



January 18, 2006

IRCL Meeting

I attended the IRCL closed door meeting yesterday at which Andy La Vigne and Michael Carlton gave an update from Florida Citrus Mutual about the evolution of the Citrus Canker Eradication Program to the new BMP-based management program until a better strategy for eradication (such as chemical response or disease resistant varieties) can be developed . Attached are the materials discussed at the meeting. As you will note, there were a number of speakers from USDA, IFAS and DPI. The summary of the meeting is as follows:

1. The USDA, IFAS, DPI and Industry organizations are forming a blue ribbon panel to begin development of new protocols or BMP's for the industry and ,of particular interest to the fresh fruit growers, to meet the demands of markets such as Calf. & Europe in order to not lose vital fresh fruit markets. The new protocols will be announced (at least in part) within 30-40 days, certainly in advance of the 3/1 opening of the Legislative session.
2. The current protocols are still in effect, but trees in the 1900' presumed infected zone are not being pushed & burned until they test positive. Everything else is the same for now, including the quarantines.
3. Issues still being discussed with USDA , IFAS, and DPI are:
 - a. Groves that have IFO's and have started pushing should be allowed (at the discretion of the owner) to stop removing ANY non-positive trees or to complete the eradication either at the old 1900' zone, at some lesser agreed to zone per the new protocols to be announced, or to at least square off a block and "SHOULD" be compensated under the old program (yet to be funded). Clearly this issue is still up in the air and the only firm assurances given was that trees pushed as of 1/10/06 pursuant to an IFO will be eligible for compensation when new funding is available.
 - b. Regarding funding there is an effort to add an additional \$400M to the funding for tree compensation. Current funding of \$200M will cover through June 2005 IFO's and may go into mid-to-late July IFO's, depending on how much is freed up from canker insurance deductibles, the amount of which has not yet been calculated.
 - c. Crop & tree ins. was a topic of much discussion as premium renewals are currently being considered and groves in quarantine areas are being excluded. The current mechanism for making a claim is the removal of 5% or >100 trees which will probably NOT be triggered by the new procedure of only removing trees that test positive. Michael Carlton advised that there may be an entirely new crop & tree ins. available as soon as May that will address this and other issues. Premiums should be prorated for those who elect to switch.
 - d. Going forward there is NO assurance that there will be compensation for infected trees .



e-newsletter

from the **citrus canker task force**

e. DPI will still inspect suspected trees and will remove positive trees along with GPS'ing the location and marking the quarantine zones.

f. There will be renewed attention and focus in proving that is virtually impossible for fruit processed through a packing house to spread canker. Apparently the protocols used by Argentina to ship fruit from contaminated areas to Europe have been positively received abroad, but historically have not been accepted domestically (including in Fla. & Calf.). There is a three-tier inspection program used in Argentina that will be studied closely.

The most ominous line of discussion was Dr. Gotwald's response to an inquiry of whether the Florida citrus industry's canker issue had reached an endemic phase such that it will not be eradicated and could result in the end of the fresh grapefruit industry as we know it. While he gave some hope that methods for dealing with canker do exist and there will be times when production will not always decline even with canker, he was less than positive about the future of the industry.

I am also attaching a couple of articles of interest. One relates to yesterday's meeting and has the press release topics discussed. You may want to review this article to expand upon my report. The other is reporting the appeal of a US District Court decision regarding the amount of USDA compensation which was challenged as being insufficient. We will be monitoring these cases carefully and will keep you apprised of their status.

Finally Michael Carlton and I discussed pending legislation that Florida Citrus Mutual has sponsored in the past to address some of the tax issues we have identified as problematic. For the eternally optimist client, who plans to replant, this legislation would extend the time period for replanting under Code Section 1033 from 2 years to 4 years after the grove is destroyed. It would also allow growers 10 year income averaging for payments received that they are not reinvesting, but are recognizing as income (retroactive to last year). I will be seeking the support of the Tax Section of the Florida Bar and the FICPA to see if, with these organizations support, this worthwhile effort can be pushed through in Washington, DC.

It you have any question please feel free to call me.

Michael

MEETING AGENDA

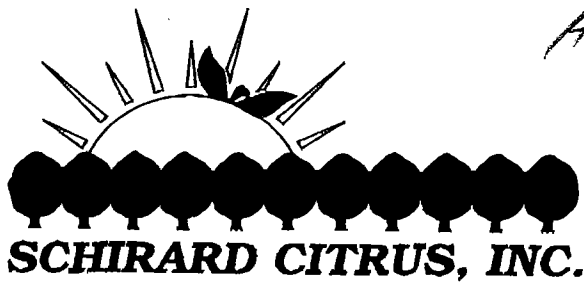
Indian River Citrus League Board of Directors

January 17, 2006

10:00 a.m.

Indian River Citrus League Office
7925 20th Street
Vero Beach, Florida

1. Call meeting to order
2. Invocation – Stan Carter
3. Pledge of Allegiance
4. Roll call
5. Approve the minutes of the last meeting held on December 14, 2005.
6. Introduction of Special Guests
7. Discussion of letter from USDA Deputy Secretary Chuck Conner to Commissioner Bronson concerning:.....Craig Meyer and Richard Gaskalla, FDOACS
 - a. Compensation Funding
 - b. Eradication Funding
 - c. Domestic Market Impacts
 - d. International Market Impacts
 - e. New Canker Management Plan (Timetable)
8. Citrus Canker BMP Research & New Canker Management Plan (Potential Components)
 - a. Fresh Fruit
 - b. Processed Fruit
9. Crop Insurance Impacts
10. Open discussion with scientists on fresh fruit industry management plan
11. Other Business
12. Adjourn



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December 21, 2005

As evidenced by the increasing concern and numerous meetings of many of the states leading citrus growers, the current Canker eradication Procedures/Policy should be immediately (modified). Without second guessing or condemning all actions and efforts to date, because of all the recent issues dealt this industry, reality and common sense of our current situation must prevail. The citrus grower and all associated agri-business cannot survive the economic devastation which is now forecast, nor can Federal/State eradication cost be expected to be appropriated at this continued level.

Grower members of the Indian River Citrus League were called upon to voice specific opinion as to responsible modification, thus my response. The science of the procedures to date, and the necessary resulting Protocol do not have to be challenged, but to continue a responsible effort to possibly still eradicate this disease, and not the Industry, the following key steps should be quickly considered for change:

- 1) Stop the 1900' exposed removal and for now, with immediate program modifications, the Eradication effort should continue.
- 2) Quick, immediate (removal) of each and every find, grower action supervised by authorities.
- 3) Further removal of possible contact contaminated trees to a minimum perimeter circle
- 4) Examination, with set date/time limitation, intervals of all remaining trees within 1900' suspect circle. This to occur on set intervals so as to catch quickly any new infection. Grower trained/authorized inspection personnel if necessary to accomplish the repeat timely inspection.
- 5) Regardless of new find location, repeat the procedure.

This opinion and action suggested relates directly to the preliminary report that projects significant additional citrus acreage exposed to canker because of Hurricane Wilma will be verified over the next 6 to 8 months. The entire Industry efforts must turn to immediate find removal, immediate removal of close contact exposed trees, and quick intensified inspection within the 1900' arc for infected trees.

Lastly, and as predicted and warned to first infection detection door-yard growers, suspect undetected control at our principle Miami Port of Entry, and poor judgment via legal blockage by misinformed residents and local government in Broward & Dade Counties, is now placing this leading State Agricultural Industry in absolute jeopardy.



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December 22, 2005

Mr. Andy LaVigne
Florida Citrus Mutual
P. O. Box 89
Lakeland, Florida 33802-0089

Dear Andy,

The board of directors of the Gulf Citrus Growers Association supports the following statement as presented at the grower leadership meeting held at the headquarters of Florida Citrus Mutual on December 19, 2005:

We support Florida Citrus Mutual in requesting the USDA, FDACS and UF/IFAS to jointly review the recent Gottwald study on how the 2005 hurricane season will impact the spread of canker in order to determine how the Florida citrus industry will be impacted in the future.

We appreciate your leadership in addressing this most critical issue facing our industry, and pledge our support in working with all segments of the industry to find mutually acceptable solutions to the pressing canker issue. Please keep us informed and involved in the process.

Sincerely,

Ron Hamel
Executive Vice President

Cc: GCGA Board of Directors
Citrus Industry Organizations

562-
- 1746

Citrus Canker Control: Temporary Emergency Program Required?

We suggest that the Commissioner of Agriculture and Governor jointly declare an emergency based on the impacts of the hurricanes, and authorize a Temporary Emergency Program as a substitute for the existing legal mandate of the CCEP. This Temporary Emergency Program should sunset in 2 years, at which point a new Standard Protocol can be initiated. Our recommendation is based on the assumption that no one really knows what to do, and that a time period during which information can be gathered to make appropriate long-term decisions would be a wise choice.

Part I: Suggested Temporary Emergency Program Structure

1. **A “Canker Free” Commercial Citrus Industry** should be the primary goal.
2. Time is of the essence.
3. Anyone who has had trees pushed, or are in the process of pushing, will be compensated fully for their losses.
4. Continued compensation from the USDA for removed trees.
5. A Citrus Canker Program “Czar” should be appointed.
6. The emergency protocol should be designed primarily to address the short-term issue of hurricane spread, and to allow time to develop the necessary scientific basis for subsequent long-term control measures.
7. Proper funding should be provided that will allow sufficient staffing to provide program administration and inspections on a timely basis.
8. To preserve the viability of susceptible varieties such as Grapefruit, suppression needs to be ruthless and persistent.
9. At this moment, any rules concerning pushing distances, fruit handling procedures, and cultural practices should be formulated based on logistics, field observations, simple logic, and marketing issues, not “science
10. A mandatory program will be necessary to ensure that everyone has to make the effort. The initial version of the program should address the immediate situations and existing limitations.
11. **The program should include eight basic components:**
 - **Intensified survey procedures**
 - **Removal of infected trees**
 - **Scientific analysis of field information and initiation of controlled studies**
 - **Harvesting and marketing procedures**
 - **Cultural practices to reduce inoculum**
 - **Decontamination**
 - **Compensation**
 - **Nursery industry recovery and reorganization**

Intensified Survey Procedures:

1. There is **no scientific basis for any protocol other than 1900 feet**. Therefore, the immediate responses need to be based on other foundations until such time that scientific opinions can be formed and validated.
2. There is a laboratory in the form of about 30,000 acres of “exposed” trees standing as of the date of this report. The information relating to spread and exposure no longer needs to be based on experiences elsewhere – it is available here in Florida.
3. The scientific community should be requested to design a plan to gather the information necessary to recommend a future course of action using actual field data from Florida.
4. A procedure for incorporating field observations and inspection results into an ongoing process to refine the control program should be implemented.
5. Controlled field studies in appropriate situations should be designed and initiated immediately.
6. Research programs to identify and validate cultural practices to control the spread of canker should be initiated and funded.
7. Coordination of the scientific plan could be one of the responsibilities of the Canker Czar, with input from the scientific institutions and USDA. Funding for scientific research should be line items in the control program.
8. DPI inspectors should be trained to gather and record information that is desired by the scientific community, such as age of lesions, extent of infection, and other factors.

Harvesting Protocol

1. If no canker has been found by grower inspections and the third-party pre-harvest inspection, and the grove is not within a quarantine zone, harvest should continue to be allowed for all market destinations.
2. If infected trees have been found within the grove, or if the grove is within a quarantine zone, harvesting should be allowed *only after* the trees within 100’ have been removed and the remainder of the quarantine zone has been inspected by a Third Party. The area outside the **pushed trees** would become part of the quarantine zone and would be harvestable – there would be no distinction at 1900 feet.
3. The quarantine distance should remain at 3800 feet, or as designated as part of a Risk Management plan. Fruit within the 3800 feet radius could be used for both fresh and processing once it is declared “canker free” based on recent third-party inspections.
4. Quarantine rules regarding fresh fruit market destinations, and handling and treatment requirements, can remain in place.
5. Staffing and funding issues need to be addressed to allow reliable achievement of these goals.
6. A statewide quarantine should **not** be implemented at this point. There are still a lot of groves that don’t have canker.

Cultural practices

Indian River Citrus League

From: Harold W. Browning [hwbr@ufl.edu]
Sent: Friday, January 13, 2006 5:53 PM
To: Indian River Citrus League
Subject: RE: Canker

Doug:

We have incorporated this issue into our framework for emerging management systems. It will be addressed by the industry/regulators/IFAS team as we move forward. Your assumptions are correct in the need for consideration, but we also need to keep in mind fresh trade partners in when to allow replant. We aren't addressing the IRS issues in our current set of issues, so I will be sure to note it in the discussion.

Harold

From: Indian River Citrus League [mailto:info@ircitrusleague.org]
Sent: Friday, January 13, 2006 1:59 PM
To: Harold W. Browning
Subject: Canker

Harold:

In your review of all of the canker transition from eradication to the new management plan, has anybody considered the timing issue of being able to replant within the two-year window of section 1033 of the IR code? I would think we either need to relax the quarantine or get some assistance to extend the time period or get a blanket exemption for citrus from the IRS Commission. Any thoughts?

Thanks.

Doug

Indian River Citrus League

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Florida Department of Agriculture and Consumer Services
CHARLES H. BRONSON, Commissioner
The Capitol • Tallahassee, FL 32399-0800

Please Respond to:

FOR IMMEDIATE RELEASE
January 11, 2006

For More Information
Liz Compton
(850) 488-3022

USDA DETERMINES CITRUS CANCER ERADICATION NOT FEASIBLE

TALLAHASSEE—Florida Commissioner of Agriculture and Consumer Services Charles H. Bronson has received word from top United States Department of Agriculture officials that they no longer believe that it is possible to eradicate citrus canker. USDA's position was formally communicated in a letter from Deputy Secretary Chuck Conner. Officials said based on USDA's scientific analysis of the potential spread of the disease from the unprecedented 2004 and 2005 hurricane seasons, a new management plan must be devised.

The USDA officials say the program needs to undertake a new approach that focuses on maintaining bacteria levels low enough to sustain citrus production and protect citrus groves that have not been infested with canker. In the meantime, USDA states that they will no longer fund tree removal that is done with eradication as the goal. The federal agency, in conjunction with the Florida Department of Agriculture and Consumer Services, intends to develop a response plan with scientific, industry and public input that will limit further tree removal and implement management practices that will accomplish the goals of controlling and suppressing canker infestations.

"I am committed to working with our federal partner, the scientific community and growers on steps to ensure the continued sustainability of this industry, so critical to the economic well being of our state as well as protecting the thousands of residential trees that have not yet been impacted by citrus canker. I will make all resources available to determine where we go to secure the future of the citrus industry."

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New plan to fight canker due out in March

Citrus growers told to continue using pesticides and decontamination techniques at least until then.

By NADIA GERGIS
nadia.gergis@scripps.com
January 18, 2006

VERO BEACH — Commercial citrus growers on the Treasure Coast suffer in limbo concerning citrus canker eradication, as they wait for formal instructions on how to combat the disease from the U.S. Department of Agriculture.

During a closed-door meeting Tuesday at the Indian River Citrus League, commercial citrus growers heard that a program outlining how the state should fight canker would be released in March.

Last week, the USDA announced it would no longer fund the bulldozing and burning of all commercial citrus trees within a 1,900-foot radius of a single exposed tree. The department also lowered its estimate of Florida's orange harvest.

"The USDA is putting a group together to make recommendations and evaluate a new program," said Richard Gaskalla, director of the Gainesville-based Division of Plant Industry, who spoke to growers Tuesday. "The USDA will take the lead on the review panel and what management strategies will be set forth in the future."

The eradication of trees with canker will continue, Gaskalla said.

In the meantime, Jack Hebb, the multi-county citrus agent based in the Fort Pierce office of the University of Florida's cooperative extension service, said growers should continue decontamination, disinfecting equipment and using pesticides such as copper hydroxide and copper sulfate. Citrus trees grown inside a residential area can be treated with pesticides, but education on those methods is highly recommended before usage, Hebb said.

"There are certain times for the application of these pesticides, we have to educate and talk with the homeowners because we don't want a build up of copper in the St. Lucie Estuary," Hebb said. "Pesticides protect, but they are not a cure."

Denise Feiber, spokeswoman for the Florida Division of Plant Industry, said her office would continue removing only positive residential trees and would not apply the 1,900-foot rule.

She said the department was asking the state for more than \$17 million to compensate 27,000 residential properties statewide that lost trees to canker. The \$17 million will be revised to a smaller number because the original amount included funds for exposed trees. The Shade Florida Voucher program and the \$55 Tree Compensation program have both run out of funds.

"I do not know what that projected number will be, it may be a matter of weeks before we know that number," Feiber said. "The state will be requesting funds to cover compensation for all residential trees cut (infected and exposed) in the March regular session of the legislature," Feiber said.

Meanwhile, Florida Agriculture Commissioner Charles Bronson has sent a letter to USDA Secretary Mike Johanns asking for guidance on how to manage the canker eradication program in the interim. His questions included:

- Whether activities relating to the decontamination, fruit harvesting and fruit movement, survey, regulatory and control activities relating to commercial and dooryard citrus nursery stock will be reimbursed.
- Whether any changes to the existing quarantines should be made prior to the completion of the formal review.
- Whether USDA has any guidance on the appropriate control action where several positive trees are scattered throughout a single grove.

- Whether any changes to the current regulatory requirements on lawn maintenance companies should be made prior to the completion of the formal review.
- Whether there will be immediate changes to the crop insurance program.

Tyrone Kemp, a USDA spokesman for the citrus canker eradication program in Florida, said a response to Bronson's letter is being formulated by the USDA. He said the use of windbreaks — planting noncitrus trees to stop the spread of the wind-borne disease — is being discussed.

Doug Bournique, executive vice president of the Indian River Citrus League said his membership would like to give the USDA their input before a formal strategy is announced.

"Our board wants to be proactive in any new plan," Bournique said. "We've asked that the USDA ensure that an aggressive plan to maintain the production of fresh grapefruit in our markets is of the utmost importance."

Separately, Florida's January grapefruit forecast for the 2005-06 crop remained unchanged at 16 million boxes, according to the latest report from the USDA's National Agricultural Statistics Service.

Florida's forecast for all orange varieties has been revised to 158 million boxes, down 2 percent from the forecast in December. Early, midseason, and navel varieties for Florida are forecast at 80 million boxes, unchanged from the previous forecast.

- Comments

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from the **citrus canker task force**

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