TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

Texas Agricultural Finance Authority Board Meeting
11th Floor Conference Room, Stephen F. Austin Building
Meeting Minutes
February 27, 2026
9:30 AM

Board Members Present:
Ted Conover, Chairman
Nelda Barrera
Zachary Davis
Scott Frazier
Tommy Henderson
Colby McClendon (Virtual)
Lee Norman
Justin Tucker
Aaron Wiechman

Board Members Absent:
Brain McCuistion
Craig Davis

TDA Staff Present:
Marios Parpounas
Danielle Mitchell
Karen Reichek
Mindy Fryer
Kat Neilson
CJ Balderrama
Emily Daly
Julia Rico
Kelly Sara
Ashlyn Siefert

Guests Present:
Kody Bessent, Plains Cotton Growers
Drew Fuller, Texas Farm Bureau
Kelley Green, Texas Cotton Ginners
Duncan McCook, Texas Cotton Ginners
Aaron Nelson, Texas Cotton Ginners
Andy Prihoda, Bracewell LLP
Tracy Tomascik, Texas Farm Bureau
Brant Wilbourn, Texas Farm Bureau

I. **Welcome.** Chairman Ted Conover welcomed everyone to the meeting.

II. **Call to Order.**

The meeting was called to order at 9:31 am.

III. Roll Call and Confirmation of Quorum.
Mindy Fryer called roll and confirmed a quorum.

IV. Opening Remarks.
Chairman Conover noted that he had recently visited with Texas House Speaker Dustin Burrows about the progress the Board was making on implementing the new grant programs with an aim to put the money to use and have results to show the legislature.

V. Discussion and Possible Action relating to approval of meeting minutes for the January 29, 2026, board meeting.
Chairman Conover called for edits to the previous meeting's minutes. Hearing none, Scott Frazier moved to approve the minutes as presented, and Nelda Barrera seconded it. All approved and the motion passed unanimously.

VI. Public Comment.
No public comment was provided.

VII. Discussion and Possible Action relating to State of Texas Fiscal Year 2026 Budget.
No modifications to the budget were presented by staff. No action was taken on this agenda item.

VIII. Texas Department of Agriculture Update relating to Board's Administrative Rules, Texas Administrative Code, Title 4, Part 1, ch. 28.
Danielle Mitchell, Assistant General Counsel for TDA, shared that the non-substantive corrections discussed at the previous meeting were made, the rules were filed for adoption and will be published in the Texas Register. Rules will become effective March 18, 2026. No action was taken on this agenda item.

IX. Discussion and Possible Action relating to open obligations and program modifications.
Mindy Fryer presented an overview of open Agricultural Loan Guarantees (ALG), Interest Rate Reduction (IRR) agreements, Young Farmer Interest Rate Reduction agreements, Municipal Finance loans, and Young Farmer Grants.

Staff presented a summary of a new IRR application that was submitted to the Comptroller's Office where IRR applications are fully reviewed before the linked deposit is funded by that office.

A new ALG application was also discussed. The Board wanted to see additional details and raised concerns about the staff not having the necessary expertise.

A financial assistance application subcommittee was created to thoroughly review ALG and IRR program applications. The subcommittee will consist of Aaron Wiechman as chairman, Justin Tucker as vice chairman, Zach Davis, and Craig Davis. Ted Conover will serve as an ex-officio member. Zach Davis made a motion to approve this subcommittee. Tommy Henderson seconded the motion. All approved and the motion passed unanimously.

X. Discussion and Possible Action relating to Board resolution(s).

Judge Lee Norman moved to rescind the current resolution delegating authority to the Commissioner and Deputy Commissioner to approve and terminate, if necessary, ALG applications up to $750,000 and IRR applications.

Danielle Mitchell confirmed that TDA staff have authority through Texas Administrative Code section 28.7 to act on behalf of the Authority, regarding the administration and enforcement for every commitment previously approved by the Board.

Zach Davis seconded the motion. All approved and the motion passed unanimously.

The Board took a break at 10:35 am and reconvened at 10:42 am.

XI. Discussion and Possible Action regarding Working Group related to grant and loan budget allocations and matching requirements, including an update on group's activities and recommendations, if any, to the Board.

Justin Tucker summarized the working group's discussions. The working group does not think TAFA should act as a bank or compete with other lenders. They recommended the Board focus on grants. They recommended creating three tiers for the AgPro grant program. Tier 1 would require an applicant to match 10% of their grant award, if the awarded funds was $100,000 or less. Tier 2 would require 20% match for awards granted between $100,000.01 and $250,000.00. Tier 3 would require 30% match for any awards between $250,000.01 and $500,000. The working group also recommended that any ALG and IRR's funded should come from the original Texas Agriculture Fund balance and not the additional $100 million appropriated under HB 43.

Zach Davis moved to approve the working group's recommendations. Tommy Henderson seconded the motion. All approved and the motion passed unanimously.

XII. Discussion and Possible Action relating TAFA programs, including but limited to the following: status update, key dates, evaluation process, application materials, maximum rebate, engagement activities.

a) Agricultural Loan Guarantee Program (ALG)

Karen Reichek requested clarification from the TAFA Board on whether the maximum ALG limits adopted in Administrative Rule should be for each application submitted or cumulative per borrower? Scott Frazier moved to enforce the ALG program limits per borrower. Justin Tucker seconded the motion. All approved and the motion passed unanimously.

The Board discussed interest rate rebate limits. Judge Norman moved to remove language in the current ALG agreements that limit the effective rate from falling below 5% and confirmed the maximum rebate of $10,000 per year was limited to an individual borrower, regardless of the number of ALG loans that may be applicable. Zach Davis seconded the motion. All approved and the motion passed unanimously.

b) Pest Disease Control and Depredation Program (ADP)

TDA staff updated the TAFA Board on the AgDefense Program. The Request for Grant Applications (RFGA) has been posted to TDA's website and the application is available in TDA's grant management system, TDA-GO. A letter will be distributed to Texas Animal Health Commission, Texas AgriLife Research, and Texas AgriLife Extension announcing this opportunity is accepting applications on an ongoing basis. Staff will share responses with the TAFA Board as they are submitted. No action was taken on this agenda item.

c) AgLink – critical ag industry infrastructure

TDA began accepting AgLink applications on February 18th, they are due March 18th. Staff have hosted several webinars for interested stakeholders and have posted application resources online to ensure all applicants have access to the same information. Staff requested the TAFA Board provide guidance on how to handle pre-award cost requests.

Chairman Conover called on Aaron Nelson, Communication & Special Project Manager at Texas Cotton Ginners' Association and a public participant to speak. Mr. Nelson commented that cotton gins around the state will be working during the summer to prepare for next season but may need to incur costs before the grant term begins. Scott Frazier stressed that applicants should be aware that funds are not guaranteed. Staff can bring requests for pre-award costs to the Board for discussion during the evaluation and recommendation process.

Karen Reichek walked the TAFA Board through the initial evaluation process that will be conducted by TDA staff. Applications meeting eligibility requirements will be organized by agricultural industry, grouped into batches based on the staff's initial reviews and distributed to the Board for their review. Funding decisions will be made by the TAFA Board. No action was taken on this agenda item.

d) AgPro – agricultural producers

Mindy Fryer walked the TAFA Board through a few updates that were made to the AgPro application based on their comments and recommendations at the last meeting. Staff will target releasing the AgPro grant opportunity on April 1st or as soon as possible thereafter. It will be open for six weeks, or until approximately May 15, 2026. No action was taken on this agenda item.

e) AgBoost – ag service providers and/or value-added businesses

The TAFA Board made a few comments about potentially given preference to rural areas or require applicants to justify the need of the business for an area. Justin Tucker requested staff to develop options and present to the Board at a future meeting. The target will be to open this grant opportunity in the summer. No action was taken on this agenda item.

XIII. Discussion and Possible Action relating to the next meeting date and time.

The Board tentatively agreed to the next meeting to be scheduled for Thursday, April 23, 2026, at 9:30 AM. No motion or vote was taken by the Board on this agenda item.

XIV. Discussion and Possible Action relating to other business raised at meeting to be placed on next agenda.

No additional business or topics were identified to be placed on future agendas. No motion or vote was taken by the Board on this agenda item.

XV. Executive Session.

The Board went into executive session at 12:11 pm and reconvened in an open meeting at 12:34.

XVI. Adjourn.

Chairman Conover adjourned the meeting at 12:35 PM.