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Agriculture and Consumer Protection Division

and

Biosecurity Enforcement and Road Stations Division

DRAFT Inspection and Enforcement Strategic Plan

Fiscal Year 2027

Executive Summary

The Agricultural and Consumer Protection Division (ACP) licenses a wide range of stakeholders – pest control companies, businesses that sell pesticides, seed sellers, weight scales, and agricultural workers, to name a few. ACP programs are grouped into four departments: Consumer Service Protection, Consumer Product Protection, Crop and Plant Industry, and Agriculture Pesticide.

With licensing comes the responsibility to verify compliance with applicable laws and regulations. ACP has five regional offices throughout the state, as well as its main headquarters in Austin. There are road stations located in Orange, Kaufman, and Titus Counties. Additionally, there are alternate road stations located in Brooks, Cass, Kleberg, and Seguin when the Department of Public Safety (DPS) is present.. TDA has acquired mobile road stations and a command trailer to enhance its ability to monitor the movement of agricultural shipments throughout Texas. By having inspectors stationed throughout the state, the Texas Department of Agriculture (TDA, or the Department) can effectively verify compliance throughout the state.

Texas Agriculture Code, Section 12A.004 requires TDA to develop and publish annual plans for how it will use its inspection and enforcement resources to ensure public safety and protect agriculture and consumers in Texas. The inspection and enforcement strategy plan contains the projected inspection schedule for the next fiscal year and enforcement outcomes over the previous fiscal year for which there is complete data, Fiscal Year 2025.

ACP's annual inspection schedules are determined on a program-by-program basis. Each program's proposed annual inspection plan is influenced by federal and state requirements (statutory- or regulation-based inspections), risk-based assessments of the affected sources, as well as projected 'unscheduled' inspections performed in response to complaints during the year. TDA plans to inspect over 40,000 facilities, verify that 80,000 acres meet standards for certification, and collect 3,500 seed samples in Fiscal Year 2027. In addition, TDA anticipates that inspectors will spend over 20,000 hours inspecting incoming shipments at roadside stations.

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ACP's inspection goals for Fiscal Year 2027 are organized into individual plans for each program. The plans also include enforcement results from Fiscal Year 2025, the latest year for which there is complete data. The plans fulfill the requirements of Texas Agriculture Code, Section 12A.004.

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DRAFT Inspection and Enforcement Strategic Plan

Fiscal Year 2027

TDA's consumer protection efforts promote success, unity, and prosperity for the people of Texas and provide for a fair and equitable marketplace for Texas businesses. TDA has strong consumer protection programs, which include inspecting grocery store scales for accuracy, ensuring eggs meet specific quality standards, verifying that nursery and floral products sold in Texas are free from harmful pests and diseases, and mandating that pest control applications are performed safely by qualified individuals. The Agriculture and Consumer Protection Division (ACP) also works hard to ensure that planting seed sold in Texas is truthfully labeled and meets the highest standards.

TDA also works to provide agriculture producers with the resources and support they need. ACP is responsible for licensing and training pesticide applicators, overseeing worker protection, registering pesticides for sale in the state and working to minimize unnecessary impacts on agriculture while enhancing protection of endangered and threatened species as mandated by federal law.

The Structural Pest Control Service (SPCS) licenses applicators who make pesticide applications in and around structures. The mission of the service is to enhance the educational and professional standards of license holders and ensure the health, safety, and welfare of the public.

TDA maintains three road stations to carry out inspections at entry points to the state. The fixed road stations are in Orange, Kaufman, and Titus Counties. Additionally, there are alternate road stations located in Brooks, Cass, Kleberg, and Seguin when the Department of Public Safety (DPS) is present. TDA has acquired mobile road stations and a command trailer to enhance its ability to monitor the movement of agricultural shipments throughout Texas. By having inspectors stationed throughout the state, TDA can effectively verify compliance throughout the state.

I. Agriculture and Consumer Protection Division (ACP)

ACP encompasses several programs grouped into four broad areas of service, with each program targeting a specific sector of the agricultural and consumer markets. The four areas are Consumer Service Protection, Crop and Plant Industry, Agriculture

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Pesticide, and Consumer Product Protection. Additionally, the division operates three laboratories that support the mission of ACP.

Consumer Service Protection Department

Structural Pest Control Service (SPCS) Program

Structural pest control refers to the processes intended to eliminate or remove unwanted insects, plants, and/or animals in or around man-made structures. TDA's Structural Pest Control Service licenses and regulates pest management professionals who apply pesticides and/or use pest control devices in and around structures. SPCS provides exceptional customer service to the public and the industry, enhances the educational and professional standards of license holders and ensures the health, safety, and welfare of the public. Pest control applicators must go through proper training, pass relevant subject exams, and undergo criminal background checks prior to being issued a license.

Pesticide Laboratory

TDA maintains an analytical chemistry laboratory in College Station, TX (Pesticide Lab). The purpose of the Pesticide Lab is to perform analysis of pesticide residues for monitoring and to support the agency's prosecution of pesticide law violations. Additionally, the lab analyzes United States Department of Agriculture (USDA) Pesticide Data Program (PDP) samples. PDP is a national pesticide residue database program empowered to collect pesticide residue data on selected food commodities, primarily fruits and vegetables. PDP data are used by the EPA to support its dietary risk assessment and pesticide registration processes, by the Food and Drug Administration to refine sampling for enforcement of tolerances; by the Foreign Agricultural Service, to support export of U.S. commodities in a competitive global market; by the Economic Research Service to evaluate pesticide alternatives; and by the public sector to address food safety issues. The Pesticide Lab does not carry out inspections but serves as a support group to other areas of TDA.

Crop and Plant Industry Department

Organic Certification Program

The program's purpose is to simultaneously develop Texas' agricultural economy and to provide consumers with the most abundant and diverse food and fiber supply possible. The program helps Texas farmers diversify their operations and

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capture a larger share of a growing premium market by ensuring the authenticity of the products making the organic claim.

As a Certifying Agent accredited by USDA's National Organic Program (USDA-NOP), the Organic Certification Program has the authority to certify organic producers, as well as processors, distributors, and retailers of organic agricultural products. To be certified, an operation must comply with organic production and handling regulations established by USDA-NOP.

Seed Quality Programs

The Seed Quality Programs help ensure that anyone from a backyard gardener to a multi-acre farmer receives the highest quality seed available. The Seed Quality Programs are based at the Department's Seed Laboratory. There are three sub-programs within Seed Quality: Seed Certification, Seed Law, and Seed Arbitration.

The mission of the *Seed Certification Program* is to create and make available a source of seeds and vegetative propagating materials of crops and plants grown, conditioned, certified, and distributed to ensure genetic purity and identity in relation to TDA standards.

The Seed Certification Program has six tasks that support the program's mission:

- Licenses Certified Growers,
- Registers Plant Breeders,
- Conducts field inspections on certified seed production,
- Inspects conditioning plants,
- Monitors variety purity by testing certified hybrid production samples through grow-outs in Puerto Rico and Costa Rica, and
- Prints and issues certification labels.

The *Seed Law Program* monitors labeling of seed packages to help ensure that consumers receive the quality and type of seed they pay for, that the seed will germinate or sprout as stated on the label, and that the seed will produce the kind of plants represented. To support the Seed Law Program, the program performs the following tasks:

- Performs seed sampling regulatory activities,
- Performs laboratory analysis on seed samples,
- Performs technical review on seed analysis labels
- Issues Vegetable Seed License,
- Issues Permit numbers for reporting seed sales under the Reporting System,
- Prints and issues Texas Tested Seed Fee Labels,
- Investigates seed complaints, and

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- Ensures seed is not contaminated with noxious weed seed.

Seed Arbitration is a hearing before the Seed Arbitration Board to resolve a dispute between the purchaser of the seed and the labeler/seller of seed about the failure of the seed to produce or perform as represented. The State Seed and Plant Board acts as the Seed Arbitration Board for complaints filed for arbitration. TDA specialists conduct the preliminary investigation then refer all the documentation and findings to the Seed Arbitration Board. After holding a hearing, the Seed Arbitration Board reports its findings and recommendations to the TDA Commissioner. TDA then sends the final report to all parties in the complaint.

Seed Laboratory

All three sub-programs of the Seed Quality Program are run through TDA's Seed Laboratory (Seed Lab), utilizing the Seed Lab's expertise in seed identification and seed grow-outs. The Seed Lab is located in Giddings, TX.

Grain Warehouse Program

The purpose of the Grain Warehouse Program is to protect producers who deposit agriculture commodities in public storage and ensure the financial integrity of the industry. Warehouse regulation is intended to ensure that Public Grain Warehouse Operators maintain the quantity and quality of grain stored for farmers and other depositors.

The inspection program administers and enforces laws and regulations relating to grain storage and requires that any facility which stores grain for the public have either a TDA- or a USDA-issued license. This allows TDA to ensure that Texas producers have a safe and solvent warehouse for their commodities.

Handling and Marketing of Perishable Commodities (HMPC) Program

The mission of the HMPC Program is to protect and assist producers or produce dealers who do not receive payment for produce grown in Texas. HMPC inspections and investigations are frequently prompted by an official claim filed by a producer. In some circumstances, a TDA field office executive or a field inspector may come across information which will lead to an HMPC inspection outside of the regular claim protocol.

Hemp Program

The 2018 (federal) Farm Bill legalized the commercial production of hemp and authorized states to submit state plans to administer hemp programs. Here in Texas, House Bill 1325 was signed into law in June 2019 and authorizes the production, manufacture, retail sale, and inspection of industrial hemp crops and

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products. This also includes products for consumable hemp products which contain cannabidiol (CBD), as well as other edible parts of the hemp plant, which is regulated by the Texas Department of Health Services (DSHS). TDA opened the hemp licensing and permit application process online on March 16, 2020. There have been no inspections associated with the Hemp Program due to resource constraints. TDA does send inspectors to investigate complaints received.

Plant Quality Programs

TDA protects both consumers and the plant industry by regulating agricultural products through nursery/floral licensing, phytosanitary inspection of plant products, quarantine enforcement and pest monitoring. Our Plant Quality Programs facilitate plant commerce through phytosanitary certification of commodities to other states and countries in cooperation with their agricultural agencies, USDA, USDA's Animal and Plant Health Inspection Service (USDA-APHIS) and USDA Plant Protection and Quarantine (USDA-PPQ).

Agriculture Pesticides Department

Agricultural Pesticide Certification and Compliance Program

TDA is designated as the state's lead agency in the regulation of pesticide use and application. TDA is responsible for licensing and training pesticide applicators, overseeing worker protection, and working to minimize unnecessary impacts to agriculture while enhancing protection of endangered and threatened species.

Pesticide Product Registration Program

As the lead agency in Texas for regulating pesticides, TDA is responsible for registering pesticides before they are distributed and/or sold in Texas.

The Pesticide Product Registration Program reviews applications for pesticide product registration approval; submits special product registrations to EPA (Section 24(c) Special Local Need (SLN) and Section 18 Emergency Exemptions); and approves Section 5 Experimental Use Permits (EUP) and 2(ee) recommendations.

There are no field inspection requirements associated with the Pesticide Product Registration Program. Product Registration does support field inspections, however. When inspectors find unregistered pesticides in the channels of trade, the inspector emails and calls the Product Registration Team to verify whether the product is registered in Texas.

Consumer Product Protection Programs

Egg Quality Program

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The Egg Quality Program enforces standards of egg quality by licensing egg packers, wholesalers, and distributors. Extensive egg training is provided to inspectors to ensure the eggs they inspect meet the grade, size and quality standards set by TDA. To avoid duplication of inspection efforts at retail stores, a memorandum of understanding (MOU) has been signed by both TDA and DSHS. The MOU specifies each agency's egg inspection responsibilities.

To improve compliance and oversight, TDA is distributing its inspection efforts over a wider spectrum of egg retail business types (i.e., grocery and convenience stores) to better focus resources toward locations that may have a higher risk of non-compliance. To avoid duplication of inspection efforts at packing facilities, TDA does not inspect eggs at facilities that are under the USDA's egg inspection program.

Continued increase in compliance has been attributed to the use of high-tech equipment by the egg industry. TDA has developed risk-based inspection criteria that will permit the allocation of inspection and maintenance resources to provide a higher level of coverage on the high-risk businesses and an appropriate inspection effort over lower-risk locations.

Weights and Measures Program

TDA's field staff inspect a wide variety of measuring devices to protect consumers from overcharges. The purpose of the Weights and Measures Program is to protect consumers and businesses by ensuring that equity prevails in all commercial transactions involving determinations of quantity.

TDA inspects weighing and measuring devices to ensure performance within acceptable tolerances and TDA inspects packaging to enforce net content and labeling regulations. The Department's Weights and Measures Program provides standards for private industry which discourage unfair and dishonest commerce. TDA also adopts rules and regulations to help eliminate fraud and misrepresentation in commercial transactions.

Metrology Laboratory

The State Metrology Laboratory (Metrology Lab or Giddings Metrology Lab) conducts mass and volumetric calibrations on field test standards used by Licensed Service Companies, TDA Inspectors, and other customers that utilize commercial weighing or measuring devices as described in Texas Agriculture Code, Section 13.113. All weights and measures calibrations are documented and traceable to the International System of Units (SI) through the National Institute of Standards and Technology (NIST). The Giddings Metrology Laboratory is recognized by NIST in Mass Echelon II and Volume Echelon Transfer II and is also accredited through the

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National Voluntary Accreditation Program. The Metrology Lab serves as a support group to the work of the Weights and Measures Program.

II. **Biosecurity Enforcement and Road Stations Division**

A key part of protecting Texas agriculture is the operation of road (inspection) stations on the major roadways into Texas. At these road stations, TDA inspectors physically examine inbound agricultural products for invasive pests or diseases and check to ensure all state phytosanitary laws are met. Nursery plants, fruits, vegetables, hay, sod or any other article that can harbor a quarantined pest are inspected to ensure they are free of quarantine pests and meet Texas import requirements. Additionally, biosecurity inspections are conducted to ensure commodities entering pest-free areas from quarantined areas are free of pests. Quarantined commodities without proper certification are denied entry into the state or destroyed at the owner's expense. Nursery products or floral items infested with a plant pest are subject to a seizure order, requiring the plants to be withdrawn from sale for treatment or destruction.

In the 88th Regular Session of the Texas Legislature, there was an increase in the General Appropriations Act, Biennium Fiscal Year 2024-2025, budget for road stations, allowing TDA to increase its presence at road stations by extending the road stations' operating hours and hiring more personnel. In Fiscal Year 2024, the management of road stations and biosecurity inspections was moved from the ACP to the Biosecurity Enforcement and Road Stations Division allowing management to focus on the unique issues associated with the day-to-day operation of road stations.

III. **Annual Inspection and Enforcement Strategy Plan Requirements**

On June 16, 2021, Governor Greg Abbott signed Senate Bill 703. The bill was codified as Texas Agriculture Code, Section 12A.004. This statute added a requirement for TDA to develop and publish annual plans for how it will use its inspection and enforcement resources to ensure public safety and protect agriculture and consumers in Texas.

Within the inspection and enforcement strategic plans for the coming fiscal year, the statute requires that the division report on the following enforcement activities:

- The number, type, and severity of the violations the Department found to have occurred,
- The number, type, and severity of violations the Department referred to TDA's Enforcement Program,
- The number, type, and severity of violations for which the Department imposed a penalty or took other enforcement action,
- The number of major violations for which the Department imposed a penalty or took other enforcement action, and

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- The number of repeat major violations, categorized by license type, if applicable.

In summary, Texas Agriculture Code, Section 12A.004 requires publication of an annual (fiscal year) inspection and enforcement strategy plan with the projected inspection schedule for the next fiscal year and the reporting of enforcement outcomes over time.

IV. Inspection and Enforcement Strategy Plans for Fiscal Year 2027

At the beginning of each Texas Agriculture Commissioner's term, he/she releases the Agency Strategic Plan for the Department. The Agency Strategic Plan outlines broad operational goals for the coming term and how the Department will evaluate its performance against the stated goals. The Legislative Budget Board (LBB) works with all divisions in the Department to put specific numbers on the action items (performance measures) listed in the Agency Strategic Plan.

The annual inspection schedules are determined on a program-by-program basis. Each program's proposed annual inspection plan is influenced by federal and state requirements (statutory- or regulation-based inspections), risk-based assessments of the affected sources, as well as projected 'unscheduled' inspections performed in response to complaints during the year.

Each program has a different enforcement matrix and different federal and state laws and regulations that govern the affected source, so there is no single inspection strategy that would provide effective enforcement for all programs. In addition to any required statutory inspections, each program that issues a license or is regulated by TDA may conduct additional inspections based on a schedule of risk-based criteria. The criteria are listed in the Texas Agriculture Code, Section 12A.003. Some of the listed criteria are whether there has been a prior violation by the person, the inspection history of the person, and any history of complaints involving the person.

In considering inspections to be performed, program management must also consider how to best utilize the resources allocated to the program by the Texas Legislature. For some programs, the best use of TDA resources is to partner with other federal or state agencies. For example, the USDA has inspection programs at egg packing facilities that are as stringent as TDA inspections. To avoid duplication of inspection efforts, TDA does not send inspectors to USDA-inspected packing facilities. This frees up TDA inspectors' time and other budget resources for inspections at facilities that are at higher risk of inspection deficiencies.

Performance measures like the projected number of inspections to be carried out are set by the LBB. The LBB issues performance measures for each program in two-year plans. In preparation for the LBB plan, ACP programs review the number of licensees, compliance history for the type of license, and any statutory requirements for the

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regulated stakeholders. Programs also consider staffing levels and budgets when proposing performance measure numbers to the LBB. The measures are reviewed and approved by ACP management, then forwarded to the LBB. The LBB reviews the proposed performance measures. The LBB may accept, edit, or reject the performance measures for the two-year period. The performance measure levels as approved by the LBB become the strategic plan for each program's deployment of personnel and resources. ACP reports its progress toward the LBB performance measure goals each month. Fiscal Year 2027 is the second year of the FY 2026-2027 LBB Plan.

The performance measures that are part of TDA's Agency Strategic Plan are largely the same as the information required to comply with Texas Agriculture Code, Section 12A.004. As required, the Inspection and Enforcement Strategic Plans for each program area have been developed for Fiscal Year 2027. The plans for each program are attached to this report as individual appendices. Each plan discusses the federal and state regulatory requirements, risk-based assessments, and other inspection items that influence the program's inspection schedule. Each program's plan also includes the enforcement outcomes from Fiscal Year 2025, the latest full fiscal year.

V. Summary

ACP licenses a wide range of stakeholders – pest control companies, businesses that sell pesticides, seed sellers, weight scales, and agricultural workers, to name a few. With licensing comes the responsibility to verify compliance.

TDA's inspection goals for Fiscal Year 2027 are organized into individual plans for each program. The plans are included as appendices at the end of this narrative. The Department plans to inspect over 40,000 facilities, verify that 80,000 acres meet standards for certification, and collect 3,500 seed samples in Fiscal Year 2027. In addition, TDA anticipates that inspectors will spend 20,000 hours inspecting shipments at roadside stations. The plans also include enforcement results from Fiscal Year 2025, the latest year for which there is complete data.

The plans fulfill the requirements of the Texas Agriculture Code, Section 12A.004.

APPENDICES

Inspection and Enforcement Strategic Plans for:

- A. Structural Pest Control Service
- B. Organic Certification Program
- C. Seed Quality Programs (Seed Certification, Seed Law, Seed Arbitration)
- D. Grain Warehouse Program

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- E. Handling and Marketing of Perishable Commodities (HMPC) Program
- F. Agricultural Pesticide Program
- G. Plant Quality Programs and Biosecurity Enforcement and Road Stations
- H. Weights and Measures Program
- I. Egg Quality Program

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APPENDIX A

**Structural Pest Control Services (SPCS)
Inspection and Enforcement Strategic Plan**

FY 2027

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STRUCTURAL PEST CONTROL SERVICES (SPCS) INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

TDA's Structural Pest Control Service (SPCS) licenses and regulates pest management professionals who apply pesticides and/or use pest control devices in and around structures.

The SPCS inspection program administers and enforces the laws and regulations that ensure businesses and individuals are properly licensed, that licensees are properly trained to perform pest control services, and that the individuals and businesses are compliant with the SPCS laws and regulations.

B. Types of Inspections Performed

The SPCS program inspects pest control businesses and other entities for compliance with the Structural Pest Control Act. Depending on the type of inspection (inspection reason/visit type), the Inspector will review different records during the inspection. The following discusses the five main inspection reasons/visit types that structural inspectors complete with specific guidance to the type of entities we inspect. The five inspection reasons are: Routine, Re-inspection, Complaint, For Cause and Use Observation.

Routine Inspections

Routine inspections are the most thorough inspections completed by structural inspectors. At a routine inspection, all required elements relating to SPCS laws and regulations will be reviewed. All non-compliant items found during the inspection are documented on inspection forms. The inspector also provides compliance assistance to the business or entity by explaining how to remedy the non-compliance. Even if the non-compliant item is rectified during the inspection, the fact that there was a non-compliance during the inspection is recorded on the inspection form.

Pursuant to Texas Administrative Code, Title 4, Part 1, Chapter 7, Subchapter H, Division 3, §7.149, each licensed pest control business shall be inspected at least once in the business's first year of receiving a license and at least once every four (4) years thereafter. School districts will be inspected at least once every five (5) years as specified in Texas Administrative Code, Title 4, Part 1, Chapter 7, Subchapter H, Division 3, §7.149. The Department may waive these requirements due to Department staff availability, budgetary constraints, inspection trends, or operational efficiencies. Businesses and school districts demonstrating a lack of compliance with Department rules may be inspected more frequently than would otherwise apply. Some of the

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reasons for more frequent inspections are prior violations; prior inspection results; and prior complaints.

Re-Inspections

Re-inspections are inspections performed as a follow-up on non-compliance cited in a previous inspection – typically a routine inspection. Only items found non-compliant at the previous inspection are reviewed as well as records completed since last inspection. Any continued non-compliance found is documented on the inspection forms. As with the routine inspection, the inspector provides compliance assistance to explain how to come in compliance with the law or regulation. Non-compliance is noted on the inspection form even if the non-compliance is corrected during the re-inspection.

Complaint Inspections

Complaint inspections are the result of a complaint being filed with the department. Complaints are more commonly filed against commercial businesses but will occasionally be against non-commercial entities or non-commercial schools. When a complaint is received, it is assigned to a SPCS inspector. The inspector contacts the person making the complaint and will meet with them to ask additional questions and review and/or gather any physical evidence. The inspector will also collect relevant information from other sources. The inspector then submits a report to the SPCS program staff in Austin for review. Once reviewed by program staff, the case is delivered to TDA Legal Services Division's Enforcement Section (Enforcement).

Upon receipt of a complaint, the inspector will respond by contacting the complainant to gather preliminary information and to arrange for an interview and onsite inspection with the complainant. Response time for conducting the interview and inspection depends upon complaint type:

- Human exposure: Within 6 hours after initial notification of complaints involving alleged human exposure, the inspector or regional management will attempt to contact complainant(s) by phone. Within 24 hours, the inspector will attempt to contact the complainant in person.
- All other complaints: An inspector will attempt to contact the complainant within 48 hours from the date initially notified of the complaint.

For Cause Inspections

For-Cause inspections are inspections completed for a reason other than a complaint or re-inspection for previous noncompliance. When the department has reason to believe there are violations with a particular entity, an inspector may be sent to the entity to perform a For-Cause inspection.

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Use Observations

Use Observations are inspections completed in the field while the Inspector is observing actual pesticide applications or pesticide device use. They do not include observing an inspection for termites or pest presence. They can be completed for any account type. Regardless of account type, the inspectors are required to enter what they observed.

C. Structural Pest Control Business Accounts Inspected

Commercial Business

At a commercial business inspection, the Inspector is required to randomly review all use records for which the business provides services. Additionally, the Inspector must review:

- invoices, contracts, service agreements,
- license display,
- posting notices (for indoor treatments),
- consumer information sheet,
- pesticide storage and disposal, and
- training records including certificates of completion for continuing education units (CEUs).

If the commercial business provides termite or structural fumigation services, the Inspector must also review:

- termite and other weed-destroying insect treatment disclosures,
- official wood destroying insect inspection reports, and
- use record requirements particular to commercial preconstruction termite treatments and structural fumigations.

Non-Commercial Business/Non-Commercial Political Business

Noncommercial licenses are required when an employee of the state or a political subdivision of the state engages in structural pest control in or around their employers' structures. Noncommercial licenses are also required if you are an employee performing structural pest control on buildings that are an apartment building; day-care center; hospital; nursing home; a hotel, motel, or lodge; a warehouse; a food processing establishment other than a restaurant, retail food, or food service establishment; or a school.

Non-commercial business inspections (including non-commercial political business inspections) will vary depending on whether the entity employs a licensed applicator.

If the entity employs a licensed applicator, then the Inspector must randomly review all use records for which the applicator provides services. Additionally, the Inspector must review posting notices (for indoor treatments), Consumer Information Sheet,

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pesticide storage and disposal, and training records including certificates of completion for continuing education units (CEUs) for their compliance with regulation. If the entity completes termite or structural fumigation work, the Inspector must review termite disclosures, Wood Destroying Insect Reports (WDIR) and use record requirements particular to structural fumigations and commercial preconstruction termite treatments. If the entity does not employ a licensed applicator, then the Inspector will review posting notices, ensure the entity has a Consumer Information sheet available upon request (if indoor pesticide applications are made), pesticide storage and pesticide disposal (if applicable). The Inspector will also verify the entity is using a licensed applicator.

School Districts

At a noncommercial school routine inspection, the Inspector will:

- ensure the district has copies of the school board approved IPM policy,
- ensure the IPM policy contains required essential elements,
- confirm the district has a monitoring program to determine when pests are present,
- confirm a preferential use of lower risk pesticides and non-chemical pest management strategies,
- ensure there is a system for keeping records of facility inspections, pest-related service reports, pesticide applications, and pesticide complaints,
- ensure there is a plan for educating and informing school district employees about their roles in the IPM program,
- confirm the district has an IPM Coordinator,
- verify the IPM Coordinator's training,
- confirm the district has specific thresholds for when pest control actions are justified,
- ensure there is a procedure for notifying parents/guardians that pesticide application may take place,
- ensure a Consumer Information Sheet is available upon request,
- review emergency waivers,
- ensure the district is using appropriately licensed applicators,
- randomly review use records from the district's applicators and/or contract vendor,
- review any yellow or red category approval forms,
- posting notices for both indoor and outdoor applications, and
- check pesticide storage and disposal.

If the district employs licensed structural applicators, the Inspector will randomly review the structural applicator's use records for compliance.

If the district employs licensed agricultural (ag) applicators or contracts commercial structural or ag applicators (not employees of the district, but of a commercial

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business), the Inspector will only review use records to determine if yellow or red category products were used and to confirm whether the district has a preferential use of lower risk pesticides and non-chemical pest management strategies.

D. SPCS Inspection Strategic Plan for FY 2027

Table 1 represents the SPCS’s Inspection Strategic Plan for FY 2027.

As discussed in Section IV of the main report, performance measures used by this program are set by the Legislative Budget Board (LBB) in the agency’s strategic plan.

The LBB proposes a total of 1,965 SPC inspections in FY 2027. ACP staff will use the LBB performance measures as the inspection goal to be more protective of Texas consumers.

The following summarizes only those performance measures for SPCS that involve inspections to be performed (inspection goals). When reporting inspection goals, the table divides the inspections by business type (commercial, non-commercial/non-commercial political, and school districts) and use observations.

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type (Routine, Re-Inspection, Complaint, and For-Cause) | Inspection Goals |
|--|-------------------------|
| Commercial | 1,150 |
| Non-Commercial/Non-Commercial Political | 400 |
| School District | 225 |
| Use Observation | 190 |
| Total Inspections Planned for FY 2027 | 1,965 |

E. SPCS Violations and Enforcement in FY 2025

Inspectors send case reports for inspection-based incidents and complaint incidents to program specialists for review. A program specialist reviews the submitted report for accuracy and completeness, then submits the case file to Enforcement for further processing. Once Enforcement receives the case, TDA’s legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two parts. The first part encompasses Table 2, which shows how many inspections were performed by business type in FY 2025.

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Table 2 – Inspections FY 2025

| Inspection Type (Routine, Re-Inspection, Complaint, and For-Cause) | Inspections Conducted |
|--|------------------------------|
| Commercial | 1,193 |
| Non-Commercial/Non-Commercial Political | 415 |
| School District | 234 |
| Use Observation | 216 |
| Complaint Cases | 183 |
| Total Inspections Conducted in FY 2025 | 2,241 |

Enforcement actions taken are detailed in the next part. The enforcement data lists the number of Notices of Violation (NOVs) and warning letters issued and is further divided into each type of violation. At the end of the list is the dollar amount of penalties assessed as well as the amount collected. A total of 283 NOVs were issued as well as a total of 272 warning letters in FY 2025. For this report, a major violation is ‘operating without a business license.’ There were 109 major violations, for which Enforcement issued 23 warning letters and 86 NOVs. The major violations are shown in bold in the following table.

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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SPCS NOTICE OF VIOLATIONS AND WARNINGS FY 2025 (September 1, 2024 TO AUGUST 31, 2025)

| NOVs | 283 |
|---|------------------|
| Failure to maintain required insurance | 3 |
| Misapplication of a pesticide | 6 |
| Working without an apprentice license | 10 |
| Operating without a business license | 86 |
| Failure to comply with training or supervision requirements | 31 |
| Failure to comply with advertising requirements | 29 |
| Failure to leave durable sticker at property | 6 |
| Failure to comply with IPM requirements | 8 |
| Failure to properly complete a WDIR | 7 |
| Failure to timely register employees | 15 |
| Improper deviation from treatment disclosure | 1 |
| Incomplete pesticide use records | 2 |
| Missing pesticide use records | 2 |
| False or fraudulent pesticide use records | 1 |
| Working out of category | 5 |
| Other: | 71 |
| Warnings | 272 |
| Failure to comply with training or supervision requirements | 25 |
| Failure to comply with IPM requirements | 15 |
| Failure to leave CIS or label with consumer | 1 |
| Failure to leave durable sticker at property | 3 |
| Failure to maintain required insurance | 8 |
| Failure to properly complete WDIR | 5 |
| Failure to provide notice of employee separation | 2 |
| Failure to timely register employees | 21 |
| Improper deviation from treatment disclosure | 1 |
| Operating without a business license | 23 |
| Failure to comply with advertising requirements | 9 |
| Working out of category | 9 |
| Incomplete pesticide use records | 34 |
| Incorrect pesticide use records | 1 |
| Misapplication of a pesticide | 4 |
| Missing pesticide use records | 1 |
| Working without an apprentice license | 2 |
| Other: | 108 |
| TOTAL NOV'S AND WARNINGS IN FY-2025 | 555 |
| AMOUNT OF PENALTIES ASSESSED | \$234,910 |
| AMOUNT OF PENALTIES COLLECTED | \$120,760 |

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APPENDIX B

**Organic Certification Program
Inspection and Enforcement Strategic Plan
FY 2027**

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ORGANIC CERTIFICATION PROGRAM INSPECTION AND ENFORCEMENT STRATEGIC PLAN FY 2027

A. Inspection Purpose

As an accredited Certifying Agent by the United States Department of Agriculture (USDA) National Organic Program (NOP), TDA's Organic Certification Program has the authority to certify organic producers as well as processors, distributors, and retailers of organic agricultural products. To be certified, an operation must comply with organic production and handling regulations established by the NOP. See Code of Federal Regulations (CFR), Title 7, §§205 *et seq.*, as well as the NOP Handbook for program specifics.

Per NOP 2601, The Organic Certification Process, certifiers shall inspect each operation every calendar year to determine whether its certification should continue. This means that every operation certified by TDA is inspected every calendar year.

In addition to the yearly routine inspection, 7 CFR §205.403(b)(1) states that certifying agents must, on a yearly basis, conduct unannounced inspections of a minimum of five percent of the operations it certifies, rounded up to the nearest whole number. Unannounced inspections carry selection criteria including previous noncompliance issues, complaints, organic and non-organic production or handling, especially of visually indistinguishable varieties, risk of contamination from adjoining land use or commingling, or contamination during handling, and the complexity of operation.

B. Types of Inspections Performed

There are four types of inspections that an organic inspector may be assigned, including the following:

New Inspection (Initial Inspection)

A new inspection is an inspection conducted at an operation that is seeking initial organic certification. The inspector must conduct a full onsite inspection of the operation seeking certification as required in 7 CFR §205.403(a)(1).

Routine Inspection

A routine inspection is the "yearly inspection" conducted at a currently certified operation, as required in 7 CFR §205.406(b) so that the operation can continue to be certified. A certifying agent (in this case, TDA) must conduct an on-site inspection at least once per calendar year.

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Re-inspection

There are three types of re-inspections – noncompliance correction, harvest inspection, and second attempt.

- a. *Noncompliance Correction*: A noncompliance re-inspection is initiated by Program to verify that the operator has corrected previously identified areas of noncompliance.
- b. *Harvest Inspection*: A harvest inspection is an inspection initiated by Program or requested by the crop producer for the purpose of observing harvest activities. Inspectors collect one or more pesticide residue samples of harvested product prior to the harvested product leaving the crop producer's operation.
- c. *Second Attempt*: A second attempt inspection is an inspection that is conducted after an inspection was previously attempted but could not be completed.

Investigative Inspection

Investigative inspections are conducted to determine if an operation is non-compliant and whether that noncompliance is a willful violation of one or more NOP Regulations.

C. Organic Certification Inspections Strategic Plan for FY 2027

Table 1 represents the Organic Certification Program's Inspection Strategic Plan for FY 2027. As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency's strategic plan. The following summarizes only those performance measures for the Organic Certification Program that involve inspections to be performed.

As required by the USDA NOP, each certified facility must be inspected annually. There are 203 active accounts. As required by the USDA NOP, an additional 5% unannounced inspections must be completed, which is equivalent to eleven unannounced inspections. On average, the inspectors perform six complaints/re-inspections per year. LBB has proposed 200 inspections for organic producers, processors, distributors, and retailers. The total anticipated inspection goal is 214 inspections for the coming year. The inspection goal in Table 1 below reflects the actual number of facilities, rather than the LBB performance measure for this license type.

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Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| On-site Inspections and re-inspections of organic producers, processors, distributors, and retailers (announced and unannounced) | 208 |
| Complaints/Re-inspections | 6 |
| Total Planned Inspections FY 2027 | 214 |

D. Organic Certification Violations and Enforcement in FY 2025

Inspection observations are reviewed, and, if non-compliances (violations) are found, then program determines the steps necessary for the operation to submit corrective actions to come into compliance with applicable laws and regulations (noncompliance resolution). This contrasts with other ACP programs where TDA Legal Services Division’s Enforcement Section reviews the violations found during inspections to determine the appropriate resolution. Each certified facility must be inspected annually, and TDA had a total of 191 accounts on January 2, 2025.

Table 2 summarizes the inspections and resolutions for FY 2025. NOP defines each individual violation as either major or minor, however, resolution of major violations would not (necessarily) trigger the potential to revoke the operator’s organics certification. Instead of using the NOP definition of ‘major violation’, only those violations that put the operator’s organic certification in jeopardy will be counted as ‘major violations’ for this report.

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Inspections Conducted | Non-Compliances Found | Revocation Non-Compliances Found |
|--|------------------------------|------------------------------|---|
| On-site inspections and re-inspections of organic producers, processors, distributors, and retailers | 202 | 7 | 0 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX C

**Seed Quality Programs
(Seed Certification, Seed Law and Seed Arbitration)**

Inspection and Enforcement Strategic Plans

FY 2027

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SEED QUALITY PROGRAMS

(Seed Certification, Seed Law, Seed Arbitration)

INSPECTION AND ENFORCEMENT STRATEGIC PLANS

FY 2027

A. Inspection Purpose

The Seed Certification Program licenses certified growers, registers plant breeders, conducts field inspections on certified seed production, inspects conditioning plants, and monitors variety purity. Texas Certified Seed Growers choosing to participate in the Seed Certification Program must have their fields inspected prior to harvest. The growers are required to submit applications to TDA requesting field inspections.

The TDA Seed Law Program monitors the labeling of agricultural seed and vegetable seed sold in the State of Texas. The purpose is to verify that the seed packages meet the labeling requirements of the Texas Seed Law and are labeled truthfully.

Seed Arbitration is a hearing before the Seed Arbitration Board between the purchaser and the labeler or seller of seed sold in Texas regarding the failure of seed to produce or perform as represented by the warranty or by the label, or because of negligence.

B. Inspections Performed

Seed Certification Inspection

For seed certification, the number of acres inspected each year is determined by the number of field inspection requests received. TDA inspects 100% of the fields requested by Texas Certified Seed Growers. The purpose of this inspection is to make sure the field passes seed certification standards. It is a pass/fail inspection. TDA does not assess penalties or other enforcement actions against a seed grower for a field that fails its certification inspection. Certified seed cannot be produced from a field that has not met the standards for seed certification; therefore, the consequences of a failed field inspection are not penalties issued by TDA, but economic losses to the seed grower. Certified seed has a higher market value than uncertified seed.

Seed Law Inspection

TDA Inspectors randomly select seed companies and seed distributors located in the inspectors' work areas from whom to draw seed samples. Seed Analysts test the submitted seed samples to verify seed kind, noxious weed seed content, and germination percentage. Program Specialists compare the findings to the seed labeling to verify that the packages are truthfully labeled.

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Seed Arbitration

This program provides dispute resolution, weighing the evidence provided by both sides of the dispute. As such, no inspections specific to Seed Arbitration are associated with this program.

C. Seed Certification and Seed Law Inspections Strategic Plan for FY 2027

As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency’s strategic plan. The following summarizes only those performance measures for the Seed Certification Program and Seed Law Program that involve inspections to be performed.

Unlike other programs, the Seed Certification Program does not have a list of facilities it must inspect. Instead, the program receives requests from individual certified seed growers, so the number of acres inspected can vary from year to year. TDA inspectors examine 100% of the fields requested by the certified seed growers, regardless of the LBB performance target. The LBB has estimated that seed growers will request inspections for 80,000 acres in any given year, a number reflective of current operations.

The Seed Law Program monitors labeling of seed packages to help ensure that consumers receive the quality and type of seed they pay for, that the seed will germinate or sprout as stated on the label, and that the seed will produce the kind of plants represented.

Table 1 represents the FY 2027 Inspection Strategic Plans for the Seed Certification Program and the Seed Law Program.

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| Total Planned Seed Certification Inspections | 80,000 acres |
| Total Planned Seed Law Inspections | 3,500 samples |

D. Seed Certification and Seed Law Violations and Enforcement in FY 2025

For seed certification, inspections determine if a field will pass or fail the seed certification standards. It is not a violation of the seed certification standards if a field fails, thus no violations are issued by program and no cases are sent to Enforcement.

Seed Law Inspectors submit seed samples to the program for testing and review. A program specialist reviews the labeling of the seed for possible violations and if found, then submits the inspection reports and samples to TDA Legal Services Division’s

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Enforcement Section (Enforcement) for further review. Once Enforcement receives the case, TDA's legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two tables. One table is for those actions that take place at the program level, namely inspections, identification of violations, and submission of inspection reports and samples to Enforcement. The other table is for finalized/discharged enforcement cases which are handled by Enforcement.

Table 2 summarizes the action items that take place at the program level. These items are the number of inspections performed, the number of violations found, and the number of violations referred to Enforcement.

For seed certification, inspections determine if a field does or does not meet the seed certification standards. It is not a violation of the seed certification standards if a field fails, thus no violations are issued by the program. The table columns listed as 'Violations Found', 'Samples Referred to Enforcement' and 'Equivalent Cases Referred to Enforcement' are listed as 'not applicable' in Table 2.

The Seed Law Program is a quality program, rather than a licensing program. The program's purpose is to determine the quality of seed in the Texas channels of trade through testing. Testing can identify multiple ways that the seed and/or labeling do not meet standards, so there can be more than one violation associated with a single seed sample (number of enforcement cases is greater than the number of seed samples). Conversely, multiple samples can have the same violation, meaning that a single Enforcement case can be made up of multiple samples (number of enforcement cases is less than the number of seed samples). For the Seed Law program taken as a whole, the number of Enforcement cases has always been less than the number of samples.

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Inspections Performed | Violations Found | Samples Referred to Enforcement Resulting in Enforcement Action | Equivalent Cases Referred to Enforcement Resulting in Enforcement Action |
|--------------------------------|------------------------------|-------------------------|--|---|
| Seed Certification Inspections | 79,153 acres | Not applicable | Not applicable | Not applicable |
| Seed Law Inspections | 4,504 samples | 1,209 | 426 | 81 |

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Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2025, which may or may not be the fiscal year when the violation was uncovered by inspectors.

Since there are no ‘violations’ associated with Seed Certification, there are no Enforcement outcomes associated with this program, therefore, the Seed Certification Program is not listed in Table 3.

For Seed Law, Table 3 displays the data on a number-of-cases basis and on a number-of-samples basis. As noted in the previous section, the number of cases is less than the number of samples with violations.

The Seed Manual and Seed Penalty Matrix define the severity of the violations. The manual and penalty matrix do not use the word “major.” The most severe rating is “serious.” For this report, a major violation in the Seed Law program is any violation listed as a serious violation in the Seed Manual and the Seed Penalty Matrix. In Table 3, the number of cases/samples discharged with major (serious) violations is a subset of the total number of cases/samples discharged.

Table 3 – Enforcement Actions FY 2025

| Inspection Type | Type | Total Discharged | Total Discharged - Major (Serious) Violations |
|------------------------|--------------|-------------------------|--|
| Seed Law | Case Basis | 242 | 19 |
| Seed Law | Sample Basis | 1,296 | 19 |

There were no cases/samples discharged in FY 2025 were violators with repeat major (serious) violations.

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APPENDIX D

**Grain Warehouse Program
Inspection and Enforcement Strategic Plan
FY 2027**

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GRAIN WAREHOUSE PROGRAM

INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

The Grain Warehouse Program administers and enforces laws relating to grain storage and requires that any facility which stores grain for the public must have either a TDA- or a USDA-issued license. This allows TDA to ensure that Texas producers have a safe, solvent warehouse in which to store their commodities.

B. Types of Inspections Performed

Annual Inspections

All TDA-licensed Grain Warehouses are inspected each year. All license holders pay a user fee to TDA to perform the required annual inspection with the fee being based on the storage capacity of the facilities.

Annual Inspections with on-site financial audit

In addition to the annual inspection, all TDA-licensed Grain Warehouses are required to submit an audited financial statement each year. The statement is then reviewed by a TDA financial examiner. Using the information obtained from the financial statement, a risk-based rating formula is used to determine whether the facility is also required to undergo an on-site financial audit as part of the facility's required annual inspection.

Re-Inspections

A re-inspection or a risk assessment inspection targets grain warehouses where trends of noncompliance or financial concern are established. Depending on the trend of noncompliance or financial concern a partial or complete routine inspection may be conducted. Re-inspections focus on issues where bookkeeping or management practices have been corrected and need to be reviewed/verified. A warehouse manager may request a re-inspection if the warehouse manager does not agree with the findings or the initial measurement.

Increase/Decrease Capacity Verification Inspection

If the owner/operator of the grain warehouse wants to increase or decrease the licensed storage capacity of the warehouse, the owner must submit a completed Capacity Change Inspection request form and undergo an inspection to confirm the capacity change. An inspection fee must be paid before the capacity change is finalized.

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Non-Licensed Grain Warehouse Inspection

As staffing and other resources allow, each field inspector performs at least one inspection of a non-licensed facility each fiscal year.

Complaint Inspection

The program occasionally receives a complaint from outside the agency or an inspection may be requested by the program.

C. Grain Warehouse Inspections Strategic Plan for FY 2027

As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency’s strategic plan. The following summarizes only those performance measures for the Grain Warehouse Program that involve inspections to be performed. The performance measure for the Grain Warehouse Program lumps all inspections together as a single measure. The LBB performance measure was based on inspecting each grain warehouse annually. Since the establishment of the LBB’s performance target, the sector has experienced a steady downward trend of TDA-licensed grain warehouses due to reduced crop yields related to weather events, industry consolidations, and closures of smaller operations due to the economics of scale. In addition, some licensees have opted not to renew their TDA license because USDA-issued (federal) licenses have lower fees. There are currently 85 grain warehouses licensed with TDA. The inspection goal in Table 1 below reflects the actual number of facilities, rather than the LBB performance measure for this license type.

Table 1 represents the Grain Warehouse Program’s Inspection Strategic Plan for FY 2027. Since the number of complaints received or the number of re-inspections needed cannot be predicted in advance of the fiscal year, the planned re-inspections and the planned complaints are listed as ‘As needed.’

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| Grain Warehouse Inspections | 85 |
| Re-Inspections | As needed |
| Field Audits | 23 |
| Complaints | As needed |
| Total Planned Inspections FY 2027 | 108 |

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D. Grain Warehouse Violations and Enforcement in FY 2025

Inspectors send case reports for inspection-based incidents and complaint incidents to the program coordinator for review. The program coordinator reviews the report for possible violations and if found, then submits the case file to Enforcement for further processing. Once Enforcement receives the case, TDA’s legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two tables. One table is for those actions that take place at the program level, namely inspections, identification of violations, and submitting cases to Enforcement. The other table is for finalized/discharged enforcement cases which are handled by TDA’s Legal Services Division.

Table 2 summarizes the action items that take place at the program level. These items are the number of inspections performed, the number of violations found, and the number of violations referred to Enforcement.

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Inspections Performed | Violations Found | Cases Referred to Enforcement |
|---|------------------------------|-------------------------|--------------------------------------|
| Grain Warehouse Inspections, Re-Inspections, Audits, and Complaints | 145 | 28 | 5 |

Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2022. The rightmost column is the count of cases where the violation was a major violation. This column is a subset of the total cases discharged for the fiscal year. For this report, a major violation is one that was issued a penalty.

Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Discharged | Cases Discharged – Major Violations |
|---|-------------------------------|--|
| Grain Warehouse Inspections, Re-Inspections, Audits, and Complaints | 9 | 2 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX E

**Handling and Marketing of Perishable Commodities (HMPC) Program
Inspection and Enforcement Strategic Plan**

FY 2027

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HANDLING AND MARKETING OF PERISHABLE COMMODITIES (HMPC) PROGRAM

INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

The mission of the Handling and Marketing of Perishable Commodities (HMPC) Program is to protect and assist producers or produce dealers who do not receive payment for produce grown in Texas.

B. Types of Inspections Performed

HMPC inspections and investigations are frequently prompted by an official claim filed by a producer. In some cases, a TDA field office executive or a field inspector may come across information which will lead to an HMPC inspection outside of the regular claim protocol.

C. HMPC Investigations Strategic Plan for FY 2027

Table 1 represents the HMPC Program's Inspection Strategic Plan for FY 2027. As outlined above, this program's inspections are driven almost exclusively by the program receiving a formal complaint. Since the number of claims received cannot be predicted in advance of the fiscal year, the HMPC Program is not planning any inspections in 2027.

Table 1 – Inspection Strategic Plan for FY 2027

| | Investigation Goals |
|--|----------------------------|
| HMPC Claim Investigations driven by complaints filed with TDA. | 0 |
| Total Planned Investigations FY 2027 | 0 |

D. HMPC Violations and Enforcement in FY 2025

The HMPC Program does not perform investigations proactively. Instead, a producer files an official claim form (Form RPC-405) with TDA claiming that they have suffered a loss. An inspection is scheduled with the claimant. The role of the TDA inspector is to gather facts about the claimed loss. The results of the investigation are submitted to the coordinator. If the two parties have come to an agreement about payment, no further action is needed by the coordinator.

If non-payment is confirmed by the inspector, the coordinator submits a memo to the TDA Hearings Office, Docket Clerk who places the claim on the TDA Hearings Office's calendar as a hearing to come before the TDA Hearing Officer and the Program Coordinator. At the hearing, the TDA Hearing Officer will hear the parties present their information and review the details of the case and render a decision.

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After the hearing has been completed, the TDA Hearing Officer will issue a Proposal for Decision (PFD). If the Hearings Officer decides in favor of Complainant, the Respondent will have 15 days from the date of the PFD to file a Notice of Protest.

If a party files a Notice of Protest within the 15-day period, a hearing will be held before the Produce Recovery Fund Board (Board). If the party is dissatisfied with the determination of the Board, the party has a right to file a motion for rehearing and request judicial review.

Either party may appeal the TDA Hearing Officer’s decision and ask for a rehearing/judicial review. After the hearing (appeal of initial decision is not filed) or rehearing (appeal of initial decision is filed), the Board’s decision becomes final. If the Board’s decision is to pay the claim, there is a separate process which will not be detailed here.

In addition to the hearing board process, the parties can come to an agreement to settle the case before the hearing takes place. In this instance, TDA closes the case without a hearing.

For this section of the report, enforcement actions have been divided into two tables. Table 2 recaps those actions that take place before the case is calendared, namely investigations, identification of non-payment, and submitting cases to the TDA Hearings Office, Docket Clerk

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Investigations Performed | Non-payment Confirmed | Cases Submitted to TDA Hearings Office |
|------------------------|---------------------------------|------------------------------|---|
| HMPC Claim Inspections | 1 | 1 | 1 |

Table 3 summarizes the cases that were either settled by the parties before the hearing (closed) or the hearing board’s decision became final in FY 2025. The rightmost column is the count of cases where the violation was a major violation. This column is a subset of the total cases closed or finalized for the fiscal year. For this report, a major violation is defined as failure to pay for commodities delivered as well as operating without a license if the buyer does not pay cash on delivery.

Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Closed/Finalized | Cases Closed/Finalized – Major Violations |
|------------------------|-------------------------------------|--|
| HMPC Claim Outcomes | 0 | 0 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX F

Agriculture Pesticide
Inspection and Enforcement Strategic Plan
FY 2027

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AGRICULTURE PESTICIDE

INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

TDA's Agriculture Pesticide (Ag Pest) Program licenses and regulates pesticide applicators for both personal use, commercial use and non-commercial uses involved in agricultural production. The Ag Pest Program also inspects those businesses that distribute pesticides to ensure the business is licensed if required and that pesticides are registered properly.

The Ag Pest inspection program administers and enforces the laws and regulations that ensure individuals and businesses are properly licensed and licensees are properly trained to perform agricultural pesticide applications. Ag Pest inspections make certain that all agricultural pesticide applicators who apply pesticides in and around agricultural sites are compliant with the laws and regulations pertaining to those in the application of agricultural pesticides.

B. Types of Inspections Performed

Ag Pest Program inspectors conduct inspections for several reasons to include Routine Inspections, Re-Inspections, Complaint Inspections, For Cause Inspections, and Use Observations.

Routine Inspections

Routine inspections are the most thorough inspections completed by ag pest inspectors. At a routine inspection, everything the business and/or individual is required to be compliant with will be checked. All noncompliance found must be documented on the inspection forms. The inspector also provides compliance assistance to the business or individual to explain how to come in compliance. Inspectors may not cite the business or individual as compliant even if the violation is corrected at the time of inspection. Applicators are inspected based on how many applicators of each classification there are and on the number of complaints received in the previous year. Pesticide Dealers are inspected every 3 years.

Re-Inspections

Re-inspections are inspections performed as a follow-up on noncompliance cited in a previous inspection – typically a routine inspection. Only items found non-compliant at the previous inspection are reviewed as well as records completed since last inspection. Any continued non-compliance found is documented on the inspection forms. As with the routine inspection, the inspector provides compliance assistance to explain how to come into compliance with the law or regulation. Non-compliance is noted on the inspection form, even if the non-compliance is corrected during the re-inspection.

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Complaint Inspections

Complaint inspections are inspections completed because of a complaint being filed with the department. Upon receipt of a complaint, the inspector will respond immediately by contacting the complainant to gather sufficient preliminary information to determine if an investigation can be conducted and to arrange for an interview and onsite inspection with the complainant. Per TDA policy, response time for conducting the interview and inspection depends upon complaint type:

- Human exposure: Within 6 hours after initial notification of complaints involving alleged human exposure, the complainant will be contacted by an Assistant Regional Director or a Regional Director by phone. Within 24 hours, an inspector will contact the complainant in person.
- All other complaints: An inspector will make personal contact with the complainant within 48 hours from the date initially notified of complaints involving allegations other than human exposure.

For-Cause Inspections

For-Cause inspections are inspections completed for a reason other than a complaint or re-inspection for previous noncompliance. When the department has reason to believe there are violations with a particular entity, an inspector may be sent to the entity to perform a For-Cause inspection. A business or licensee demonstrating a lack of compliance with Department rules may be inspected more frequently than would otherwise apply. Some of the reasons for more frequent inspections are prior violations; prior inspection results; and prior complaints.

Use Observations

Use Observations are inspections completed in the field while the inspector is observing an actual pesticide application or pesticide application equipment.

C. Agricultural Pesticide Accounts Inspected

Licensed Applicator

At a licensed applicator inspection, the Inspector is required to randomly review use records and verify if the applicator has used a Restricted-Use Pesticide, State-Limited-Use Pesticide, or Regulated Herbicide within the last two years. Additionally, the Inspector must review:

- License is current and valid
- Direct supervision training, if applicable
- Pesticide storage and disposal
- Worker Protection Standards, if applicable
- Compliance with the Texas Agricultural Hazard Communications Act

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Commercial Applicator Business

A commercial applicator business means a person who applies a restricted-use pesticide, state-limited-use pesticide, or regulated herbicide to the land of another for compensation and is either a licensed commercial applicator or employs at least one licensed commercial applicator. At a commercial applicator business inspection, the Inspector will review the following:

- Name and license number for all employees
- Insurance information
- Pesticide storage and disposal
- Worker Protection Standards, if applicable
- Compliance with the Texas Agricultural Hazard Communications Act

Pesticide Dealer

A pesticide dealer is any person who sells, wholesales, distributes, offers or exposes for sale, exchanges, barter, or gives away within or into this state restricted-use pesticides, state-limited-use pesticides, or regulated herbicides. At a pesticide dealer inspection, the Inspector will review the following:

- License is current and valid
- Dealer license displayed
- Records of distribution
- Pesticide products are compliant with product registration, packaging, and labeling requirements
- Pesticide storage and disposal
- Compliance with the Texas Agricultural Hazard Communications Act

Marketplace

A marketplace is any person who sells, wholesales, distributes, offers or exposes for sale, exchanges, barter, or gives away within or into this state general use pesticides. At a marketplace inspection, the Inspector will review the following:

- Verify no restricted-use pesticides, state-limited-use pesticides, or regulated herbicides are for sale or in their possession
- Pesticide products are compliant with product registration, packaging, and labeling requirements
- Pesticide storage and disposal

D. Agriculture Pesticide Inspection Strategic Plan for FY 2027

Table 1 represents the Ag Pest's Inspection Strategic Plan for FY 2027. As discussed in Section IV of the main report, performance measures for this program are set by the

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Legislative Budget Board (LBB) in the agency’s strategic plan. The following summarizes only those performance measures for the Ag Pest Program that involve inspections to be performed. For this report, re-inspections are included with the routine inspections. Since the number of complaints received cannot be predicted in advance of the fiscal year, the number of complaint inspections in the table below represents an estimate based on the number of complaints received in past fiscal years.

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| Routine Inspections and Re-Inspections | 4,575 |
| Complaint Investigations | 225 |
| Use Observation | 125 |
| Total Planned Inspections FY 2027 | 4,925 |

E. Agriculture Pesticide Violations Found and Enforcement Actions During FY 2025

Inspectors send case reports for inspection-based incidents and complaint incidents to program specialists for review. A program specialist reviews the report for content and proper procedure, then submits the case file to Enforcement for further processing. Once Enforcement receives the case, TDA’s legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two tables. One table is for those actions that take place at the program level, namely inspections and submitting cases to Enforcement. The other table is for finalized/discharged enforcement cases which are handled by TDA’s Legal Services Division Enforcement Section (Enforcement).

Table 2 summarizes the action items that take place at the program level. These items are the number of inspections performed and the number of violations referred to Enforcement.

Table 2 – Inspections and Violations FY 2025

| Inspection type | Inspections Performed | Cases Referred to Enforcement |
|--|------------------------------|--------------------------------------|
| Routine Inspections and Re-Inspections | 4,065 | 50 |
| Complaint Inspections | 427 | 167 |
| Use Observations | 155 | 0 |
| Totals | 4,647 | 217 |

Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2025. The rightmost column is the count of cases where the violation was a major violation. This column

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is a subset of the total cases discharged for the fiscal year. For this report, a major violation would include human exposure, working without a license, and pesticide drift onto another property. Major violations were issued a penalty.

Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Discharged | Cases Discharged – Major Violations |
|---------------------------|-------------------------------|--|
| Routine and Re-inspection | 68 | 60 |
| Complaint | 206 | 45 |
| Use Observation | 0 | 0 |
| Totals | 274 | 105 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX G

**Plant Quality and Biosecurity Enforcement and Road Stations
Inspection and Enforcement Strategic Plan**

FY 2027

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PLANT QUALITY AND BIOSECURITY ENFORCEMENT AND ROAD STATIONS

INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

The Texas Department of Agriculture (TDA) protects consumers, and the plant industry by regulating agricultural products through nursery/floral licensing, phytosanitary inspection of plant products, quarantine enforcement and pest monitoring. TDA's Plant Quality Programs facilitate plant commerce through phytosanitary certification of commodities to be shipped to other states and countries in cooperation with their agricultural authorities, the United States Department of Agriculture (USDA), the USDA Animal and Plant Health Inspection Service (APHIS) and USDA Plant Protection and Quarantine.

B. Types of Inspections Performed

Nursery/Floral Inspections

Nursery/Floral inspections are conducted annually throughout Texas on businesses that sell and propagate plant materials. Businesses that sell plants or plant materials but do not grow them are inspected when they first open and then every 3 years.

Biosecurity Enforcement and Road Station Inspections

Road station inspections help ensure plants and plant materials entering Texas have met phytosanitary requirements, thus protecting the health of Texas' plant life. TDA has three road stations where trucks transporting plants or plant materials are required to stop for an inspection after crossing into Texas. The inspections are conducted in conjunction with the Texas Department of Public Safety (DPS). The presence of DPS personnel also ensures TDA inspectors can safely carry out required inspections. The partnership with DPS adds weight to TDA's inspection requirement by adding the potential for criminal prosecution if a driver chooses not to stop. TDA has acquired mobile road stations and a command trailer to enhance its ability to monitor the movement of agricultural shipments throughout Texas.

Complaint Inspections

TDA inspectors follow up on complaints received by the public. The complaints can be made about both sellers and growers of plants in Texas and other states. Compliance of quarantine law helps to protect Texas' native plants when working with out of state plant businesses.

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Quarantine Inspections

Quarantine inspections are conducted by the TDA to ensure plant pest and diseases are not spread in Texas. There are two sources of pests and diseases – from intrastate (pests and diseases transported within Texas) and interstate commerce (pests and diseases brought from outside Texas). TDA inspects interstate shipments from outside Texas at road stations. These shipments may be importing pests or diseases into Texas from quarantined areas outside of Texas. During emergency quarantines we are able to perform onsite visits with our road station inspectors in collaboration with our regional regulatory inspectors. See explanation above for road station inspections.

Quarantine inspections are also conducted at businesses within the state that offer plants and plant materials for sale. The inspections help to ensure businesses are offering plants free of disease and pests to the consumer.

One agricultural crop, cotton, has a specific quarantine inspection associated with preventing the spread and potential eradication of the boll weevil. Cotton stalk destruction inspections are conducted by the Texas Boll Weevil Eradication Foundation (TBWEF) in cooperation with the TDA (<https://texasagriculture.gov/Regulatory-Programs/Cotton-Stalk-Destruction>). TBWEF conducts the inspections and any cotton fields found in non-compliance for the destruction of the cotton stalks after harvest, are then referred to the TDA's Enforcement Division for administrative penalty review.

C. Plant Quality and Road Station Inspection Strategic Plan for FY 2027

The combined FY 2027 Inspection Strategic Plan for Plant Quality and for the Biosecurity and Road Station Programs is detailed in Table 1. As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency's strategic plan. The following summarizes only those performance measures for Plant Quality that involve inspections to be performed.

Road station inspections are in response to the interstate transporting of agricultural articles into or through Texas utilizing Texas' extensive roadways. The carriers arrive at the Texas border at random times, so specifying an inspection-count performance measure doesn't make sense. Instead, each road station is open for specified hours with one or more inspectors available for inspections when carriers arrive containing regulated articles.

Quarantine inspections performed for the Cotton Boll Weevil Eradication Program are not included in Table 1. The inspections verifying that the remaining cotton plant stubble after harvest has been destroyed are conducted by staff at TBWEF, therefore, the cotton stalk destruction inspections are not counted as inspections conducted by TDA staff and are not included in Table 1.

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Since the number of complaints received cannot be predicted in advance of the fiscal year, the number of complaint inspections in the table below represents an estimate based on the number of complaints received in past fiscal years.

Table 1 – Inspection Strategic Plan for FY2027

| Plant Quality Inspection Type | Inspection Goals |
|--|-------------------------|
| Nursery Floral Inspections | 8,000 |
| State/Federal Quarantine | 850 |
| Complaint (estimate based on previous years) | 970 |
| Total Planned Inspections FY 2027 | 9,820 |

| Road Station Inspection Type | Inspection Goals |
|-------------------------------------|-------------------------|
| Total Inspection Hours Planned | 20,000 hours |

In the 88th Texas Legislative session, money was appropriated for fiscal years 2024-2025 to increase TDA’s presence in inspecting regulated articles coming into Texas. The number of inspector work hours increased from 1,850 hours per year to 20,000 hours per year. The increased funding continues through Fiscal Year 2027 based on the budget adopted by the 89th Texas Legislature.

D. Plant Quality and Road Station Violations and Enforcement in FY 2025

Inspectors send case reports for inspection-based incidents and complaint incidents to program specialists for review. A program specialist reviews the report for possible violations and if found, then submits the case file to Enforcement for further review. Once Enforcement receives the case, TDA’s legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two parts. Tables 2A and 2B are for those actions that take place at the program level, namely inspections with identification of violations, and submitting cases to Enforcement. The other part, Table 3, is for finalized/discharged enforcement cases which are handled by TDA’s Legal Services Division.

Tables 2A and 2B summarize the action items that take place at the program level. These items are the number of inspections performed, the number of violations found, and the number of violations referred to Enforcement. For quarantine violations found, 100% of violations found during inspection are referred to enforcement.

The road station violations are included with the quarantine violations. The cotton stalk destruction inspections are not carried out by TDA, therefore, table cells for the

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number of inspections and the number of violations found are left blank. However, if violations are found during the cotton stalk destruction inspections, they are enforced by the TDA Enforcement Division. Boll weevil quarantine violations have become relatively rare due to the vigilance of TDA’s inspectors and cotton growers.

Table 2A – Plant Quality Inspections and Violations FY 2025

| Inspection type | Inspections Performed | Violations found | Cases Referred to Enforcement |
|---|------------------------------|-------------------------|--------------------------------------|
| Nursery/Floral | 8,400 | 136 | 4 |
| Complaint | 35 | 3 | 0 |
| Cotton Stalk Destruction | -- | -- | 0 |
| Boll Weevil | -- | -- | 0 |
| Quarantine | 3,411 | 814 | 223 |
| State and Federal Phytosanitary Inspections | 15,260 | -- | -- |
| Total | 27,106 | 953 | 227 |

Table 2B – Road Station Inspections and Violations FY 2025

| Road Station Inspection Activities FY 2025 | | | |
|---|------------------------------|-------------------------|--|
| | Inspections Performed | Violations Found | Cases Referred to Enforcement |
| Hours for inspection | 33,658 | NA | NA |
| Number of Trucks inspected | 1,076,251 | NA | NA |
| Number of trucks with Regulated Articles | 7,363 | 545 shipments rejected | Included with Quarantine cases in Table 2A |
| Shipments Destination Inspection | 2 | 0 | Included with Quarantine cases in Table 2A |

Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2025. The rightmost column is the count of cases where the violation was a major violation. This column is a subset of the total cases discharged for the fiscal year. For this report, there are two violations that are considered major violations:

- selling without a license, and
- possible introduction of a plant pest or disease that could affect an agriculture plant industry in Texas.

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Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Discharged | Cases Discharged – Major Violations |
|--------------------------|--|--|
| Nursery/Floral | 44 | 22 |
| Complaint | 28 | 0 |
| Cotton Stalk Destruction | 66 | 0 |
| Boll Weevil | 0 | 0 |
| Quarantine | 399 | 60 |
| Road Stations | Included with Quarantine and Boll Weevil cases | Included with Quarantine and Boll Weevil cases |
| Total | 537 | 82 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX H

Weights and Measures
Inspection and Enforcement Strategic Plan
FY 2027

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WEIGHTS AND MEASURES

INSPECTION AND ENFORCEMENT STRATEGIC PLAN

FY 2027

A. Inspection Purpose

ACP's Weights and Measures Program provides standards for private industry which discourage unfair and dishonest commerce. TDA also adopts rules and regulations to help eliminate fraud and misrepresentation in commercial transactions. To verify that weighing and measuring devices are fair and accurate, TDA inspects weighing devices and measuring devices to ensure the devices' performance is within acceptable tolerances. TDA also inspects packaging and product pricing to enforce net content and labeling regulations. The Weights and Measures Program inspections build consumer confidence and provide marketplace equity for businesses.

B. Types of Inspections Performed

Device Inspections

The number of routine device inspections for TDA to complete within each fiscal year is set by the Legislative Budget Board (LBB). TDA Regions are then assigned a portion of the performance measure based on the number of licensees, compliance history for the type of license, and any statutory requirements. Additionally, new weights and measures licensees have their first routine inspection within one year of license issuance. Regional management ensures that all inspections are performed in a timely manner.

Package and Price Verification Inspections

Package and Price Verification inspections are like Device Inspections in that the total number is defined in the LBB performance measure for price and package verification inspections. The inspections are then allocated between the regional offices.

Complaint Inspections

Complaint device inspections are received at the Austin office and at the five regional offices. Each complaint inspection is assigned to an inspector by regional management. Inspections are completed within the assigned timeframe.

C. Weights and Measures Inspection Strategic Plan for FY 2027

Table 1 represents the Weights and Measures Program's Inspection Strategic Plan for FY 2027. Per Texas Agriculture Code Section 13.101(a), devices are to be inspected once every four years. As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency's strategic plan.

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As of March 2026, there were 100,050 licensed devices at 15,363 facilities spread throughout Texas. The Texas Agriculture Code specifies that the devices are to be inspected once every four years, which is 25,012 devices inspected per year. The LBB performance measure requires 40,000 device inspections each year, which is equivalent to an inspection once every 2.5 years, a standard that offers more protection to the citizens of Texas.

The LBB performance measure has listed 2,500 package and price verification inspections annually. The purpose of these inspections is to verify compliance with the label’s stated contents. There are no statutory or rule requirements outlining the inspection frequency for these inspection types. ACP has elected to evenly split the LBB performance measure between the package inspections and price verification inspections.

Since the number of complaints received cannot be predicted in advance of the fiscal year, the number of complaint inspections in the table below represents an estimate based on the number of complaints received in past fiscal years.

The following table summarizes only those performance measures for the Weights and Measures Program that involve inspections to be performed.

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| Device Inspections | 40,000 |
| Package Inspections | 1,250 |
| Price Verification Inspections | 1,250 |
| Complaint Inspections | as needed |
| Total Planned Inspections FY 2027 | 42,500 |

D. Weights and Measures Violations and Enforcement in FY 2025

Inspectors send case reports for inspection-based incidents and complaint incidents to program specialists for review; the program specialist then submits the case file to Enforcement for further review. Once Enforcement receives the case, TDA’s legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two tables. One table is for those actions that take place at the program level, namely device inspections, identification of violations, and submission of inspection reports and samples to Enforcement. The other table is for finalized/discharged enforcement cases which are handled by TDA’s Legal Services Division.

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Table 2 summarizes the action items that are usually completed within a given fiscal year. These items are the number of inspections performed, the number of violations found, and the number of violations referred to Enforcement.

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Inspections Performed | Violations found | Cases Referred to Enforcement |
|------------------------------|------------------------------|-------------------------|--------------------------------------|
| Device Inspections | 40,132 | 811 | 31 |
| Package & Price Verification | 2,471 | 366 | 169 |
| Complaint | 514 | 43 | 8 |
| Totals | 43,117 | 1,220 | 208 |

Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2025, which may or may not be the fiscal year when the violation was uncovered by inspectors. The rightmost column is the count of cases where the violation was a major violation. This column is a subset of the total cases discharged for the fiscal year. For purposes of this report and as outlined in the Weights and Measures Administrative Penalty Matrix, a major violation is defined as a penalty with an automatic enhancement for subsequent offenses.

Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Discharged | Cases Discharged – Major Violations |
|------------------------------|-------------------------------|--|
| Device Inspections | 418 | 0 |
| Package & Price Verification | 334 | 59 |
| Complaint | 21 | 0 |
| Totals | 773 | 59 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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APPENDIX I

Egg Quality
Inspection and Enforcement Strategic Plan
FY 2027

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EGG QUALITY
INSPECTION AND ENFORCEMENT STRATEGIC PLAN
FY 2027

A. Inspection Purpose

The mission of the Egg Quality Program is to ensure that the eggs sold to Texas consumers meet TDA and USDA’s quality standards. The Egg Quality Program licenses individuals and businesses that participate in the Texas egg industry. Inspectors inspect eggs at packing plants, distribution centers, and retail outlets to ensure compliance with applicable laws, regulations, and policies. This results in strong consumer confidence that quality eggs are available in the marketplace.

B. Types of Inspections Performed

TDA inspectors conduct egg inspections at retail locations, egg dealer wholesalers, egg processors, and egg brokers. Performance measures are assigned to each Region to be completed for the fiscal year. Regional management assigns inspections to individual inspectors to be completed within an assigned timeframe. Routine inspections of egg dealers, processors and brokers are completed every fiscal year.

C. Egg Quality Inspections Strategic Plan for FY 2027

Table 1 represents the Egg Quality Program’s Inspection Strategic Plan for FY 2027

As discussed in Section IV of the main report, performance measures for this program are set by the Legislative Budget Board (LBB) in the agency’s strategic plan. In setting the LBB performance standard, consideration was given to the number of licensed facilities (egg brokers, dealers, and processors), the number facilities that do not require TDA registration (convenience stores and grocery stores), and available TDA inspection personnel. Inspection site selection is weighted toward the grocery and convenience stores since consumers are directly impacted by any violations found.

The following table summarizes the performance measures for the Egg Quality Program for inspections to be performed.

Table 1 – Inspection Strategic Plan for FY 2027

| Inspection Type | Inspection Goals |
|--|-------------------------|
| Egg Inspections | 2,100 |
| Total Planned Inspections FY 2027 | 2,100 |

Egg brokers, egg processors, and egg dealer/wholesalers are required to register with TDA. No regulations or statutes specify the frequency of inspection for these facilities. Currently, there are 554 licenses for facilities subject to Egg Law. ACP policy is that TDA-licensed facilities are

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inspected every year, on average. The LBB performance measure includes inspections at registered/licensed facilities as well as inspections carried out at RNR (registration not required) facilities like grocery stores and convenience stores.

The number of egg inspections performed may be affected by egg availability due to Highly Pathogenic Avian Influenza (HPAI) outbreaks. TDA monitors the reported HPAI outbreaks via the USDA APHIS website.

D. Egg Quality Violations and Enforcement in FY 2025

Inspectors submit inspection reports for inspection-based incidents and complaint incidents to regional management for review. Regional management reviews the reports for violations and if found, submits the case file to Enforcement for further processing. Once Enforcement receives the case, TDA's legal staff work on the case until resolution/discharge. There are many steps to resolve a case. More complex cases take longer to resolve.

For this section of the report, enforcement actions have been divided into two tables. One table is for those actions that take place at the program level, namely the number of inspections, identification of violations, and submitting cases to Enforcement. The other table is for finalized/discharged enforcement cases which are handled by TDA's Legal Services Division.

Table 2 summarizes the action items that take place at the program level. These items are the number of inspections performed, the number of violations found, and the number of violations referred to Enforcement.

Table 2 – Violations Found by Inspection in FY 2025

| Inspection type | Inspections Performed | Violations Found | Cases Referred to Enforcement |
|------------------------|------------------------------|-------------------------|--------------------------------------|
| Egg Inspections | 2,175 | 166 | 11 |

Table 3 summarizes the enforcement actions that were finalized (discharged) in FY 2025. The rightmost column is the count of cases where the violation was a major violation. This column is a subset of the total cases discharged for the fiscal year. For this report, a major violation is defined as a violation that has an automatic enhancement for subsequent offenses.

Table 3 – Enforcement Action FY 2025

| Inspection type | Total Cases Discharged | Cases Discharged – Major Violations |
|------------------------|-------------------------------|--|
| Egg Inspections | 149 | 7 |

There were no cases discharged in FY 2025 that were licensees with repeat major violations.

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