

ATTACHMENT 3

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DISCUSSION

There are several options for funding the research identified in the referral from the local agricultural industry. It must be remembered that the specific costs of the research have not been identified, so the discussion below is purely conceptual and does not take into consideration the impact of the overall costs of funding the research.

1. Tax. Some form of tax might be levied on the local industry, including a parcel tax, a transaction or use tax, or some form of license tax, levied on growers (for the former), or shippers and any other agricultural related business (if the latter). If dedicated solely to the funding of research, the tax would be a special tax and subject to a two-thirds vote of the electorate pursuant to the California Constitution.
2. Benefit Assessment. A benefit assessment might be levied on property or businesses of growers, shippers, or any other agricultural related business, or a combination thereof. The assessment would be subject to the protest proceedings of the California Constitution. It would require the preparation of an engineer's report that identifies the benefit to each property/business/person assessed, the full cost of the program for which the assessment is levied, and the amount of assessment for each category of benefit identified.
3. Regulatory Fee. The County could establish a regulatory program and levy a regulatory fee for funding the research. Pursuant to the California Food and Agricultural Code, the local Agricultural Commissioners are authorized to participate in and implement regulatory programs. For example, the Code provides the following (all citations are to sections of the Food and Agriculture Code):
 - i. 2274. The commissioner shall learn about all pests that may exist, or are likely to exist, in his county.
 - ii. 2276.5. (a) The Legislature finds and declares that, acting under policy direction of the Secretary of Food and Agriculture, California's unique system of county agricultural commissioners forms the front line of defense in protecting the state from the many exotic and invasive species threatening our people, commerce, and environment.

(b) It is the intent of the Legislature that agricultural commissioners take an increasingly assertive and proactive role in the exclusion and detection of exotic and invasive species in the urban environment, particularly those potentially spread by human activities, such as landscaping and yard maintenance.

- iii. 2278. The commissioner may disseminate information which relates to pests that may exist in his county, or are likely to exist in it. The information may include life histories, habits, methods of detection, and methods of control of such pests.
- iv. 2279. The commissioner shall compile reports of the condition, acreage, production, and value of the agricultural products in his county. The commissioner may publish such reports, and shall transmit a copy of them to the director.
- v. 2283. The commissioner, in carrying out his responsibilities . . . , may assist the [Department of Food and Agriculture] in the conduct of surveys or investigations . . . for the purpose of preventing the introduction and spread of injurious insect or animal pests, plant diseases, and noxious weeds

In light of these authorities and powers, the County could establish a regulatory program, through the Office of the Agriculture Commissioner perhaps in cooperation with the Cooperative Extension, to study agricultural pests presenting a threat to agriculture in the County. The costs of the program would need to be established, and a fee could be levied on growers, shippers, or other agricultural businesses that would benefit from the program. The gross proceeds of the fee cannot exceed the costs of the program, including County overhead. A mechanism would need to be established for the levying and collection of the fee, and retention of any necessary County overhead for administering the fee. A regulatory fee does not need either a vote of the electorate or a protest procedure under the California Constitution.