

TEXAS PECAN GROWERS ASSOCIATION

P.O. DRAWER CC
COLLEGE STATION, TEXAS 77841

Phone (409) 846-3285

Fax (409) 846-1752

e-mail: tpga@tpga.org

PRESIDENT

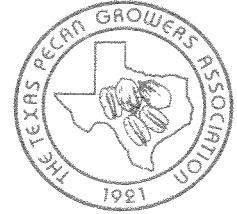
RODNEY MYERS
RR 1, Box 263
Brownwood, Texas 76801

EXECUTIVE VICE PRESIDENT

CINDY LOGGINS WISE

VICE PRESIDENT

DR. J. BENTON STOREY
1104 Winding Road
College Station, Texas 77840



April 24, 1998

Mr. Rick Perry
Commissioner of Agriculture
Texas Department of Agriculture
P.O. Box 12847
Austin, TX 78741

RECEIVED

APR 27 1998

COMMISSIONER'S OFFICE

Dear Commissioner Perry:

The Texas Pecan Growers Association hereby presents this petition requesting certification as the authorized organization to represent pecan producers in the state of Texas for the purpose of conducting a pecan check-off referendum. The referendum will determine whether the pecan growers shall levy an assessment on themselves to finance programs of production research, education and market promotion as authorized under the Texas Commodity Referendum Law.

There are two primary areas of need which have prompted this action. A lack of funding for essential promotional activities and a shifting of funding at the university level away from pecans to other horticultural commodities. Research and extension positions with emphasis on pecans are disappearing at alarming rates. The pecan industry wishes to support research and education programs that will assist the grower in more profitable management of his operations.

Therefore, TPGA proposes to conduct this referendum on a statewide level. We propose an assessment rate of one-half cent per inshell pound, to be collected by the first handler.

We also propose that growers with less than 500 trees, or less than 15 acres of trees, be exempt from this assessment. A 1992 Pecan Tree Inventory issued by the Texas Agricultural Statistics Service states that of 1,691 improved-variety pecan operations in Texas, 1,219 of them have less than 500 trees. However, these 1,219 operations only account for 7.7 percent of the total number of improved-variety trees in the state. Thus, according to TASS numbers, we could exempt this large number of producers while assessing 92 percent of the improved-variety trees.

We have recently sent a survey to 2,000 pecan growers. Almost 40 percent of those surveys have been returned. Two hundred and eighty-three growers indicated they have more than 15 acres or 500 trees. Of those, 220 were in favor of an assessment; 63 opposed such an assessment. We therefore believe that a pecan check-off would pass.

Regarding the total number of producers to be affected by such an assessment, we believe there are between 500 and 700 and we are in the process of identifying these through our

-DIRECTORS-

| District 1 | District 2 | District 3 | District 4 | At-Large | Advisors |
|----------------------------------|---------------------------|-------------------------------|---------------------------------|-------------------------------|--------------------------------------|
| LYNDON SANDERS Fredericksburg | ALAN MC NEILL Beaumont | BILL HANEY Stephenville | CLAY ZOWARKA Pleasanton | B. MICHAEL ADAMS Henderson | BLUEFFORD HANCOCK College Station |
| BOBBY BENNETT Fort Stockton | CECIL CRABTREE Denison | HERMAN LEDBETTER O'Donnell | OWEN THIBODEAUX Crystal City | JERRY KNAPP Purdon | GEORGE McEACHERN College Station |

membership records and with the help of county agents. The 1992 tree inventory indicates there are 472 improved-variety growers with more than 500 trees and we know there are additional native growers who fall into this category. We will have a list available to distribute to pecan buyers if necessary.

The preliminary USDA statistics for the 1997 Texas pecan crop indicate that the state produced 70 million pounds of pecans last season. That includes 50 million pounds of improved varieties and 20 million pounds of natives.

We are also currently compiling a list of pecan buyers within the state. We believe there are close to 75 buyers who might be affected by this referendum in that they would be asked to collect the assessment. Growers who retail their pecans would be required to submit their assessment themselves.

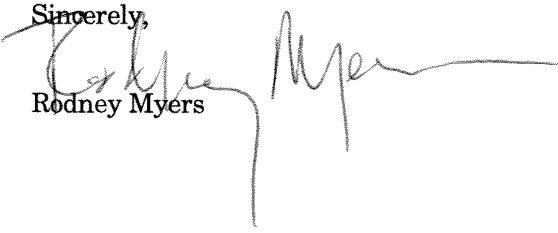
We are proposing that the pecan commodity board be made up of 9 members elected on an at-large basis.

All costs for the referendum will be paid by the Texas Pecan Growers Association. If the referendum passes, TPGA will ask the pecan commodity board to reimburse the association for the expenses.

Thank you for your consideration in this matter.

Sincerely,

Rodney Myers



RICK PERRY, Commissioner



TEXAS DEPARTMENT OF AGRICULTURE

Making Texas the nation's leader in agriculture while providing efficient and extraordinary service.
April 28, 1998

Mr. Rodney Myers, President
Texas Pecan Growers Association
P. O. Drawer CC
College Station, Texas 77841

Dear Mr. Myers:

A public hearing has been set for Wednesday, May 13, 1998, beginning at 10:30 a.m. for the Texas Department of Agriculture to consider your request for certification for conducting a pecan check-off referendum under the Texas Commodity Referendum Law. The hearing will be held in the 9th Floor Conference Room, #911, at the Texas Department of Agriculture.

You should be prepared to present testimony or written information at the hearing regarding the following items:

1. The status of the organization as a private, non-profit organization authorized under the laws of the State of Texas.
2. A description of the scope and nature of the organization and a summary of its activities in behalf of producer-members.
3. Information of the total number of producers of the commodity involved within the area affected, and the percentage of these producers that the petitioning organization represents.
4. Information on the total volume of production of the commodity involved for the area affected for the past production year and the portion of this production that members of the petitioning organization accounted for.
5. A description of the manner in which the proposed election would be held. If physical balloting is proposed in lieu of mail balloting, arrangements should be made for a uniform location among the county seats involved.
6. A description of the manner in which the assessment would be collected if the referendum passed. This must include testimony to the effect that a representative portion of potential collectors have been contacted, either through their organizations or individually.
7. Reasons why a commodity check-off should be established including an estimate of major problems involved in the production, marketing, and use of the commodity involved that programs financed by assessment funds might alleviate.
8. A detailed estimate of the costs that will be involved in the conduct of the proposed referendum and election, along with a financial statement to confirm that the petitioning organization is prepared to fully handle these expenses.
9. A confirmation that public meetings have been held in a sufficient number of locations through the referendum area to allow all products who would be affected a reasonable opportunity to have the proposed election explained, and to present their views.

Texas Pecan Growers Association
April 28, 1998
Page 2

I realize that some of the information listed above was included in your request. The request will be admitted into the record of the proceeding for consideration by the Commissioner, as will other information provided.

Should you have any questions, please contact me at 512/463-7593 or Dolores Alvarado Hibbs at 512/463-7541. I look forward to seeing you on .

Sincerely,

A handwritten signature in cursive script that reads "Katie Dickie Stavinoha".

Katie Dickie Stavinoha
Special Assistant

KD/jp

cc: Dolores Alvarado Hibbs