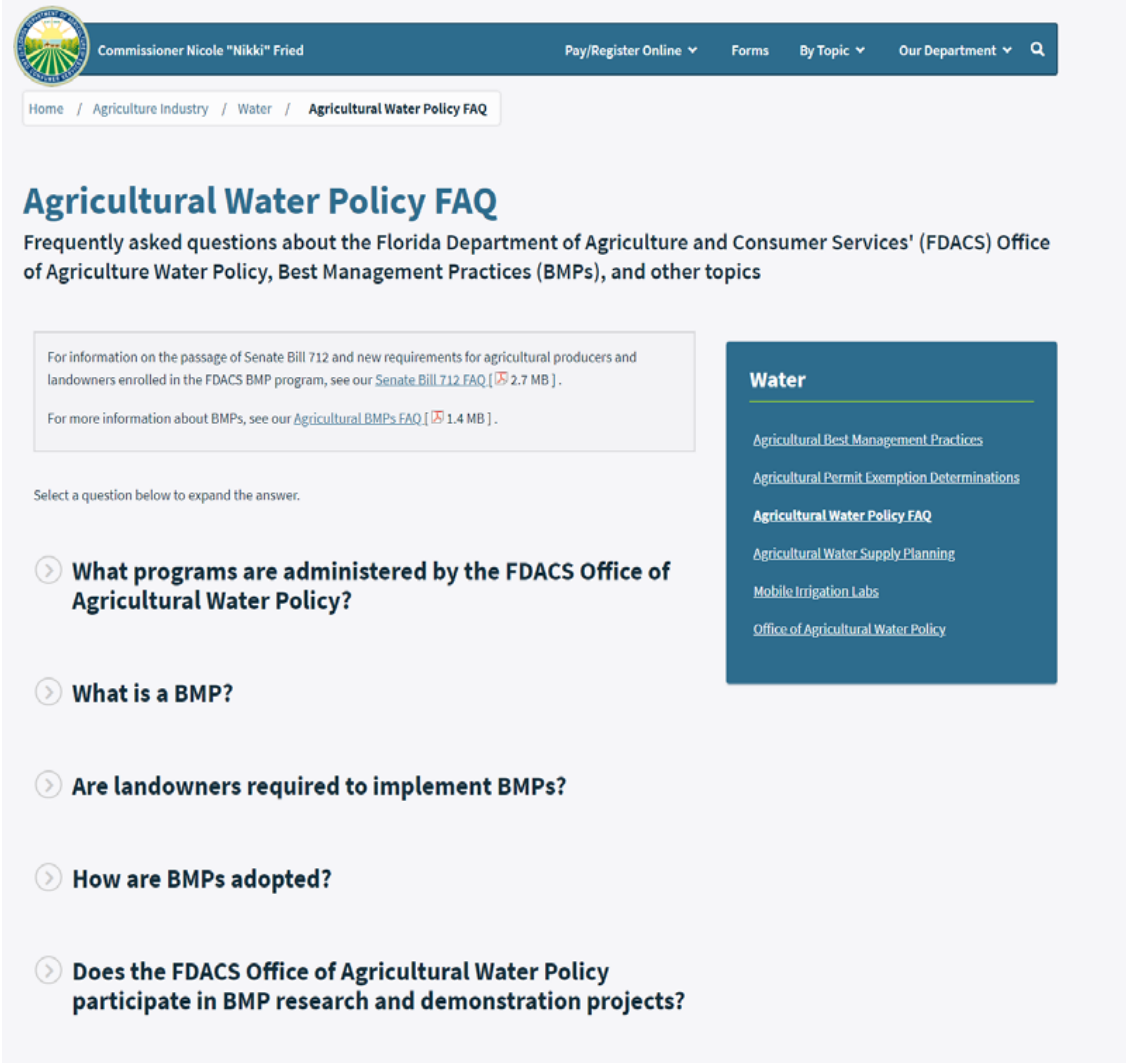
- Human Resources
 - 8 additional FTEs
 - Prioritize IVs in targeted BMAPs
 - Update training and staff guidance on enrollment and implementation verification
- Implementation Verification
 - Record retention pursuant to IV visits initiated July 1, 2020
 - Development of NARF for utilization on IV visits to retain nutrient application information
 - Rulemaking to update Chapter 5M-1, F.A.C.
 - Update terminology and definitions
 - Adopt a General Notice of Intent to Implement BMPs and Nutrient Application Record Form by reference
 - Tighten implementation assistance and compliance
 - NPR is currently published
- BMP Research Solicitation



OAWP Implementation of SB 712

Producer Outreach

- FAQs Document
- Technical Assistance under development
- Video Assistance under development
- Continued collaboration with UF/IFAS Extension to raise awareness



The screenshot shows the website for the Florida Department of Agriculture and Consumer Services, specifically the Agricultural Water Policy FAQ page. The page header includes the Commissioner's name, Nicole "Nikki" Fried, and navigation options like "Pay/Register Online", "Forms", "By Topic", and "Our Department". The breadcrumb trail indicates the path: Home / Agriculture Industry / Water / Agricultural Water Policy FAQ. The main heading is "Agricultural Water Policy FAQ", followed by a sub-heading: "Frequently asked questions about the Florida Department of Agriculture and Consumer Services' (FDACS) Office of Agriculture Water Policy, Best Management Practices (BMPs), and other topics". There are two informational boxes: one about Senate Bill 712 and another about BMPs. Below these is a list of questions to expand, such as "What programs are administered by the FDACS Office of Agricultural Water Policy?". A sidebar on the right lists various water-related topics like "Agricultural Best Management Practices" and "Agricultural Water Policy FAQ".



Thank You



Questions?

Emily.buckley@fdacs.gov

Christopher.pettit@fdacs.gov



THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-27-2021

Meeting Date

Bill Number (if applicable)

Topic Overview of the Implementation of SB 712

Amendment Barcode (if applicable)

Name Christopher Pettit

Job Title Director of Agricultural Water Policy

Address 401 S. Monroe St

Phone 850-617-7700

Street

Tallahassee

FL

32399

Email Christopher.Pettit@fdacs.gov

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FDACS

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

JAN 27 2021
Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 712
Bill Number (if applicable)

Topic INFORMATION ON CLEAN WATERWAYS

Amendment Barcode (if applicable)

Name DAVID MITCHELL SERDAR (SIR-DAR)

Job Title CONCERNED SENIOR CITIZEN STATEWIDE PUBLIC CONCERN

Address 160 WINTERSGREEN DR.

Phone 352 805 6597

FRUITLAND PARK FL 34731

Email GOTSERDAR1955@gmail.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing SELF & FAMILY

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



Protecting **FLORIDA** Together

The Clean Waterways Act

Senate Appropriations Subcommittee on Agriculture, Environment, and General Government - Jan. 27, 2021

SB 712 THE CLEAN WATERWAYS ACT



Wide range of water quality protection provisions aimed at:

- Minimizing the impact of known sources of nutrient pollution
- Realigning the state's resources to enhance the protection of Florida's environment
- Strengthening regulatory requirements

DEVELOPMENT OF THE BIOSOLIDS RULE



- TAC and four public workshops in 2019 with draft rule prior to 2020 Session
- Rulemaking workshop held Sept. 18, 2020 with new draft incorporating Clean Waterways Act requirements
- Notice of proposed rule published Dec. 3, 2020, was not challenged
- Awaiting presentation to ERC for their approval
- Requires ratification by the Legislature



TRANSFER OF ONSITE SEWAGE PROGRAM



- **Transfer of program to DEP on July 1, 2021**
- **Reviewed multiple scenarios ranging from only DOH headquarters transfer to all DOH and county health department employee transfer**
- **Joint Recommendation: DOH headquarters transfer with associated support staff on July 1, 2021 and Interagency Agreement for five years to cover county employees working under DEP guidance**

PREVENTATIVE MEASURES TO AVOID SANITARY SEWER OVERFLOWS AND UNDERGROUND PIPE LEAKS



- Increased penalties are in effect
- Anticipated draft wastewater rule published February 2021
- Adds power contingency plans and sets forth inspection and replacement schedule for collection systems
- Workshop on Nov. 19, 2020
- Annual reports from utilities will begin in 2021



UPGRADES TO ADVANCED WASTE TREATMENT



- July 1, 2025 deadline to stop discharge or meet AWT standards
- 10 facilities that do not currently meet AWT standards (5 in Central, 4 in Southeast, 1 in South)
 - 3 of the 10 facilities' internal timelines will not meet the 2025 requirements
- Utility estimated cost to finish all conversions \$135 million
- Mandated update/progress reports in 2022 with accelerated schedules for those lagging behind

DEVELOPMENT OF THE REUSE RULE



- **First phase of rulemaking to clean-up outdated language and integrate reuse in existing rules completed**
- **Workshop on Oct. 23, 2020**
- **Rule published Dec. 15, 2020**
- **Second phase to incorporate amendments needed for indirect and direct reuse**
- **Workshop on Jan. 14, 2021**



DEVELOPMENT OF THE STORMWATER DESIGN AND OPERATION RULE



- Created a stormwater Technical Advisory Council including academia, environmental groups, industry and local governments to provide technical assistance for upcoming rule making for new design standards
- TAC Meetings Dec. 15, 2020 and Jan. 27, 2021
- Completed review of 10/2 self-certification and submitted report
- Recommendations include both actions the agency can take immediately and potential legislative changes

- Purpose of these plans is to ensure thoughtful planning and effective water quality restoration
- Any newly adopted BMAPs include requirement for these elements where required





THANK YOU

Florida Department of Citrus

*Presentation to the
Senate Appropriations
Subcommittee on
Agriculture, Environment,
and General Government*

Shannon Shepp
Executive Director
January 27, 2021



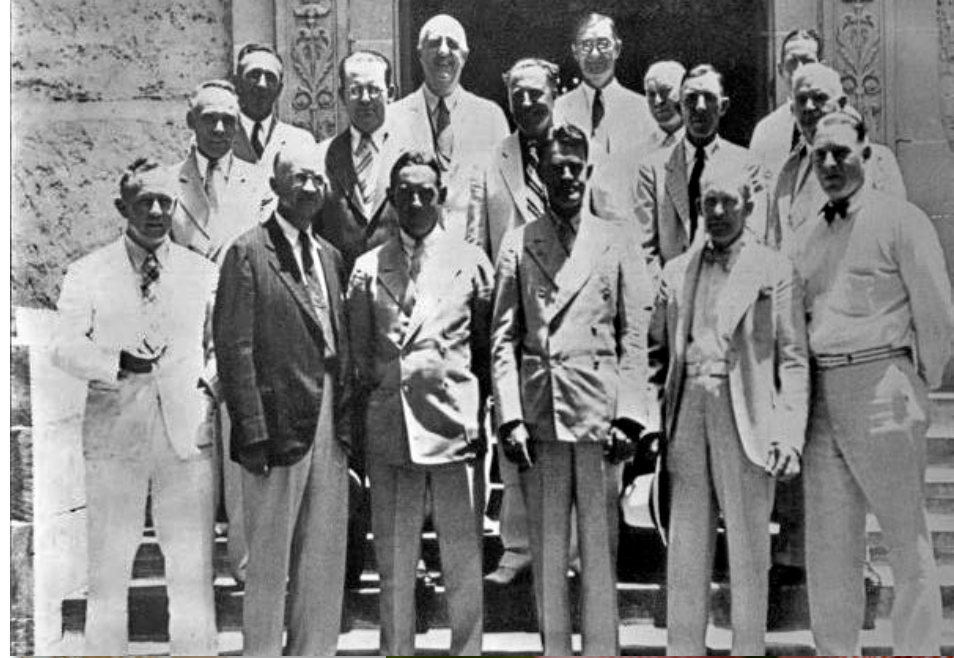
The Florida Department of Citrus

Overview

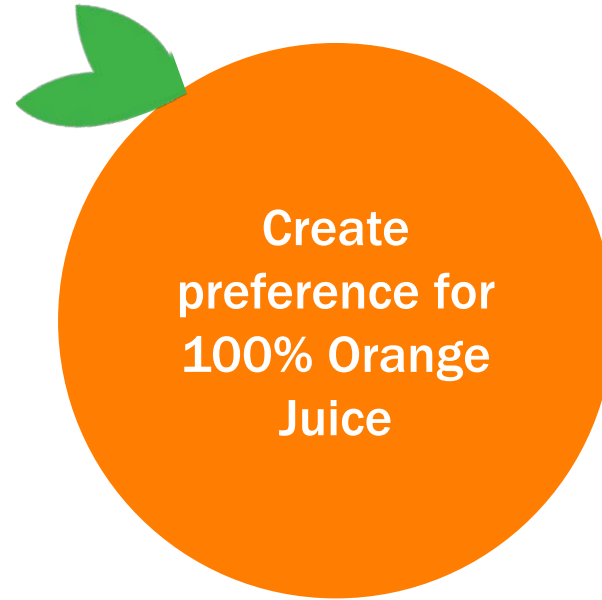
- Established in 1935 by growers
- Self-funded for 80+ years
- 9 member Florida Citrus Commission appointed by Governor
- Executive agency of Florida government charged with the marketing, research and regulation of the Florida Citrus industry

Mission

Maximize consumer demand for Florida Citrus products to ensure the sustainability and economic well-being of the Florida Citrus grower, the citrus industry and the state of Florida.

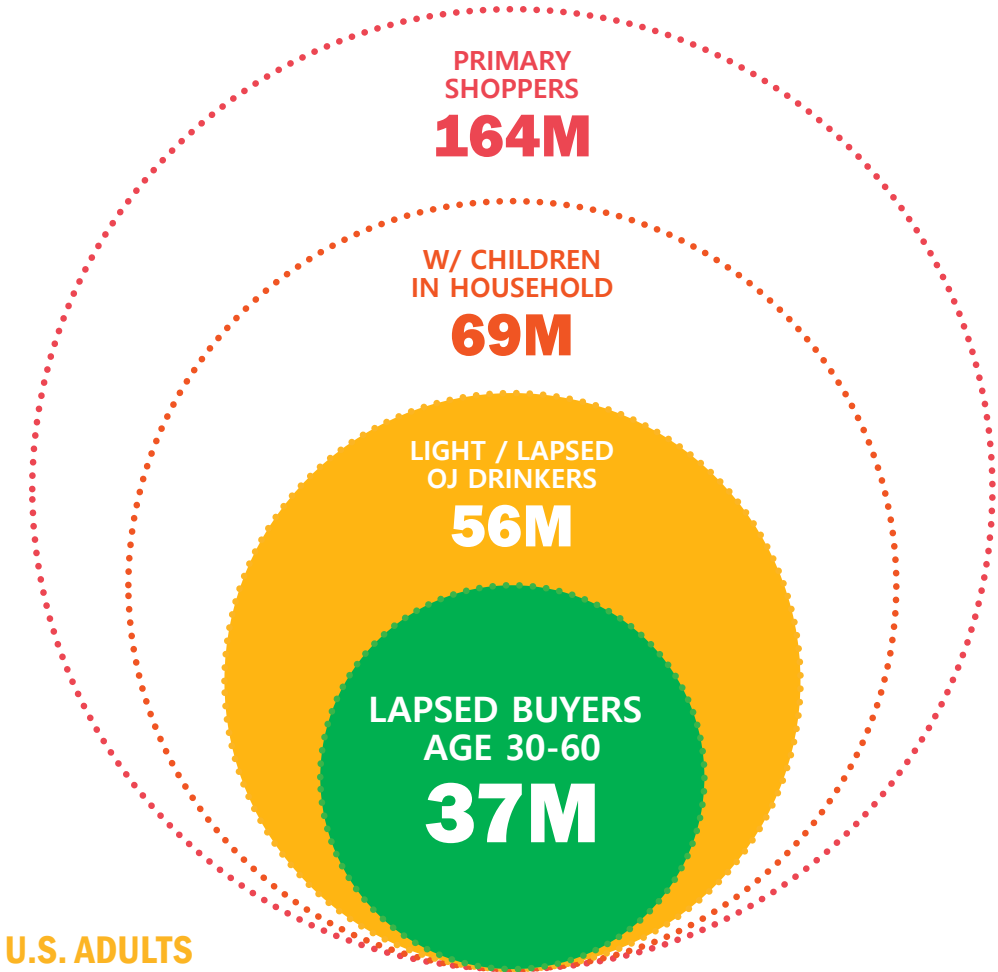


FY2020–2021 Objective



**The Original
Wellness Drink.™**

New Audience

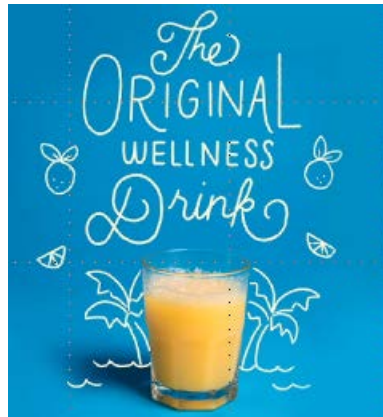
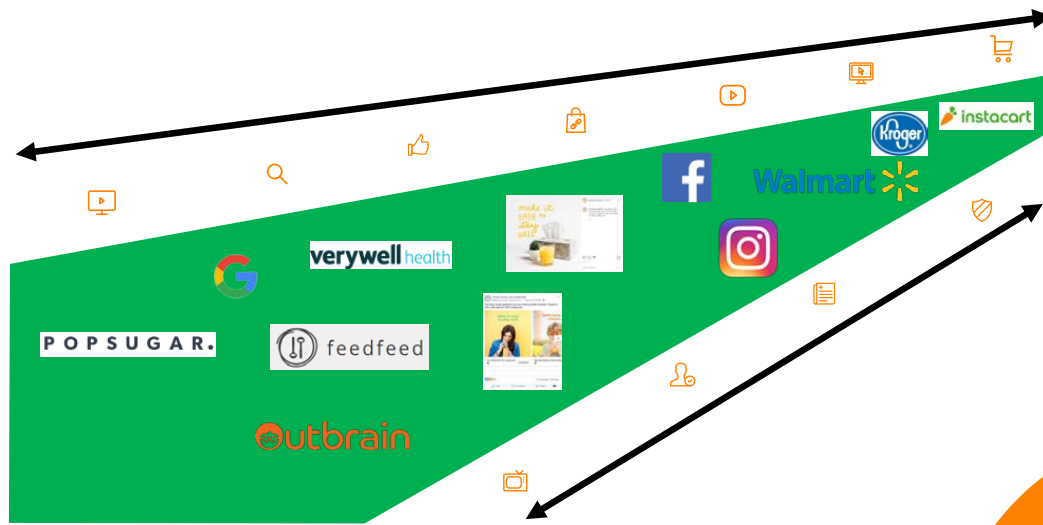


MODERN GATHERINGS
23 Million

WELLNESS REDEFINED
22.5 Million

WORK MODE
14.9 Million

eCommerce Journey: Jan 2020 – Jan 2021



**Campaign
Attributed Sales***

\$11,640,920

**Campaign
Impressions***

513,415,802

**Campaign
ROAS***

\$5.24

*As of 1/20/21

eCommerce Update: Jul 2020 – Jan 2021

Campaign Impressions*

189,103,126

Campaign Attributed Sales*

\$7,089,495

Campaign ROAS*

\$6.85



*As of 1/20/21



Economic Data and Considerations from the Florida Production Perspective

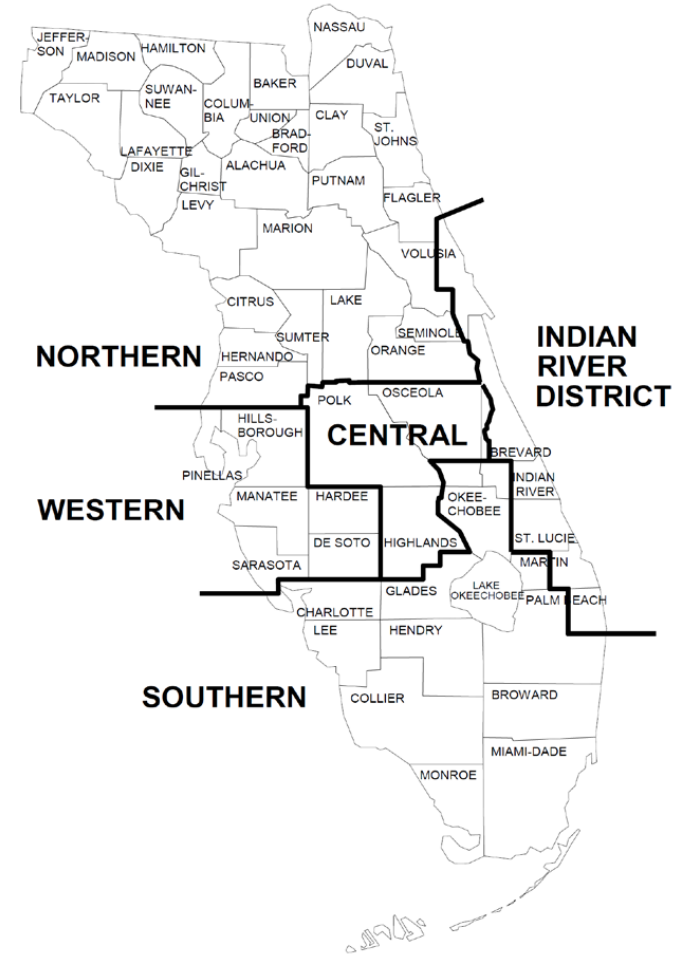


Dr. Marisa Zansler
Director, Economic and Market Research
January 27, 2021

The Florida Citrus Industry is a significant economic contributor to the Florida economy.



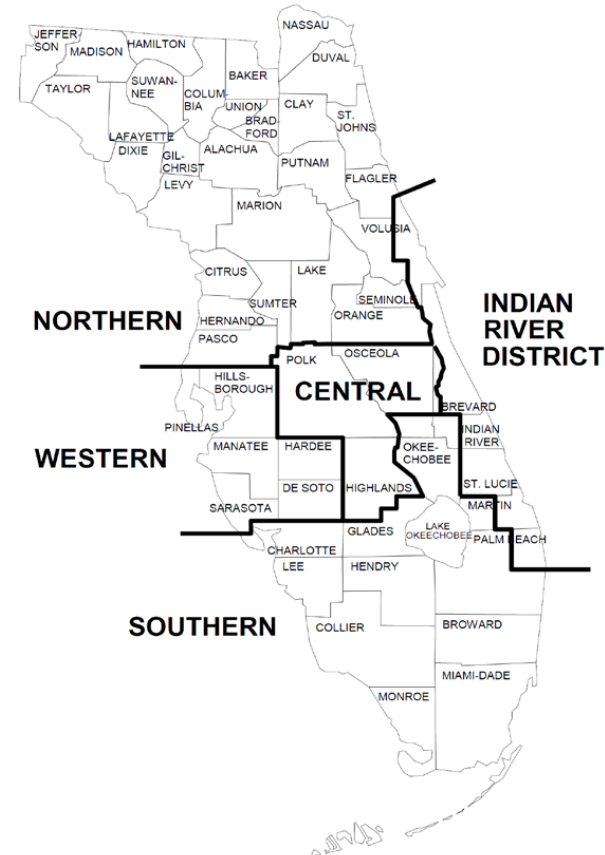
Florida Commercial Citrus Production Areas



Scope of the Florida Citrus Industry

Florida Commercial Citrus Production Areas

- **27 counties have citrus production**
 - 5 commercial citrus production areas
- **450,000+ acres of grove lands**
 - 440,000+ acres of bearing grove lands
- **17 packinghouses ship fresh fruit to global markets**
- **18 processing facilities that process citrus juice and byproducts**



Source: Dr. Christa Court, Economic Contributions of the Florida Citrus Industry in 2018-19; Presentation to the Florida Citrus Commission, May 20, 2020

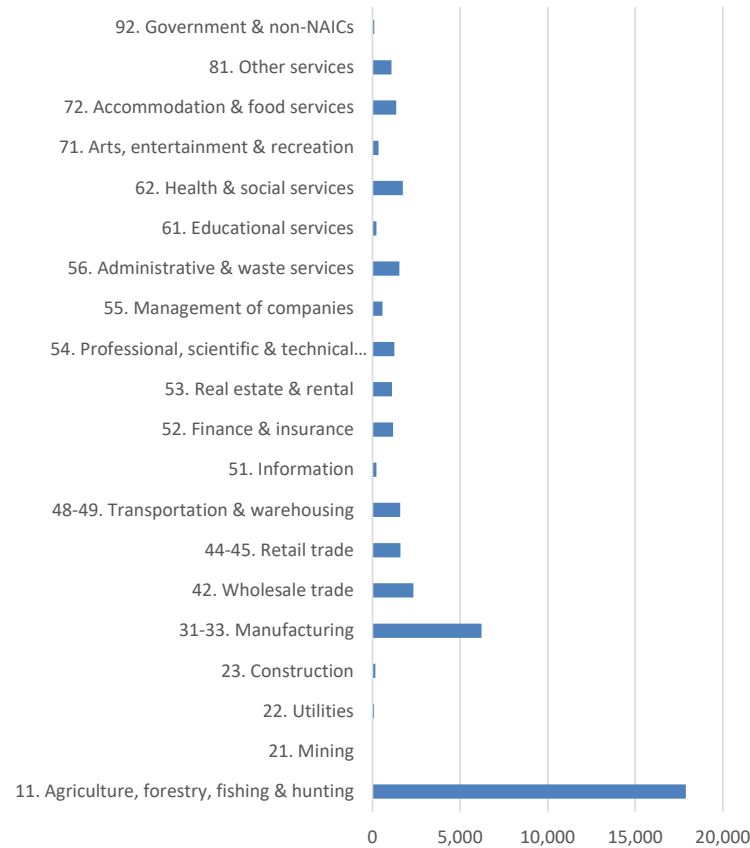
Total Contributions of the Florida Citrus Industry

- Industry Output (Sales Revenues)
\$6.531 billion
- Employment (Fulltime and Part-time)
37,431 jobs
- Value Added (Gross State Product)
\$2.727 billion

Total contributions are the sum of direct, indirect, and induced contributions and measure all activity throughout Florida's economy supported by the citrus industry.

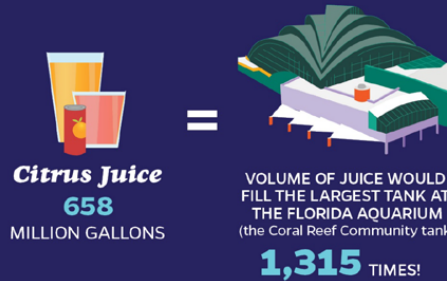
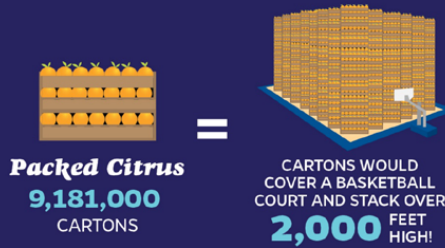
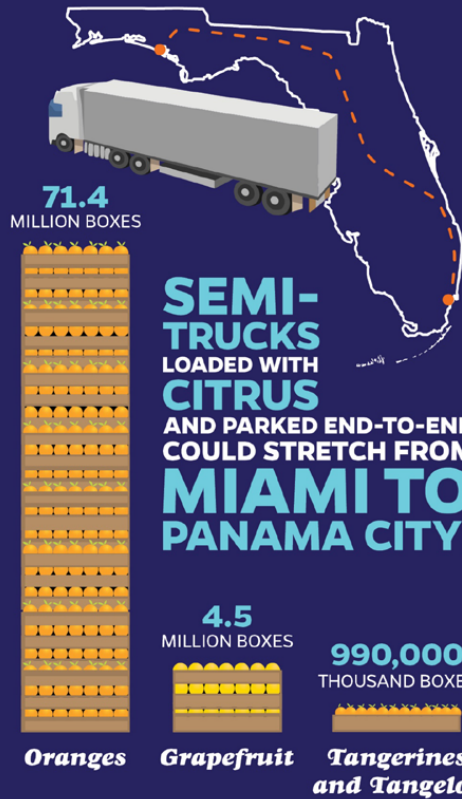
Court, Christa D., J. Ferreira, and J. Cruz. "Economic Contributions of the Florida Citrus Industry in 2018-19." Economic Impact Analysis Program, University of Florida-IFAS, Food & Resource Economics Department, Gainesville, FL, June 2020. Available at: <https://fred.ifas.ufl.edu/economicimpactanalysis/publications/2018-2019CitrusIndustry/>

Total employment contributions by industry



FLORIDA CITRUS

Contributing \$6.53 billion in industry output to Florida's economy



Citrus Industry DIRECT CONTRIBUTIONS

TOTAL INDUSTRY OUTPUT

\$3.93 billion
citrus growers, processors, and packinghouses

EMPLOYMENT

19,298 jobs
(fulltime and part-time)

LABOR INCOME

\$740 million
in income for Florida families



But it doesn't stop there.

Citrus activities also generate additional activity throughout Florida's economy, namely indirect and induced effects.



Citrus Industry TOTAL CONTRIBUTIONS

Industry Output



Employment



Labor Income



Value Added



Florida State & Local Tax Contributions

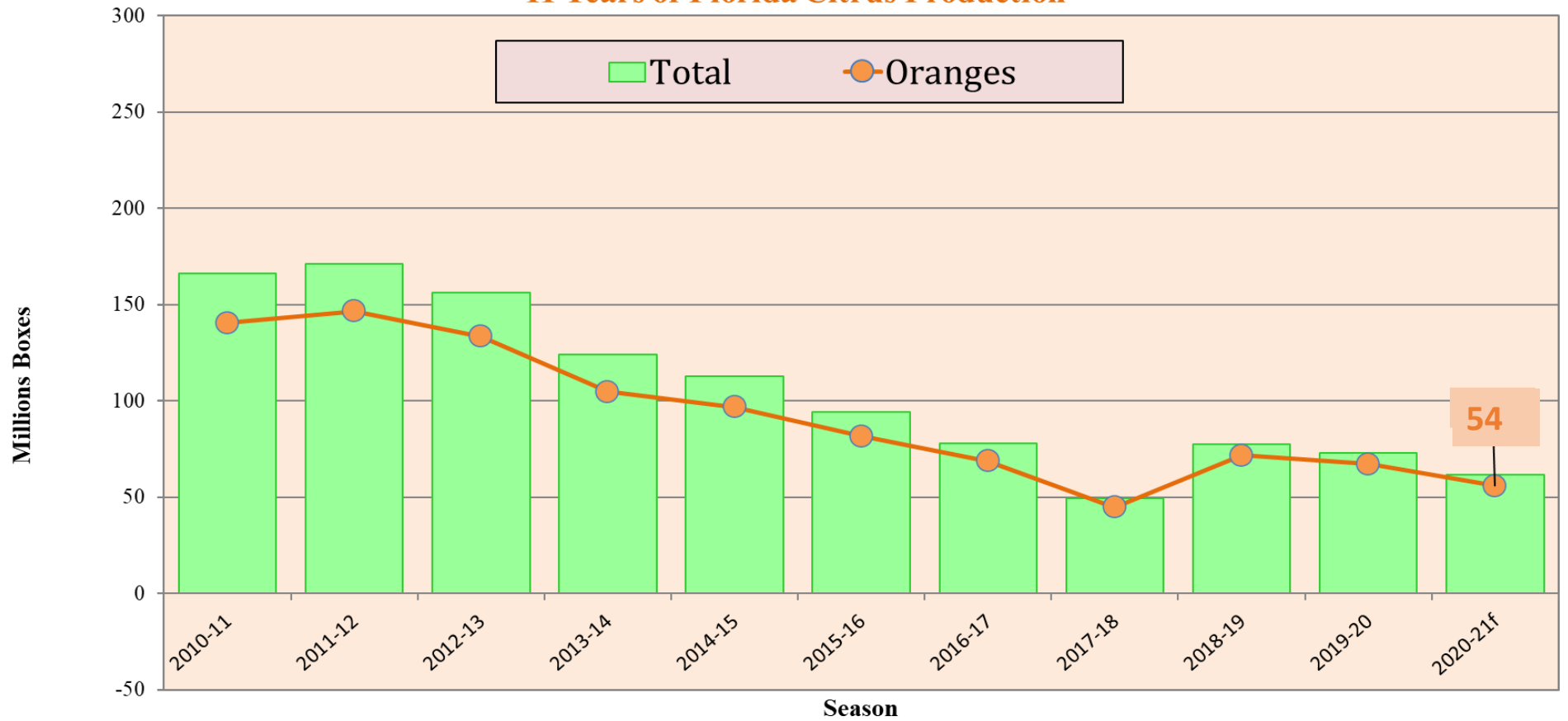


Retrospective for Citrus Industry

- **Florida Citrus industry is in recovery mode 3 seasons post-hurricane Irma and with HLB mitigations (supply-side issue).**
- **There were 2 distinctly divergent trends during the 2019-20 season:**
 - **Pre-March 2020 – OJ surplus due to excess OJ Imports suppressed Florida grower prices (supply-side issue).**
 - **Post-March 2020 – Demand for OJ at retail surged during pandemic relieving excess inventories relevant to Florida-grown oranges (demand-side issue).**

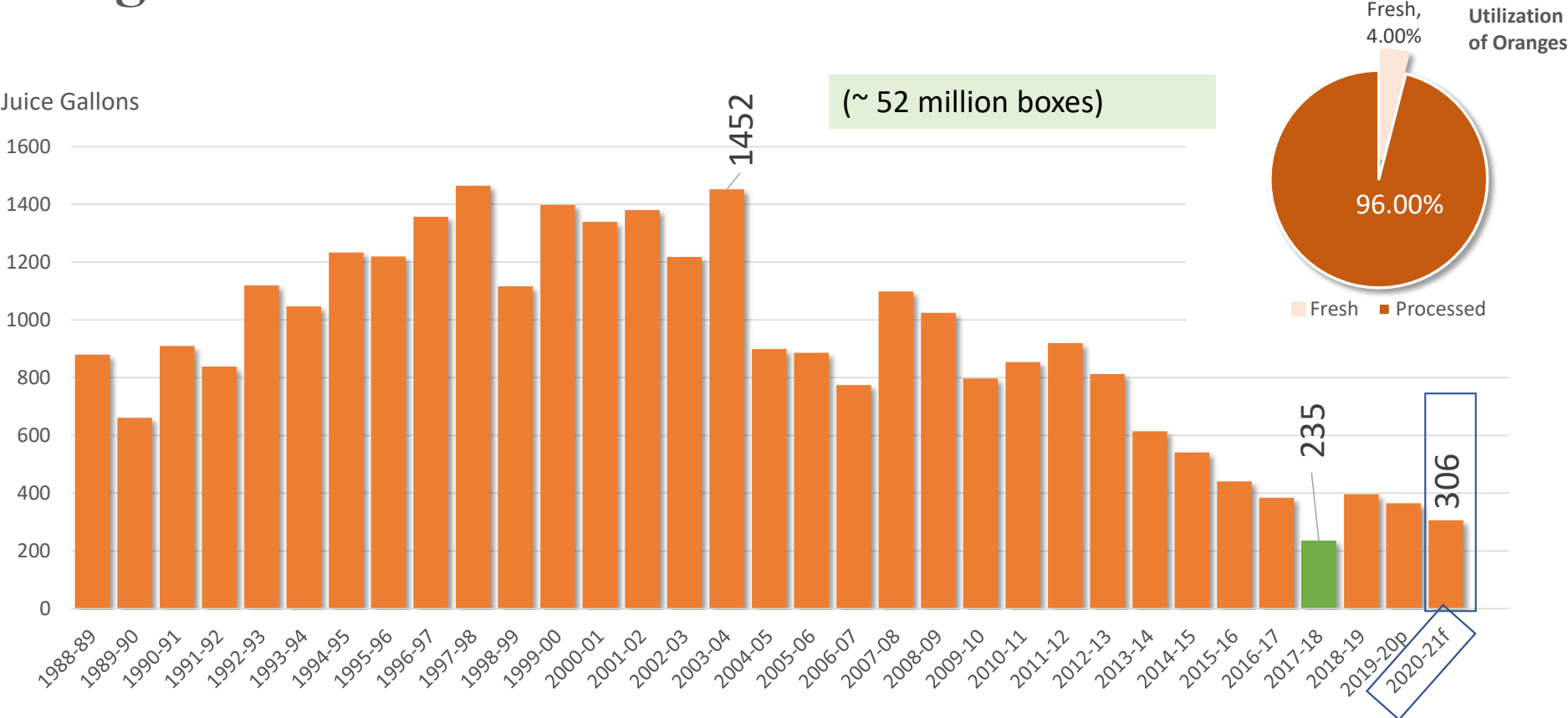
Decline in Florida production due to HLB

11 Years of Florida Citrus Production



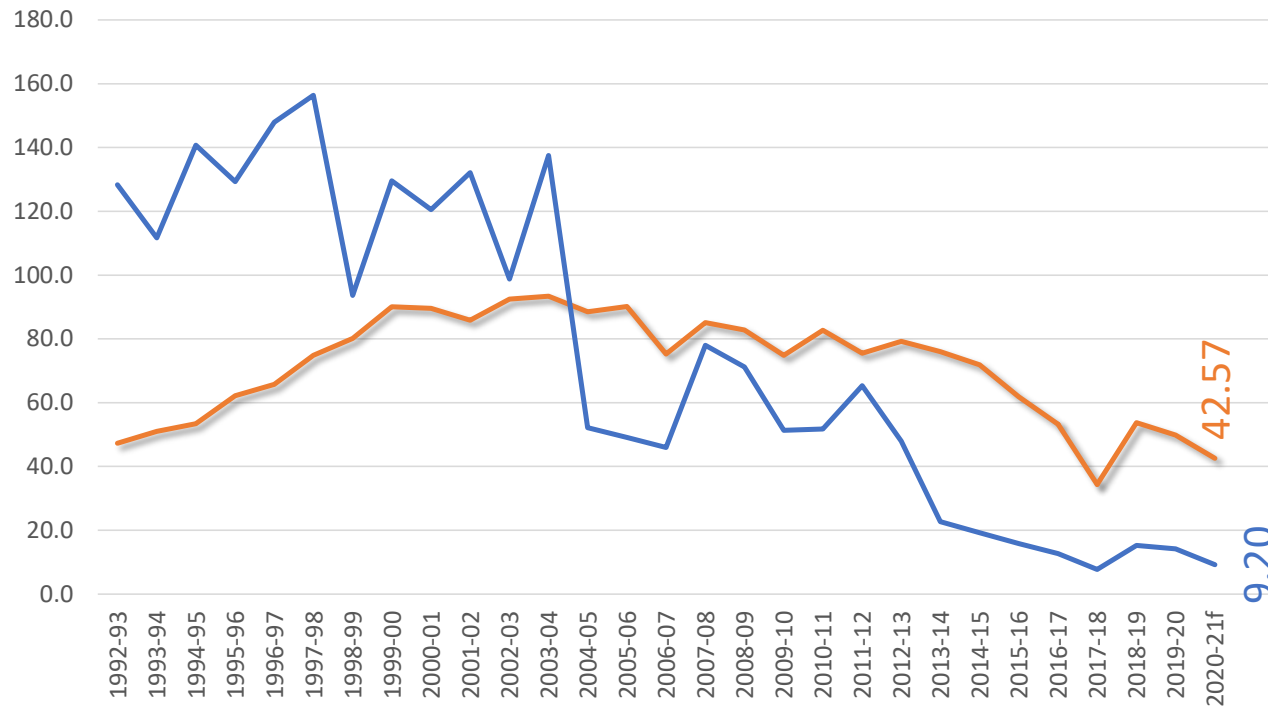
Source: USDA

Gallons of OJ produced from all Florida-sourced oranges

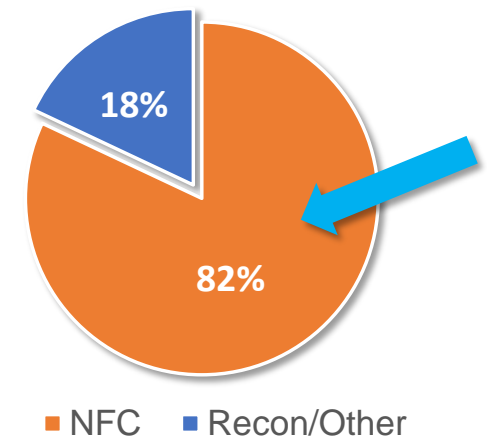


Florida accounts for 88% of domestically produced OJ

90 lb. boxes of Florida oranges (million boxes)



Utilization of Processed Oranges
2020-21 Season



Majority of Florida orange crop destined for retail channels

- Share of total OJ as retail consumption is estimated to range from 60-64%.
- Estimated share of NFC consumed through retail and premium food service.*

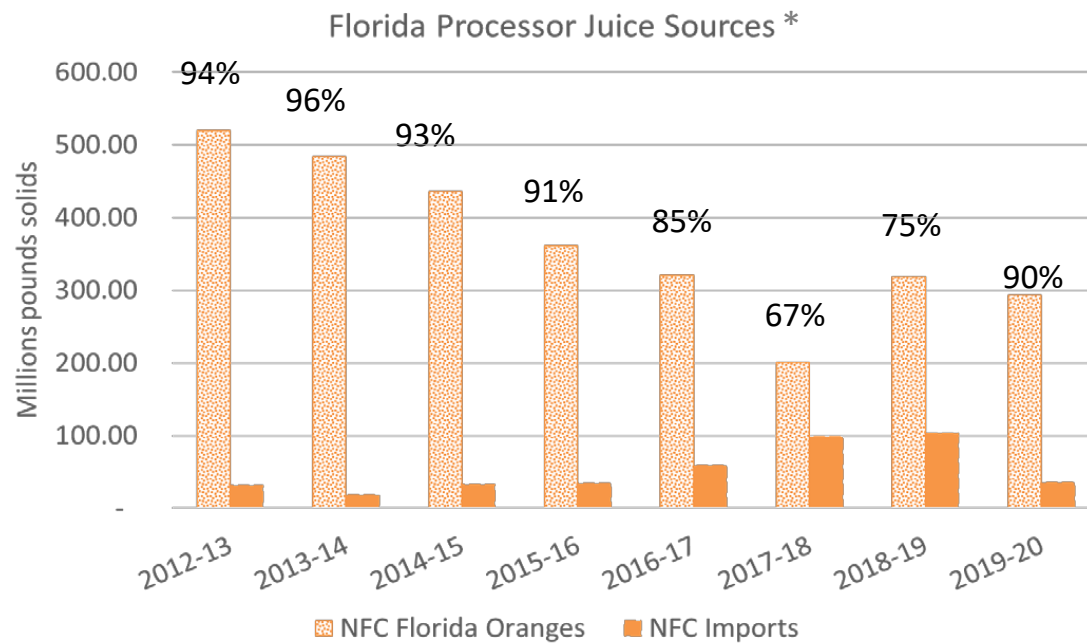
NFC	15-16	16-17	17-18	18-19	19-20
Total NFC Packaged	92.7%	92.2%	92.7%	94.2%	93.1%

- Estimated share of Recon consumed through retail and food service.*

Recon/Other	15-16	16-17	17-18	18-19	19-20
Total Packaged	21.8%	19.3%	21.8%	20.4%	16.6%
FCOJ Domestic Bulk Movement Packaged/Out of State or Food Service	66.6%	63.8%	73.0%	73.2%	78.7%

*Assuming Nielsen data coverage is 85% of total OJ at retail.

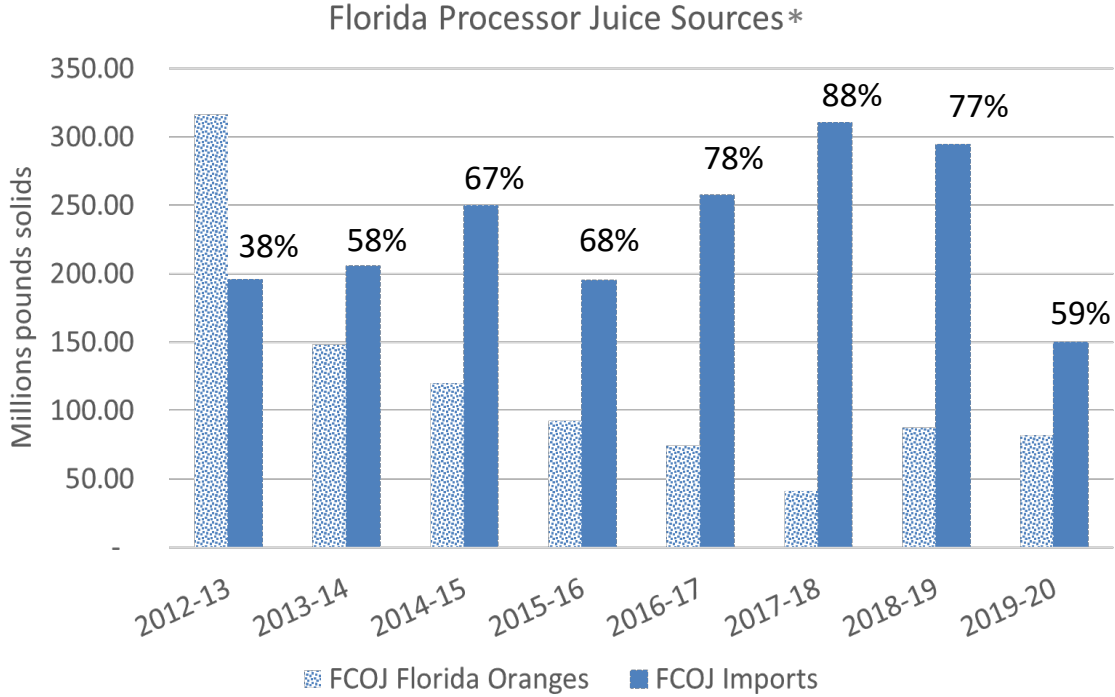
Florida Processors NFC Juice Sourced Primarily from Florida Orange crop



- **Florida Processors receive more than 90% of their NFC orange juice from the Florida orange crop.**
- **Notable exceptions, 2016-17 through 2018-19 citrus seasons due to Irma and production uncertainty.**

*Includes domestic sources (CA and TX); Does not include existing inventories
Conversion: 1 single-strength equivalent gallon of orange juice = 1.029 pounds solids

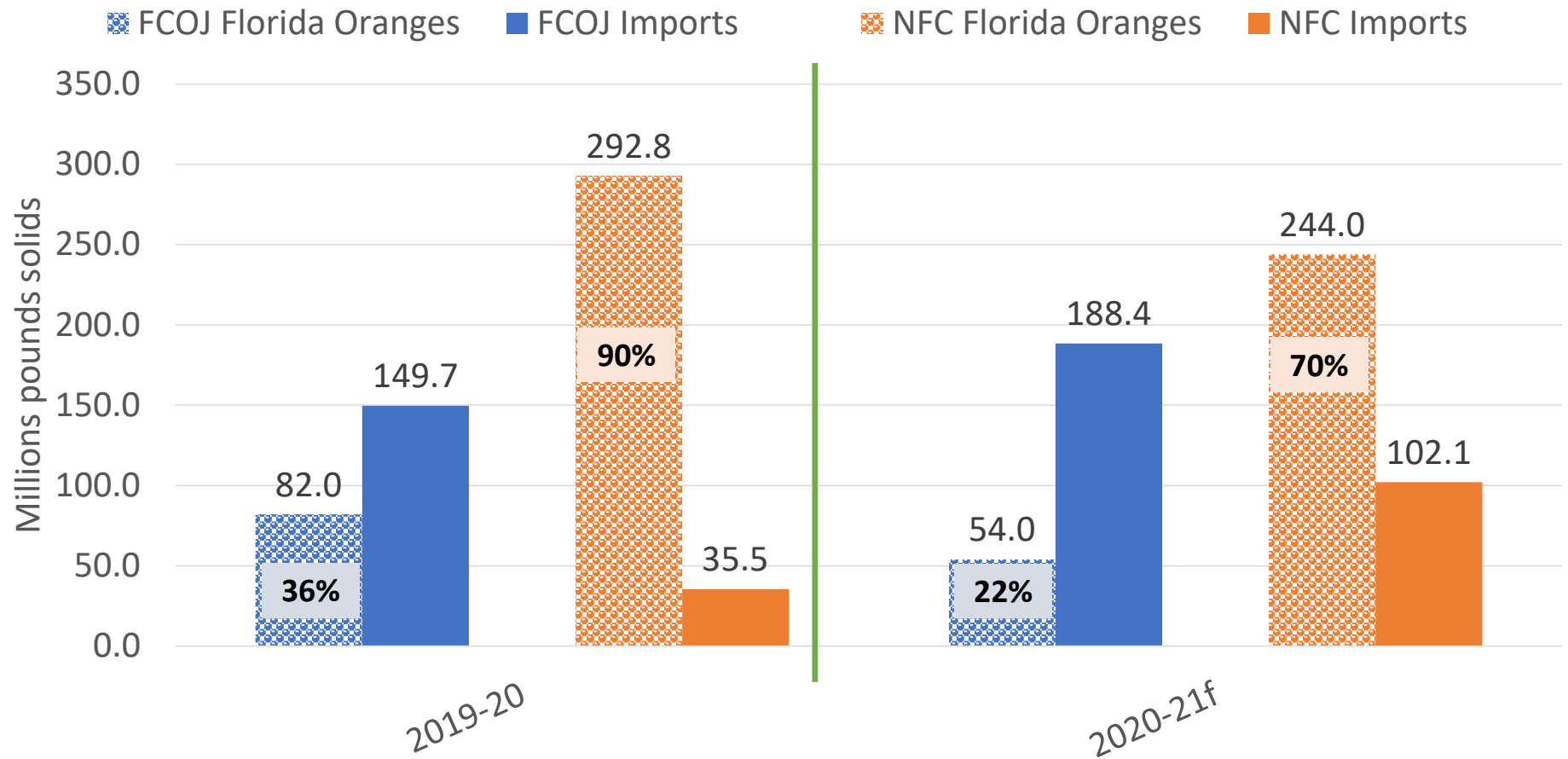
Florida Processors Recon/other Juice Sourced from Imported Concentrate



- **More than 60% of Florida Processor OJ concentrate is imported in any given season.**

*Includes domestic sources (CA and TX); Does not include existing inventories
 Conversion: 1 single-strength equivalent gallon of orange juice = 1.029 pounds solids

Florida Processors OJ Juice Sources in 2020-21



*Includes domestic sources (CA and TX); Does not include existing inventories
 Conversion: 1 single-strength equivalent gallon of orange juice = 1.029 pounds solids

FDOC Strategic Approach

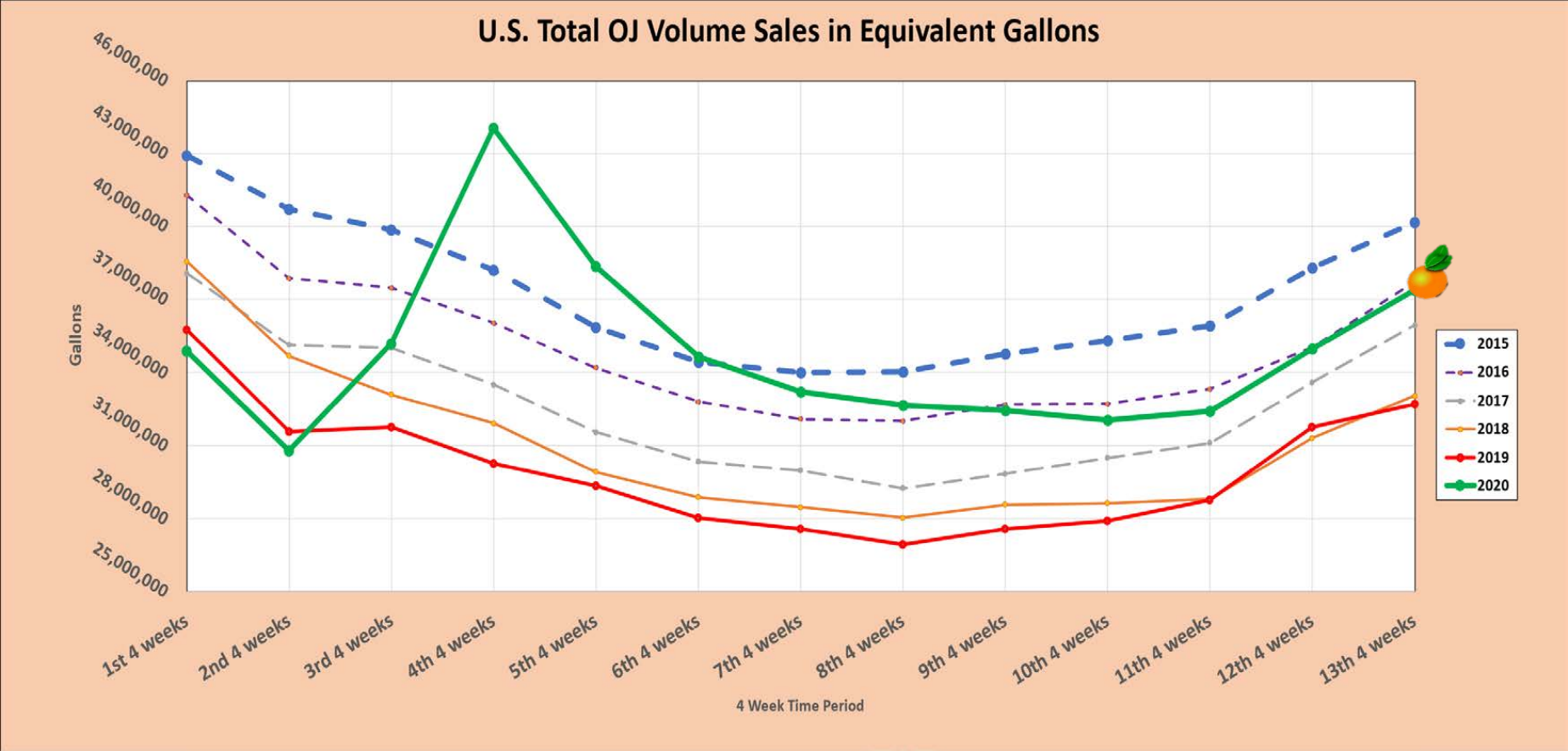
Drive sales of 100% orange juice to increase demand for Florida-sourced oranges.

**FY2020-2021
Objective:**



* Approved by Florida Citrus Commission - September 2020

U.S. OJ retail sales finish near 2016 levels



FDOC Program Measurement

1. Multifaceted approach to measurement using peer-reviewed methodology.
2. Data and Methods
 - a) Consumer Survey
 - b) Retail Sales Data
3. Attributed economic output impacts for the State from investment in FDOC promotion activities

Heng Y, Ward RW, House LA, Zansler M. Assessing key factors influencing orange juice demand in the current US market. *Agribusiness*. 2019; 35:501–515. <https://doi.org/10.1002/agr.21596>

Received: 19 February 2018 | Revised: 15 September 2018 | Accepted: 28 October 2018
DOI: 10.1002/agr.21596

RESEARCH ARTICLE WILEY *Agribusiness*

Assessing key factors influencing orange juice demand in the current US market

Yan Heng¹ | Ronald W. Ward¹ | Lisa A. House¹ | Marisa Zansler²

¹Department of Food and Resource Economics, University of Florida, Gainesville, Florida
²Department of Economic and Market Research, Florida Department of Citrus, Gainesville, Florida

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Lisa A. House, Department of Food and Resource Economics, University of Florida, PO Box 110240, Gainesville, FL
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Funding information
Florida Department of Citrus

Abstract
The US orange juice (OJ) industry has experienced dramatic changes and pressure from both the supply and demand side in the past decade. It is critical for the industry to understand and enhance consumer's demand to sustain the higher prices associated with decreased production and maintain demand for the point in time where production can recover. This study utilized both Nielsen scanner data and a unique consumer tracker database to explore the impact of key factors on OJ consumption to estimate the return on investment. The usage of two datasets and multiple methods increases the reliability of results. Our results identified several demand drivers including demographics, health conditions, promotion awareness, and consumer's positive perceptions. Moreover, this study implies that a larger positive impact can be obtained by focusing on the positive aspects over responding to negative news. Therefore, we suggest the industry enhance generic promotion and advertising awareness and develop marketing programs that emphasize the positive attributes and benefits of OJ.

KEYWORDS
consumer tracker demand drivers, generic advertising orange juice, return on investment

JEL CLASSIFICATION
L1, Q1

1 | INTRODUCTION

The US orange juice (OJ) industry has experienced dramatic changes in the past decade. As the major producer of OJ in the United States, Florida production declined from 820.9 million gallons during the 2006–2007 season to

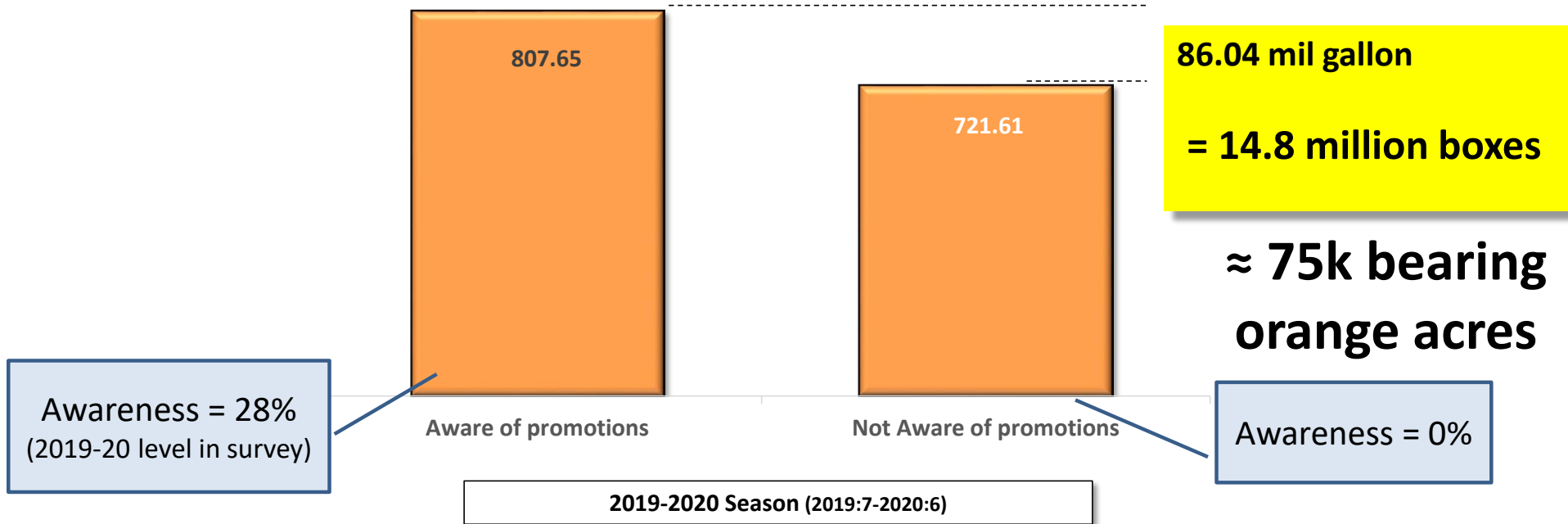
Agribusiness. 2018; 1–15. [wileyonlinelibrary.com/journal/agr](https://doi.org/10.1002/agr.21596) © 2018 Wiley Periodicals, Inc. | 1

ROI Table

	Units	Household tracker	Nielsen Data	Nielsen w/ Brand spend
FDOC promotion expenditure during 2019-20	million \$	\$ 8.00	\$ 8.00	
Estimated retail quantity sales with promotion	million SSE Gallon	807.65	413.18	412.77
Estimated retail quantity sales without promotion	"	721.61	334.76	329.54
Increased retail quantity sales	"	86.04	78.41	83.23
Retail Price (Nielsen price)	\$/Gallon	\$6.88	\$6.88	\$6.88
Gain in retail revenue	"	\$591.94	\$539.49	\$572.60
Markup down (delivered-in/retail price)	%	31.92%	31.92%	31.92%
Gain in delivered-in (producer) revenue	million \$	\$188.95	\$172.21	\$182.77
Domestic share of total available OJ	%	57%	57%	57%
Gain to Florida producers	million \$	\$107.70	\$98.16	\$104.18
ROI (delivered-in to domestic juice)		13.46	12.27	13.02
Net ROI (delivered-in to domestic juice)		12.46	11.27	12.02

Impact of Promotion Awareness on Volume

Retail gallons with and without Promotion Awareness



Gains for Florida-sourced orange juice

- The domestic share of Florida-sourced orange juice was estimated at 57% for the 2019-20 season, higher than the previous seasons due to decline in imported juice.
- Gains in demand for Florida-sourced orange juice share attributed to the awareness of promotions was about 49 million single-strength equivalent gallons
- Gains in volume movement serve to support the Florida delivered-in price and provide economic output to the state in the 2020-21 season.

Benefits from FDOC Generic Promotion

Economic Output Impacts

- **Total Florida grower and General Revenue investment in FDOC's 100% orange juice promotional activity* was estimated to support additional output impacts of up to \$361.5 million:**
 - **\$202.5 million from direct effects from grower and processor**
 - **\$80.9 million in indirect effects; and**
 - **\$78.1 million in induced effects.**
- **The additional output impacts include roughly \$7 million in state and local tax revenues**



*Averaged over the last 3 years

Economic Impact Analysis of FDOC program gains provided by Dr. Christa Court, Director of the Economic Impact Analysis Program in the University of Florida's Food and Resource Economics Department.

The “Florida” Brand is Strong

- **Research supports the value consumer’s place on “Florida” citrus**
- **Recall of “Florida” in promotions has a premium effect (Dr. Ronald Ward, August 2020)**
- **Willingness-to-pay for OJ in general has been relatively steady over 10 years, but higher for those that are aware of Florida in promotions and/or at the store and aware of promotion in general (Dr. Lisa House and Dr. Yan Heng, 2021)**
- **The “brand” image of Florida is strong and has a broad reach from OJ to fresh citrus**



Thank You



THE FLORIDA SENATE

APPEARANCE RECORD

Reset Form

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/27/21

Meeting Date

Bill Number (if applicable)

Topic Florida Department of Citrus

Amendment Barcode (if applicable)

Name Shannon Shepp

Job Title Executive Director

Address 605 East Main Street

Phone 863-537-3950

Street

Bartow

FL

33830

Email sshepp@citrus.myflorida.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Department of Citrus

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

Reset Form

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1/27/21

Meeting Date

Bill Number (if applicable)

Topic Florida Department of Citrus

Amendment Barcode (if applicable)

Name Dr. Marisa Zansler

Job Title Director of Economic and Market Research

Address 605 East Main Street

Phone 863-537-3950

Street

Bartow

FL

33830

Email MZansler@citrus.myflorida.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Department of Citrus

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

The State of the Florida Citrus Industry

*Presented to
Senate Appropriations Subcommittee on
Agriculture, Environment, and General Government*

January 27, 2021

*Presented by
Michael W. Sparks, Florida Citrus Mutual*



Florida Means Citrus

- Citrus introduced to Florida by Spanish explorers, probably Ponce de Leon
- First plantings in St. Augustine around 1513
- Commercial citrus production began to gather steam in 18th century
 - Climbed to more than five million boxes by 1893
- 1945 production exceeded 43 million boxes.

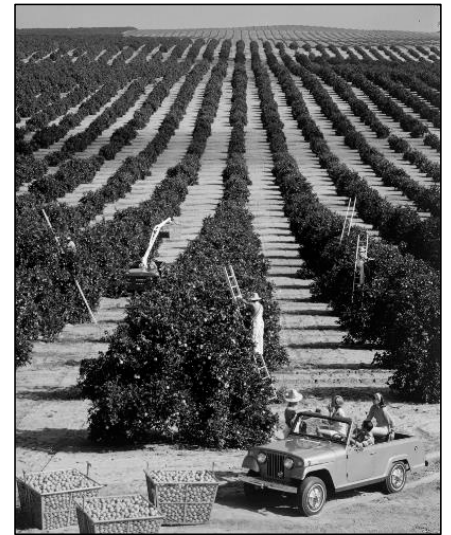


Photo courtesy of State Library and Archives of Florida



Florida Means Citrus

- FCOJ Invented in 1945, orange juice would become Florida's signature product
- At its peak, Florida citrus plantings reached nearly 860,000 acres – 1996
 - 244 Million boxes of oranges
 - 50 Million boxes of grapefruit
- 95% of Florida citrus crop is processed for orange juice
- Florida Citrus Growers
 - Growing citrus for 500 years
 - 3rd, 4th and 5th generation family farms
 - Resilient bunch – **ALWAYS DEALT WITH OBSTACLES**



Photo courtesy of UF/IFAS

The Past 15 Years Have Been Difficult...

The Most Challenging in the History of Florida Citrus



- Invasive Pest & Diseases - Huanglongbing
- Hurricane Irma – September 2017
- Significant production loss and high cost
- Falling orange juice consumption
- Increased Imports, Large Inventories
- Downward Pressure on Grower Returns



Florida Citrus is at a Crossroads

Impact of Huanglongbing & Hurricane Irma on the Florida Orange Crop: Significant Production Loss



Season	Boxes	Bearing Acres
2003-04	242,000,000	564,800
2005-06	147,700,000	491,000
2007-08	170,200,000	463,900
2009-10	133,700,000	451,100
2011-12	146,700,000	433,400
2013-14	104,700,000	418,700
2015-16	81,700,000	378,000
2017-18	45,050,000	361,800
2019-20	67,300,000	354,100
2020-21 (F)	54,000,000	351,037

Economic Impact of Huanglongbing



All Citrus	2007-08 Season	2019-20 Season	Decrease	Percent Decrease
Production Boxes (millions)	203.8	67.3	(136.5)	-67%
Bearing Acres	538,900	354,100	(183,900)	-34%
Annual On-tree Value (billion)	\$1.5	\$0.8	(\$0.7)	-47%
Processing Plants	25	9	(16)	-64%
Fresh Fruit Packinghouses	45	16	(29)	-62%
Florida Citrus Growers	8,000	2,500	(5,500)	-69%

The Future of Florida Citrus

Plan Your Work –
Work the Plan

Team Effort



Action Plan: Keeping Florida citrus sustainable.

Goal: Maintaining and improving Florida citrus grower returns and the Florida citrus infrastructure.

Strategies:

- Research on HLB
- Increased citrus plantings
- Production and harvesting costs
- Imports and International trade
- Marketing Florida citrus



Courtesy of Dundee Citrus Growers Association

Florida Citrus Issues

1) Research

- HLB-tolerant Rootstock & Scions
- Field Trials
- Peptides
- Improve Yields and Maintain Quality

2) Increase Citrus Plantings

- IRS Tax Options
- Field Trials

Team Responsibility



Citrus Research and Development Foundation;

UF-IFAS; USDA-ARS;

Citrus Research and Field Trials (CRAFT) Foundation, Inc.;

Private Sector

Citrus Research and Field Trials (CRAFT) Foundation, Inc.;

Citrus Research and Development Foundation;

Florida Citrus Mutual



Florida Citrus Inventory - 53 Million Citrus Trees	
4-6 year old	15%
7-9 year old	10%
10-14 year old	12%
15-24 year old	23%
25+ year old	40%



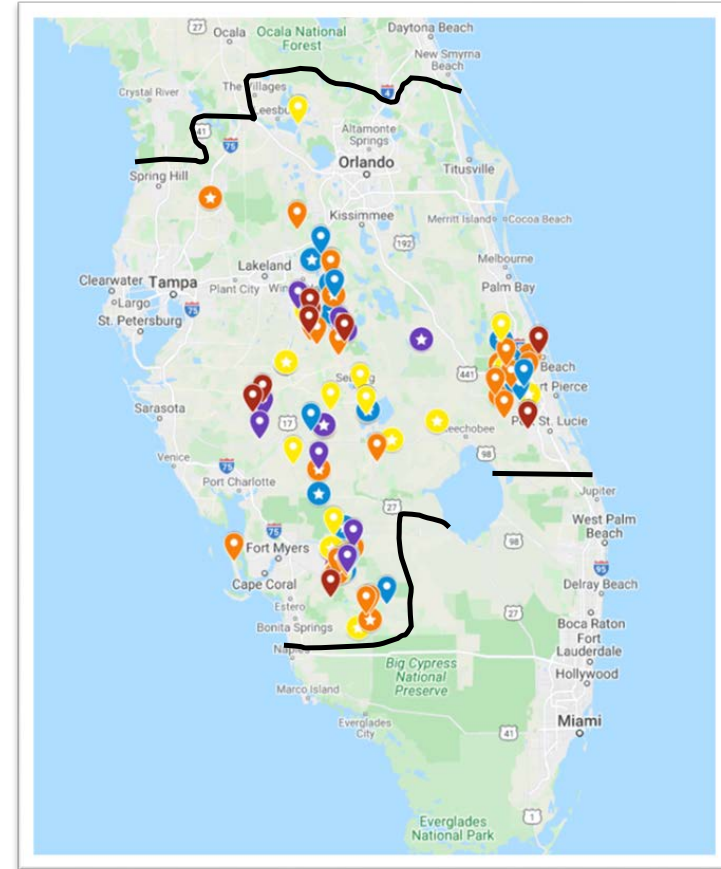
Citrus Research and Field Trials



A grower-driven demonstration program designed to develop an economically viable and sustainable Florida citrus production plan in the presence of HLB and the Asian Citrus Psyllid (ACP) through the implementation of applied management practices.

	Acres	Projects
Cycle One	1,934	43
Cycle Two	2,820	63
Total	4,754	106

- Projects in All Citrus Growing Regions
 - 15 counties
 - As far north as Lake County, south to Collier County and coast to coast.

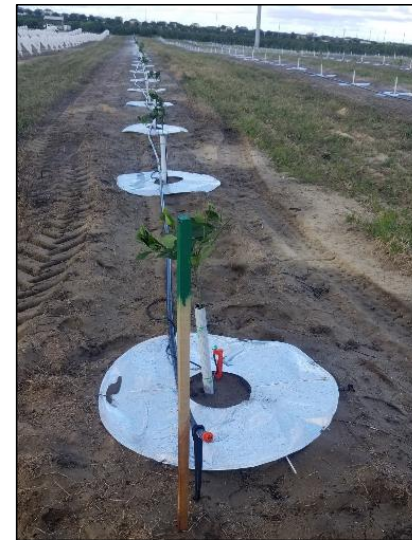


CRAFT Program



Five Major Research Groups

- Rootstock Scion Trials (34)
 - Traditional and New Rootstock/Scion combinations
- Tree & Soil Nutrition (26)
 - Fertilizer Programs
 - Compost, Water Treatments
- Pest Management (19)
 - Individual Protective Covers
 - Kaolin Clay
 - Reflective Mulch
- Biostimulants (10)
 - Humic/Fulvic Acid
- Resets (17)
 - Historical production vs. Future production



Florida Citrus Issues

3) Reduce the high cost of production & harvesting

- Cost of HLB
- Nutritional Programs
- Alter growing practices

4) Imports and International Trade

- New pests and diseases
- Tariffs
- Safeguard of domestic (Florida) citrus

5) Marketing of Florida Orange Juice

- Adequate funding
- Consumer awareness
- Declining consumption

Responsibility

CRDF; CRAFT;

Grower Ingenuity to improve yields and reduce costs;

UF-IFAS;

Private Sector

FDACS; USDA-APHIS;

Florida Citrus Mutual;

USTR

Florida Department of Citrus;

Three Major, National Brands



Any “Break Down” in the strategic plan will result in another major hit to Florida citrus.

Past Market Situation



One Year Ago (2019-20); Post-Hurricane Irma

- Consumption at historic low
- High inventories and imports
- 95¢ contracts offered to growers
 - Break-even, at least \$2.20 pps
- Major industry concerns as to sustainability



Courtesy of gCaptain.com

Current Market Situation



During the Past Year (2020-21)

- COVID changed the landscape
 - Retail consumption ↑
 - Food service consumption ↓
- USDA purchases were significant
- Imports declined, inventories manageable
- 2020-21 Grower Contracts sustainable
 - \$2.20 pps
- Must continue to market the Florida Citrus Health message



Courtesy of Foodgressing.com

Can not rely on a pandemic to correct an industry disaster

Moving Forward



Florida citrus growers are committed and appreciative of the support they have received from the State.

- Research – Key to the Future
- CRAFT – Demonstrate Success and encourage new plantings
- Consumer Marketing of Florida citrus

We know that the continued partnership with the State has been and will be necessary for us to be able to transform and regrow the Florida citrus industry.

Losing the Florida Citrus industry is NOT an option.

Losing the Florida Citrus Industry is NOT an Option



- Florida citrus means jobs
 - Forms the backbone of many communities
 - State and Local taxes total \$139 million
- Florida citrus direct and added-value sales generate an economic impact of \$9.2 billion
 - Has the largest economic impact of any agriculture crop in Florida



- Orange juice is still the most popular fruit juice in the U.S.
- Popularity is not only bolstered by great taste but we are also the most nutrient dense juice
- Do not rely on foreign imports for citrus

Florida Means Citrus

Thank You!



THE FLORIDA SENATE
APPEARANCE RECORD

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1-27-2021

Meeting Date

Bill Number (if applicable)

Topic State of the Florida Citrus Industry

Amendment Barcode (if applicable)

Name MICHAEL W SPARKS

Job Title CEO of Florida Citrus Mutual

Address 600 N. BROADWAY AVE

Phone 863-682-1111

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BARTOW

City

FL

State

33830

Zip

Email MIKE.S. (A) Fcitrus Mutual.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Citrus Growers

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

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JAN 27 2021
Meeting Date

Bill Number (if applicable)

Topic CITRUS CONCERNS / AGRICULTURE Amendment Barcode (if applicable)

Name DAVID M. SERDAR (SIR-DAR)

Job Title CONCERNED SENIOR STATEWIDE CNTY + CITY PUBLIC

Address 66 WINTERGREEN DR. Phone 352 805 6597

Street FRUITLAND PARK FL. 34731 Email GOLFERDAVE1955@gmail.com
City State Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Self my family + relatives of FL.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

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TAB 5

**THERE ARE NO MATERIALS
FOR THIS ITEM**



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR LORANNE AUSLEY
3rd District

COMMITTEES:

Agriculture
Appropriations Subcommittee on Agriculture,
Environment, and General Government
Appropriations Subcommittee on Transportation,
Tourism, and Economic Development
Environment and Natural Resources

SELECT COMMITTEE:

Select Committee on Pandemic
Preparedness and Response

JOINT COMMITTEE:

Joint Administrative Procedures Committee

January 25, 2021

The Honorable Ben Albritton
Chair, Appropriations Subcommittee on Agriculture,
Environment and General Government
Florida Senate
404 S Monroe ST
201 The Capitol
Tallahassee, FL 32399-1100

Dear Chair Albritton:

I would respectfully request to be excused from your Appropriations Subcommittee on Agriculture, Environment and General Government on Wednesday, January 27, 2021. Unfortunately, I was exposed to COVID-19 last Friday and am currently following CDC guidelines for testing and quarantining.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Lorraine Ausley".

Lorraine Ausley
Senate District 3

A handwritten signature in blue ink, appearing to be "Betta".

cc: Giovanni Betta, Staff Director
Caroline Goodner, Committee Administrative Assistant

REPLY TO:

- 20 East Washington Street, Suite D, Quincy, Florida 32351 (850) 627-0474
- 202 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5003

Senate's Website: www.flsenate.gov

WILTON SIMPSON
President of the Senate

AARON BEAN
President Pro Tempore

CourtSmart Tag Report

Room: EL 110

Case No.:

Type:

Caption: Senate Appropriations Subcommittee on Agriculture, Environment, and General Government Judge:

Started: 1/27/2021 3:30:07 PM

Ends: 1/27/2021 5:34:34 PM

Length: 02:04:28

3:30:05 PM Sen. Albritton (Chair)
3:32:26 PM TAB 2 - Overview of the Implementation of SB 712 "The Clean Waterways Act" by the Department of Environmental Protection
3:33:03 PM Noah Valenstein, Secretary, Department of Environmental Protection
3:33:16 PM Sen. Albritton
3:33:25 PM N. Valenstein
3:42:04 PM Sen. Albritton
3:42:07 PM Sen. Brodeur
3:42:34 PM N. Valenstein
3:43:29 PM Sen. Brodeur
3:43:50 PM N. Valenstein
3:45:33 PM Sen. Berman
3:45:54 PM N. Valenstein
3:47:27 PM Sen. Thurston
3:48:06 PM N. Valenstein
3:50:17 PM Sen. Thurston
3:50:49 PM N. Valenstein
3:51:31 PM Sen. Thurston
3:52:35 PM N. Valenstein
3:54:50 PM Sen. Garcia
3:56:49 PM N. Valenstein
3:59:14 PM Sen. Albritton
4:00:00 PM TAB 1 - Overview of the Implementation of SB 712 "The Clean Waterways Act" by the Department of Agriculture and Consumer Services
4:00:05 PM Chris Pettit, Director, Office of Water Policy, Department of Agriculture and Consumer Services
4:10:18 PM Sen. Albritton
4:10:33 PM Sen. Stewart
4:10:57 PM Sen. Albritton
4:11:29 PM C. Pettit
4:12:21 PM Sen. Stewart
4:12:35 PM Sen. Albritton
4:13:31 PM Sen. Mayfield
4:13:58 PM C. Pettit
4:15:01 PM Sen. Mayfield
4:15:38 PM C. Pettit
4:17:39 PM Sen. Albritton
4:18:14 PM David Serdar, Citizen
4:20:44 PM Sen. Albritton
4:21:02 PM TAB 3 - Overview of Activities of the Department of Citrus and Market Situation of the Citrus Industry
4:21:47 PM Shannon Shepp, Executive Director, Department of Citrus
4:30:17 PM Dr. Marisa Zansler, Director of Economic and Market Research, Department of Citrus
4:48:28 PM Sen. Albritton
4:48:35 PM Sen. Berman
4:48:58 PM S. Shepp
4:49:43 PM M. Zansler
4:50:09 PM Sen. Albritton
4:50:37 PM S. Shepp
4:51:17 PM Sen. Albritton
4:52:28 PM S. Shepp
4:53:13 PM M. Zansler
4:54:13 PM Sen. Albritton
4:55:14 PM S. Shepp

4:55:39 PM	Sen. Albritton
4:56:19 PM	S. Shepp
4:57:00 PM	Sen. Albritton
4:57:14 PM	TAB 4 - Overview of the Florida Citrus Industry by Florida Citrus Mutual
4:58:27 PM	Mike Sparks, Chief Executive Officer, Florida Citrus Mutual
5:22:10 PM	Sen. Albritton
5:22:22 PM	Sen. Berman
5:22:48 PM	Sen. Albritton
5:27:09 PM	Sen. Berman
5:27:21 PM	Sen. Albritton
5:28:44 PM	Sen. Berman
5:28:48 PM	Sen. Albritton
5:30:18 PM	Sen. Stewart
5:30:36 PM	M. Sparks
5:30:41 PM	Sen. Albritton
5:31:22 PM	David Serdar, Citizen
5:33:50 PM	Sen. Albritton