

TEXAS BOLL WEEVIL ERADICATION FOUNDATION, INC.



P.O. Box 5089 ♦ Abilene, Texas 79608-5089 ♦ Voice: (325) 672-2800 ♦ Fax: (325) 672-5034

April 4, 2018

Warehouses, Compresses and other Central Collection Points:

On behalf of the cotton producers of Texas, we want to thank you for your help in collecting the 2017 Boll Weevil Eradication Maintenance Fee for cotton produced in the West Texas Maintenance Area (WTMA) and the East Texas Maintenance Area (ETMA). We know for those of you handling ETMA cotton, this was a new process requiring adjustments to your tariff collection procedures and some effort by you to help implement this important and necessary change. We appreciate your patience and help in making administration of this collection process as efficient as possible. Your assistance allows Texas cotton producers to continue to protect the tremendous investment made to eradicate the boll weevil.

2018 Maintenance Fees

For the 2018 cotton crop, the Commissioner of Agriculture set the annual maintenance fees at the following rates:

ETMA

For cotton produced in 2018, **ETMA's maintenance fee was lowered to \$2.00 per bale.**

WTMA

For cotton produced in 2018, **WTMA's maintenance fee remains at \$1.00 per bale.**

Enclosed you will find a map (Attachment A) showing the two Texas maintenance areas as well as a listing of counties located in each maintenance area (Attachments B and C). The maintenance fees should be included in the tariff or schedule of fees, but by law must be collected on all bales produced in the respective maintenance area. Sample tariff language is included in Attachment D.

Maintenance Fees Collected at First Central Collection Point

In accordance with the law, maintenance fees shall be collected at the first central collection points that receive and ship cotton produced in the maintenance area. Central collection points include all cotton warehouses, cotton compresses and other venues collecting harvested and ginned cotton that was produced within a maintenance area. Central collection point shall include a cotton gin **only** when:

- a) The cotton in question ships directly from the gin to a user or exporter of cotton, and is not stored at a domestic warehouse or compress, and then only for those bales that ship directly; or
- b) When a cotton gin agrees to serve as a central collection point.

The “first handler” warehouse is responsible for collecting the maintenance fee on all bales grown in a maintenance area. However, if a bale was ginned at a location acting as the central collection point, the warehouse will not be required to collect the maintenance fee as long as reasonable evidence can be provided that the fee was collected at the gin.

If a bale is ginned at a location not acting as a central collection point, the first warehouse that receives the bale is obligated to collect the maintenance fee. If the bale is later shipped to another warehouse as a result of “reconstitution” or any other reason, the subsequent warehouse is not responsible for collecting maintenance fees provided the warehouse is in possession of commercially reasonable evidence showing a prior warehouse has already remitted the maintenance fee.

Remittance Dates

Maintenance fees are due to the Foundation by March 1, 2019 for all bales sold and shipped, and the tariff paid, by February 15, 2019. Fees for bales shipped by May 15th are due June 1st and fees for bales shipped by September 15th are due to the Foundation by October 1st.

The following table summarizes shipping cutoff dates and the corresponding remittance dates for the year’s maintenance fees.

Bale Shipped Cutoff Date	Remittance Due Date
February 15, 2019	March 1, 2019
May 15, 2019	June 1, 2019
September 15, 2019	October 1, 2019

Remittance Forms

Copies of ETMA and the WTMA remittance forms are enclosed for your convenience (Attachments E and F). Additional copies of these forms and other maintenance fee information can be found at <https://www.txbollweevil.org/tma.html>.

Refunds

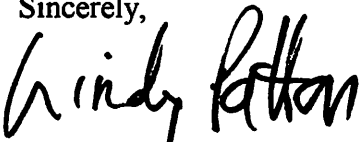
In the event a central collection point collects and remits a maintenance fee on cotton bales that were NOT produced in a Texas maintenance area, the cotton producer should submit a refund request to the Foundation along with support documentation showing that the fee was paid on cotton produced outside a maintenance area. Upon receipt of the refund request and adequate supporting documentation, the Foundation will issue a maintenance fee refund to the producer.

The formation of maintenance areas has been very successful, a success owed in large part to the cooperation shown by the Warehouses, Compresses and other central collection points. Transitioning to the maintenance area model is critical to the continued success of boll weevil eradication efforts in Texas and to the protection of the \$1.2 billion investment made by Texas cotton growers and the state and federal legislatures.

The Foundation and TDA are committed to making the administration of the collection process of maintenance fees as simple and effective as possible. I appreciate your help in making this program more efficient for our state's cotton producers.

Please feel free to contact Texas Boll Weevil Eradication at 325-672-2800 with any questions you might have.

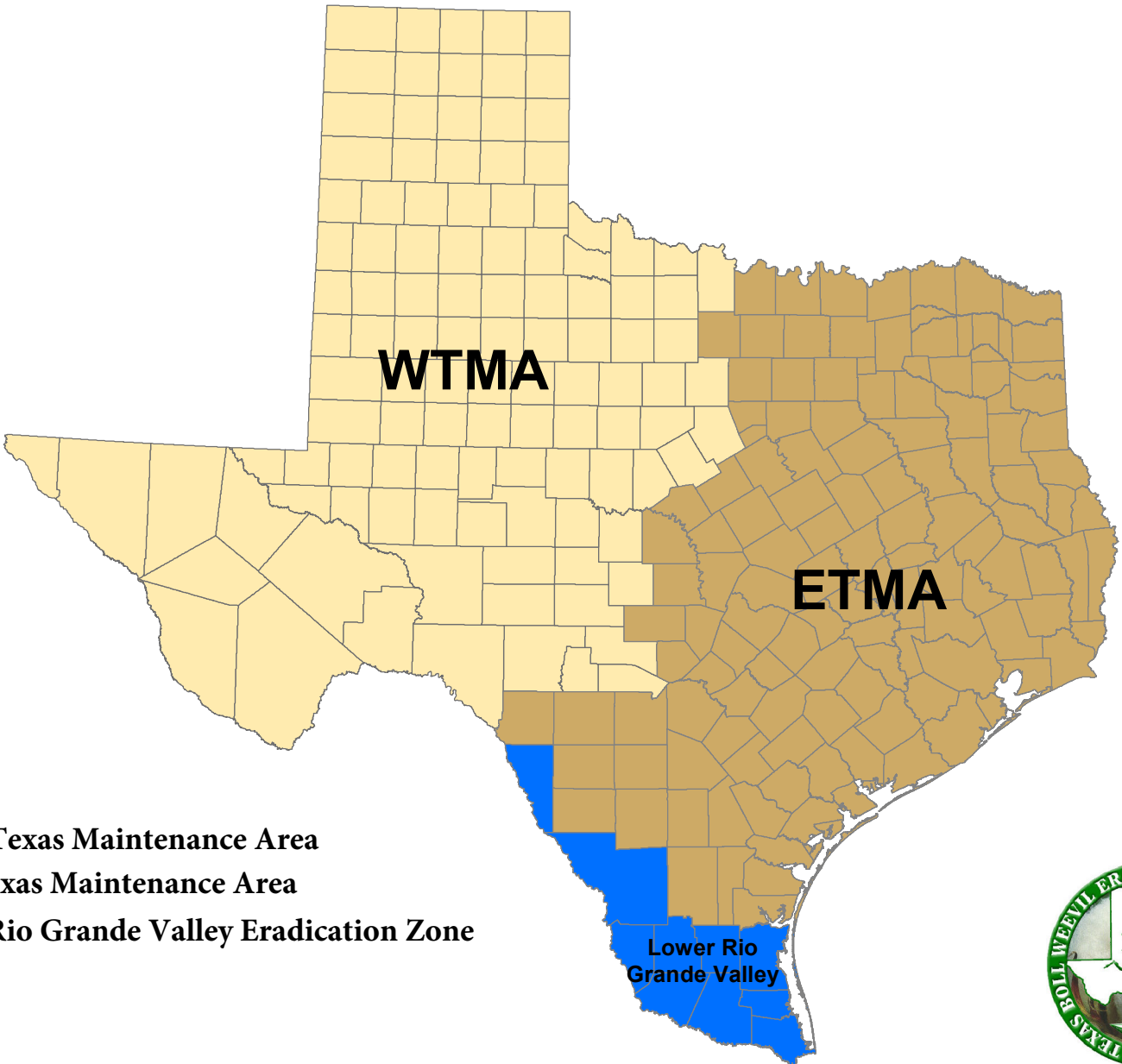
Sincerely,

A handwritten signature in black ink that reads "Lindy Patton". The signature is written in a cursive, flowing style.

Lindy Patton
President and CEO

Attachments

Texas Boll Weevil Eradication Foundation



WTMA - West Texas Maintenance Area
ETMA - East Texas Maintenance Area
LRGV - Lower Rio Grande Valley Eradication Zone



East Texas Maintenance Area County Listing

Anderson	Galveston	McMullen	Walker
Angelina	Gillespie	Madison	Waller
Aransas	Goliad	Marion	Washington
Atascosa	Gonzales	Matagorda	Wharton
Austin	Grayson	Medina	Williamson
Bastrop	Gregg	Milam	Wilson
Bee	Grimes	Mills	Wise
Bell	Guadalupe	Montague	Wood
Bexar	Hamilton	Montgomery	Zavala
Blanco	Hardin	Morris	
Bosque	Harris	Nacogdoches	
Bowie	Harrison	Navarro	
Brazoria	Hays	Newton	
Brazos	Henderson	Nueces	
Burleson	Hill	Orange	
Burnet	Hood	Panola	
Caldwell	Hopkins	Parker	
Calhoun	Houston	Polk	
Camp	Hunt	Rains	
Cass	Jack	Red River	
Chambers	Jackson	Refugio	
Cherokee	Jasper	Robertson	
Collin	Jefferson	Rockwall	
Colorado	Jim Wells	Rusk	
Comal	Johnson	Sabine	
Cooke	Karnes	San Augustine	
Coryell	Kaufman	San Jacinto	
Dallas	Kendall	San Patricio	
Delta	Kinney	San Saba	
Denton	Kleberg	Shelby	
Dewitt	Lamar	Smith	
Dimmitt	Lampasas	Somervell	
Duval	La Salle	Tarrant	
Ellis	Lavaca	Titus	
Falls	Lee	Travis	
Fannin	Leon	Trinity	
Fayette	Liberty	Tyler	
Fort Bend	Limestone	Upshur	
Franklin	Live Oak	Uvalde	
Freestone	Llano	Van Zandt	
Frio	McLennan	Victoria	

West Texas Maintenance Area County Listing

Andrews	Howard	Throckmorton
Archer	Hudspeth	Tom Green
Armstrong	Hutchinson	Upton
Bailey	Irion	Val Verde
Bandera	Jeff Davis	Ward
Baylor	Jones	Wheeler
Borden	Kent	Wichita
Brewster	Kerr	Wilbarger
Briscoe	Kimble	Winkler
Brown	King	Yoakum
Callahan	Knox	Young
Carson	Lamb	
Castro	Lipscomb	
Childress	Loving	
Clay	Lubbock	
Cochran	Lynn	
Coke	Martin	
Coleman	Mason	
Collingsworth	McCulloch	
Comanche	Menard	
Concho	Midland	
Cottle	Mills	
Crane	Mitchell	
Crockett	Moore	
Crosby	Motley	
Culberson	Nolan	
Dallam	Ochiltree	
Dawson	Oldham	
Deaf Smith	Palo Pinto	
Dickens	Parmer	
Donley	Pecos	
Eastland	Potter	
Ector	Presidio	
Edwards	Randall	
El Paso	Reagan	
Erath	Real	
Fisher	Reeves	
Floyd	Roberts	
Foard	Runnels	
Gaines	Schleicher	
Garza	Scurry	
Glasscock	Shackelford	
Gray	Sherman	
Hale	Stephens	
Hall	Sterling	
Hansford	Stonewall	
Hardeman	Sutton	
Hartley	Swisher	
Haskell	Taylor	
Hemphill	Terrell	
Hockley	Terry	

Suggested Tariff Language

- 1. **Receiving**, includes tagging, weighing, issuing warehouse receipts, etc. \$4.25
Includes collection of fees for producers to:
 - TBWEF West Texas Maintenance Fee..... \$1.00
 - TBWEF East Texas Maintenance Fee..... \$2.00
 - Other producer dues/fees..... \$0.25

- 2. **Storage**, including....

Potential “Tariff Provisions” Inserts

The Texas Boll Weevil Eradication Foundation maintenance fee has been deducted from the sales proceeds of this bale/these bales.

All cotton grown in the West Texas Maintenance Area or the East Texas Maintenance Area is subject to the maintenance fee for the Maintenance Area from which it is produced.

For details regarding the rules, a map/listing of counties, see www.txbollweevil.org or call the Foundation at 800-687-1212.

Maintenance fee rules can be found at: Texas Administrative Code, Title 4, Part 1, Chapter 3, Subchapter K; 4 TAC 3.700-3.711.

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East Texas Maintenance Area (ETMA) Maintenance Fee Remittance Form

Warehouse/Gin Name				Mailing Address					
Name of Contact			Title	City			State	Zip Code	
Signature of Contact			Date Submitted	Email				Phone	
NOTE: Bales reported on this form are subject to TDA/TBWEF audit.				Questions – contact TBWEF Assessment Department 325-672-2800					
Year of Bale Production (Please circle only one year per row and report each year's bales on a different row)	Shipped Sept 15 th - Feb 15 th Remittance Due Date Mar 1 st	Shipped Feb 16 th - May 15 th Remittance Due Date June 1 st	Shipped May 16 th - Sept 15 th Remittance Due Date Oct 1 st	Total Bales Received	Total NON-ETMA Bales Received	Total ETMA Bales Received	Total ETMA Bales Shipped	Rate per Bale	Total Due to Tx Boll Weevil (bales shipped x rate)
	2017							3.00	
	2018							2.00	
	2019								
	2020								
	Totals								

Please attach supporting documents, including information/reports verifying where NON-ETMA bales were produced.

Remit check payment to Texas Boll Weevil Eradication Foundation, PO Box 5089, Abilene, TX 79608.

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West Texas Maintenance Area (WTMA) Maintenance Fee Remittance Form

Warehouse/Gin Name					Mailing Address				
Name of Contact			Title		City		State	Zip Code	
Signature of Contact			Date Submitted		Email			Phone	
NOTE: Bales reported on this form are subject to TDA/TBWEF audit.					Questions – contact TBWEF Assessment Department 325-672-2800				
Year of Bale Production (Please circle only one year per row and report each year's bales on a different row)	Shipped Sept 15 th - Feb 15 th Remittance Due Date Mar 1 st	Shipped Feb 16 th - May 15 th Remittance Due Date June 1 st	Shipped May 16 th - Sept 15 th Remittance Due Date Oct 1 st	Total Bales Received	Total NON-WTMA Bales Received	Total WTMA Bales Received	Total WTMA Bales Shipped	Rate per Bale	Total Due to Tx Boll Weevil (bales shipped x rate)
	2015							1.00	
	2016							1.00	
	2017							1.00	
	2018							1.00	
Totals									

Please attach supporting documents, including information/reports verifying where NON-WTMA bales were produced.

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