TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

Texas Agricultural Finance Authority Board Meeting
Meeting Minutes
January 29, 2026
12:00 PM

Board Members Present:
Ted Conover, Chairman
Nelda Barrera
Craig Davis
Zachary Davis
Scott Frazier
Tommy Henderson
Colby McClendon
Brian McCuistion
Justin Tucker
Aaron Wiechman

TDA Staff Present:
Marios Parpounas
Susan Maldonado
Danielle Mitchell
Karen Reichek
Mindy Fryer
Kat Neilson
CJ Balderrama
Ashlyn Siefert

Guests Present:
Marissa Patton, Office of Speaker Dustin Burrows
Maddison Terry, Office of State Representative Ryan Guillen
Kody Bessent, Plains Cotton Growers
Kelley Green, Texas Cotton Ginners
Aaron Nelson, Texas Cotton Ginners
Jeff Nunley, South Texas Cotton & Grain Association
Andy Prihoda, Bracewell LLP
Tracy Tomascik, Texas Farm Bureau
Brant Wilbourn, Texas Farm Bureau

I. **Administration of the Oath of Office and Swearing in New Board Members.** Danielle Mitchell, Assistant General Counsel for TDA, swore in six new members.

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

III. **Call to Order.** The meeting was called to order at 12:07 pm.

IV. **Roll Call and Confirmation of Quorum.** Mindy Fryer called roll and confirmed a quorum. Judge Lee Norman was excused by the Board to handle county business.

V. **Opening Remarks.** Chairman Conover asked all Board members to provide a brief self-introduction.

VI. **Discussion and Possible Action relating to Nominations and Election of Vice-Chairperson.** Chairman Conover stated that the Chairman is appointed by Commissioner Miller per the statute, but the Board may elect a vice-chairman to serve in his absence. Mr. Zach Davis nominated Justin Tucker, Brian McCuistion seconded the nomination. No other nominations., Scott Frazier moved to cease nominations and that Justin Tucker be elected by acclamation. All approved and the motion passed unanimously.

VII. **Discussion and Possible Action relating to approval of meeting minutes for the December 18, 2025, board meeting.** Chairman Conover called for edits to the previous meeting's minutes. Hearing none, Aaron Wiechman moved to approve of the minutes as presented, and Nelda Barrera seconded it. All approved and the motion passed unanimously.

VIII. **Public Comment.**
Kody Bessent, CEO of Plains Cotton Growers, thanked TAFA and staff for continuing to work diligently to build out HB43 and assist the struggling agriculture industry. HB43 will help alleviate stress in industry and help save Texas agriculture.

IX. **Discussion and Possible Action relating to State of Texas Fiscal Year 2026 Budget.** No modifications were presented by staff. Chairman Conover reminded the Board that this was a working document and opened the floor to any questions or comments. No action was taken on this agenda item.

X. **Discussion and Possible Action relating to the Board's administrative rules.**
Susan Maldonado, General Counsel for TDA, summarized recent activities related to TAFA's Administrative Rules. The agency conducted a statutory rule review. There was no public comment. Staff recommend adoption of the rules as published with correction to some typographical errors.

Chairman Conover noted that since TDA published the rules and had zero comments, he recommended the Board approve adoption. Scott Frazier moved to adopt changes to TAFA's Administrative Rules, with the addition of "approve/deny" comment and allowing staff to make other typographical corrections. Mr. Zach Davis seconded the motion. All approved and the motion passed unanimously.

XI. **Discussion and Possible Action relating to open obligations and program modifications.** Mindy Fryer presented an overview of open Agricultural Loan Guarantees, Interest Rate Reduction agreements, Young Farmer Interest Rate Reduction agreements, Municipal Finance loans, and Young Farmer Grants. No motion or vote was taken by the Board on this agenda item.

XII. **Discussion and Possible Action relating to current fraud detection, mitigation and prevention efforts associated with TAFA programs.** Karen Reichek and Mindy Fryer shared steps that staff adhere to for fraud prevention and detection in both the application phase as well as during reimbursement/payment processing. Internal controls and separation of duties limit staff-related fraud. Susan Maldonado also explained how external complaints are handled. No motion or vote was taken by the Board on this agenda item.

XIII. **Discussion and Possible Action relating to TAFA loan programs.** The Board agreed to defer the pursuit of bonding authority until such time as an adequate pipeline of projects could be established or a group of loans bundled. Considerations of bond financing may be added to future agendas at the Board's discretion.

The Board discussed the potential use of low-interest loans to supplement smaller grant awards, including consideration of funding allocation between grants and loans. Chairman Conover suggested a working group composed of Justin Tucker, Aaron Wiechman, Craig Davis, and Scott Frazier to work with staff to develop recommendations. Mr. Zach Davis moved to create the working group and Mr. Tommy Henderson seconded the motion. All approved and the motion passed unanimously.

XIV. **Discussion and Possible Action relating to approval for the Texas Department of Agriculture, on behalf of TAFA, to solicit for a service provider to perform credit analysis, agricultural underwriting and loan servicing functions.** Staff advised the Board that procurement of these services may require six to nine months and requested approval to initiate the internal process. Staff further stated that an evaluation of the costs associated with hiring experienced internal staff to perform these duties would be conducted. Mr. Wiechman moved to authorize staff to begin the solicitation process while evaluating internal staffing costs for the same services. Ms. Barrera seconded the motion. All approved and the motion passed unanimously.

The Board recessed at 1:50pm and reconvened at 2:02 pm.

XV. Discussion and Possible Action relating to House Bill 43 and TAFA programs, such as program development, application and other program-related documents, key definitions, funding parameters, eligibility requirements, and evaluation.

Mindy Fryer stated that the rule changes specific to the Agricultural Grant Program provide broad authority to the Board to issue grants, with program-specific requirements and instructions to be detailed in published Requests for Grant Applications. She noted that this structure within the Texas Administrative Code affords the Board greater flexibility to create grant opportunities under the Agricultural Grant Program and to adapt program design as lessons are learned.

Ms. Fryer presented an overview of the Pest Disease Control and Depredation Program (ADP) and outlined the program structure as developed to date. She then called the Board's attention to the funding limit associated with the program. The Board discussed the $250,000 funding cap, and Mr. Zach Davis expressed concern that the limit may not be sufficient for a statewide project. Mr. Wiechman moved to revise the application instructions to remove the funding cap. Mr. Tommy Henderson seconded the motion. All approved and the motion passed unanimously.

Mr. Henderson moved to approve the application materials, as corrected, and to instruct staff to publish the grant opportunity upon adoption of the rules. Mr. Scott Frazier seconded the motion. All approved and the motion passed unanimously.

Ms. Fryer and Ms. Karen Reichek presented an overview of the AgLink Continuity Grant (AgLink) and outlined the program structure as developed to date. Discussion included the possibility of rolling out the program in phases, and Chairman Conover stated that he thought the application should be open to all commodity groups and not limited to specific sectors. Mr. Tucker commented that if funding was available, a second round of applications could be opened later this year. Mr. Tucker moved to direct staff to publish the AgLink application, with noted corrections for a four-week period once the rules were adopted. Ms. Barrera seconded. All approved and the motion passed unanimously.

Ms. Fryer outlined the Agriculture Producer (AgPro) grant application materials. A few corrections were identified by Board members. Mr. Colby McClendon suggested the Board consider tiers for matching percentages; the more grant funds requested, the more match required. No action was taken by the Board. Staff will continue to update documents and work with the working group identified under agenda item XIII to develop a tiered approach.

Ms. Fryer briefly described the intent behind the AgBoost grant, targeting agriculture service providers. The Board deferred further discussion of this program until the other programs are launched. No action was taken by the Board.

XVI. Discussion and Possible Action relating to existing Board resolution(s), including those adopted to designate TDA representatives authorized to take action on loans, Ag Loan Guarantees, Interest Rate Reduction agreements, and grant documents.

Mr. Zach Davis commented that, with the expanded scope of the Board under HB43, decisions should be made at the Board level and approvals should be made in a public setting. Mr. Davis presented an alternative resolution with updated language.

The Board discussed the current processing of Agriculture Loan Guarantees (ALG), Interest Rate Reduction (IRR) applications and grants. Historically, ALGs and IRR were processed by TDA staff, with the Board receiving updates at the subsequent meeting to ensure timely processing. Grant recipients have historically been selected by the TAFA Board.

Mr. Wiechman moved that TDA's legal counsel review the proposed changes presented by Mr. Zach Davis and draft an updated resolution. Mr. Craig Davis seconded the motion. All approved and the motion passed unanimously.

XVII. Discussion and Possible Action relating to scheduling future meeting date(s) and time(s). The Board agreed to the next meeting date to tentatively be scheduled for Friday, February 27, 2026, at 10 AM. No motion or vote was taken by the Board on this agenda item.

XVIII. 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.

XIX. Executive Session. The Board did not conduct an executive session.

XX. Adjourn. Chairman Conover adjourned the meeting at 3:54 PM.