TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

Texas Agricultural Finance Authority
11th Floor Conference Room, Stephen F. Austin Building
Meeting Minutes
April 23, 2026
9:30 am

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

TDA Staff Present:
Danielle Mitchell
Karen Reichek
Mindy Fryer
Frank Santos

Guests Present:
Aaron Nelson, Texas Cotton Ginners (Virtual)
Andy Prihoda, Bracewell LLP
Brant Wilbourn, Texas Farm Bureau (Virtual)
Charlie Leal, Texas Farm Bureau (Virtual)
Drew Fuller, Texas Farm Bureau (Virtual)
Duncan McCook, Texas Cotton Ginners (Virtual)
Kelley Green, Texas Cotton Ginners (Virtual)
Kody Bessent, Plains Cotton Growers (Virtual)
Marissa Patton, Office of Speaker Dustin Burrows (Virtual)
Tracy Tomascik, Texas Farm Bureau (Virtual)

I. **Call to Order.**
Chairman Conover called the meeting to order at 9:32 AM

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

III. **Welcome and Opening Remarks.**
Chairman Conover commented that launching these grant programs has been a monumental task and he thanked the staff for all the work they have done and still do.

IV. **Discussion and Possible Action relating to approval of meeting minutes for the February 27, 2026, board meeting.**
Chairman Conover called for edits to the previous meeting's minutes. Hearing none, Scott Frazier moved to approve of the minutes as presented, and Nelda Barrera seconded it. All approved and the motion passed unanimously.

V. **Public Comment.**
Chairman Conover asked for anyone wishing to make a public comment to remember to state your name and who you represent. There will be additional opportunities to speak on specific agenda topics. No public comment was provided at this time.

VI. **Discussion and Possible Action relating to State of Texas Fiscal Year 2026 Budget and updates relating to the solicitation of TAFA's FY 2026 Financial Audit and updates related to the solicitation of TAFA's FY 2026 Financial Audit.**
No modifications were presented by staff for the FY 2026 budget. Ms. Mindy Fryer did comment that TDA is moving forward with personnel postings and interviews.

In August 2025, the Board voted to resolicit the contract related to TAFA's financial audit due to the expanded scope of HB43. TDA received one bid and is working through the contracting process with this vendor.

VII. **Discussion and Possible Action relating to proposed revisions to TAFA's administrative rules located at Texas Administrative Code, Title 4, Part 1, Chapter 28.**
Danielle Mitchell, Assistant General Counsel for TDA explained that the minor modifications to subchapter titles went into effect March 18th but there was a Secretary of State (SOS) error that caused all definitions to be deleted from TAFA's rules. The correction has been made by the SOS and it will be republished on April 24, 2026. No action was taken by the board related to this update.

VIII. Discussion and Possible Action relating to grant eligibility requirements, including, but not limited to, the effect of certain directives issued by the Office of the Texas Governor concerning certifications associated with (i) participation in an H-2A or H-2B visa program and (ii) adoption of Diversity, Equity, and Inclusion (DEI) policies and practices.

Karen Reichek provided a general update on the DEI directive issued by Governor Abbott in January 2025. Mr. Zach Davis raised the concern that we didn't give any indication of this DEI requirement in the grant application. Judge Lee Norman stated this was a Governor directive and it should be applied to all TAFA programs, including the Ag Loan Guarantee and Interest Rate Reduction programs, in addition to the grants.

Judge Norman moved that the DEI self-certification language should be added to the AgLink and AgPro grant agreement that will be signed by recipients. Going forward the DEI self-certification language should be included in all applications. Aaron Weichman seconded the motion and all approved and the motion passed unanimously.

Mr. Craig Davis spoke on potential H-2A/H-2B visa program restrictions. TDA is in the process of adopting rules that would prohibit state grant funds from being issued to any entity that participates in the H-2A/H-2B programs. Governor Abbott issued a memo related to H1B visa program and asked universities and state agencies to put a hold on hiring any employees under H1B encouraging American jobs to go to American workers.

Mr. Davis stated that TDA will not be awarding grant funds to entities that participate in H-2A/H-2B programs and believes the general public would not want to see state funds going to these entities. The businesses can continue to utilize these foreign workers, but they would not be eligible for state grants. This would not be a restriction on loan programs, just state grant programs.

Justin Tucker commented that it is very expense to have an H-2A worker, you have to provide housing and higher hourly wages. These workers are in the country legally and we shouldn't penalize these businesses for utilizing these workers.

Scott Frazier commented that nowhere in HB 43, TAFA's administrative rules, or in the grant application is this information requested. There is no Governor Executive Order to base this change, and the Board should not be changing the guidelines at every meeting. Mr. Frazier suggested this topic be discussed at a future meeting prior to the next application being released.

Chairman Conover asked if anyone from the public would like to make any comments for the record.

Kelly Green, with the Texas Cotton Ginners Association, commented that there are substantially more than 2 gins that use H-2A workers. This program is a program of last resort because it is expense and complex. There is no other way for these businesses to get workers. The DEI issue is different because it is a directive from the Governor and DEI is choice that businesses can make. It is something you may or may not do. Agriculture businesses utilize the H-2A program because they are out of options for reliable labor.

Kody Bessent with Plains Cotton Growers expressed his appreciation to the TAFA Board on the expedited implementation of HB43. He noted that the Governor's directive does not include H-2A. Agriculture labor under this program is used as a last resort when labor is challenging to fill. For TDA and TAFA to change the rules mid-stream is disingenuous. There are more entities than you think that participate in these programs. I respectfully request this issue be tabled until the Board has more information and can have more in-depth discussions. This limitation was never legislative intent.

Tracey Tomasik with the Texas Farm Bureau reiterated the previous comments and noted this proposal is different than the governor's proclamation. This proposal is contrary to the intentions of HB43 and to the benefit of Texas agriculture. I encourage the board to table this at a bare minimum and reevaluate at a different time.

After additional discussion, the TAFA Board made no motion.

IX. Discussion and Possible Action relating to open obligations and actions of the Subcommittee on Financial Assistance Applications associated with the following TAFA programs.

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.

Ms. Nelda Berrera moved to ratify the action of the Subcommittee on Financial Assistance Applications taken on March 13, 2026 and April 23, 2026, approving the following loan guarantees:

- Agriculture Loan Guarantee application #ALG26-003- with First National Bank – Bastrop, Borrower - Charlie Kluck
- Agriculture Loan Guarantee application #ALG26-004- with First National Bank – Bastrop, Borrower – Brandon Boerner

Judge Lee Norman seconded the motion. With no other discussion, all approved and the motion passed unanimously.

X. Discussion and Possible Action regarding the Pest Disease Control and Depredation Program (ADP), including Letters of Intent submitted by eligible applicants.

Mindy Fryer explained that two Letters of Intent (#ADP260001-LI and #ADP260002-LI) were received prior to posting this meeting's agenda; however, a third one came in late that is not on the agenda and can't be discussed today. The Board may choose to table this discussion until the next meeting when all submissions can be discussed.

Mr. Justin Tucker moved to table Ag Defense applications #ADP260001-LI and #ADP260002-LI until the next meeting. Mr. Tommy Henerson seconded the motion. With no other discussion, all approved and the motion passed unanimously.

XI. Discussion and Possible Action regarding 2026 AgLink Grant Program, grant applications, evaluations, and awards.

169 AgLink applications were submitted requesting a total of $67,504,472. Staff have been working through eligibility reviews for all AgLink applications and requested the Board to provide guidance on some issues. After much discussion, the Board opted to keep all cotton related applications as eligible including those related to mote processing, cottonseed oil processing, and cotton warehousing.

The Board discussed Application #AGL260149 related to cattle buying station and backgrounding calves and Application #AGL260198 related to preconditioning and finishing feedlot for cattle. Mr. Zach Davis motioned to exclude both of these projects from the AgLink program and recommended they reapply under AgPro or AgBoost as appropriate. Mr. Aaron Wiechman seconded the motion. All approved and the motion passed unanimously.

As previously directed, staff will exclude any applications that are self-identified as being subject to a federal tax lien.

Mindy Fryer explained that there was a unique submission issue where an applicant continued to press the submit button. This repeated action caused the application to be submitted and then returned to "In progress" status. This is a computer system glitch and TDA requested the contracted software vendor to address. The Board agreed to allow this application to be evaluated and asked staff to confirm no others were in this same situation.

Karen Reichek explained that some applications did not attach all required financial information or complete the operating budget for all requested years. The Board would like to evaluate these, unless an applicant does not include any documents or required information.

Karen Reichek noted there had been concerns raised related to paying for operating costs and asked the Board if they wanted to limit the use of funds requested to those related to equipment, construction or other assets. After some discussion, the Board did not want to impose additional budget restrictions.

Karen Reichek walked the Board through the next steps in the evaluation process. It was tentatively decided that AgLink evaluation responses would be due from the individual Board members by June 1, 2026.

The Board took a break at 11:18 AM
The Board reconvened at 11:30 AM. Mindy noted that a quorum was established.

XII. Discussion and Possible Action regarding TAFA's Agriculture Grant Program - AgPro – agricultural producers.

Mindy Fryer informed the Board that staff have conducted several outreach activities regarding the AgPro grant opportunity including participation at the Texas Agriculture Bankers Conference and TDA's Food and Nutrition Division's MegaCon with focused producer workshops. Several organizations have also sent out emails such as Farm Bureau, commodity groups, and AgriLife Extension.

Staff conducted a pre-award webinar for approximately 500 interested people. That recording is posted online as a resource for others.

Mindy Fryer asked for directions from the Board on the eligibility of Personnel costs related to an applicant or his/her family members. Under the YFG program, salaries could not be used to pay oneself or their family members. The Board agreed these costs should be ineligible; however, since some applications have already been submitted and this limitation was not published, the Board determined the application should be eligible for review. If selected for funding the applicant would be given an opportunity to revise their budget.

XIII. Discussion and Possible Action regarding development of AgBoost – ag service providers and/or value-added businesses.

Karen Reichek stated that staff have been focused on AgLink and AgPro grant opportunities but would have information related to AgBoost at the next meeting for the TAFA Board to review and discuss.

XIV. Discussion and Possible Action regarding the next meeting date and time.

The Board agreed to tentatively schedule the next meeting for Thursday, June 11, 2026, at 9:30 AM. No motion or vote was taken by the Board on this agenda item.

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

Mindy Fryer and Karen Reichk noted that the TAFA Board had previously determined not to make any direct or participating loans; however, staff has been approached by an agriculture business looking for financing and would like time at the next meeting to discuss the opportunity with the Board. The Board agreed to review a written proposal and potentially allow them to provide a short presentation.

XVI. Executive Session.

The Board did not conduct an executive session

XVII. Adjourn.

Chairman Conover adjourned the meeting at 12:09 PM.