



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

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

Board Members Present:

Justin Tucker, Vice Chairman
Aaron Wiechman
Brian McCuiston (Virtual)
Craig Davis
Lee Norman (Virtual)
Nelda Barrera
Scott Frazier
Tommy Henderson
Zachary Davis

Board Members Absent:

Ted Conover, Chairman
Colby McClendon

TDA Staff Present:

Marios Parpounas
Susan Maldonado
Danielle Mitchell (Virtual)
Karen Reichel
Mindy Fryer
Kat Neilson
Jordan Oneal
Julia Rico (Virtual)
Bradine Griffiths (Virtual)
Ashlyn Seifert (Virtual)
CJ Balderrama (Virtual)
Emily Daly (Virtual)
Joey Medellin (Virtual)

Guests Present:

Andy Prihoda, Bracewell LLP
Kelley Green, Texas Cotton Ginners
Kody Bessent, Plains Cotton Growers
Mike Helle, Green Gold Farms
Stan Kitman, State Representative – District 85 (Virtual)
Morgan Armenta, Governor's Office (Virtual)
Marissa Patton, Office of Speaker Dustin Burrows (Virtual)
Ashlynn Rogers, Texas Farm Bureau (Virtual)
Brant Wilbourn, Texas Farm Bureau (Virtual)
Charlie Leal, Texas Farm Bureau (Virtual)
Drew Fuller, Texas Farm Bureau (Virtual)
Dale Murden, Texas Citrus Mutual (Virtual)
Curtis Smith, Texas Nursery Landscape Association (Virtual)
Duncan McCook, Texas Cotton Ginners (Virtual)

Todd Straley, Quarterway Cotton Growers (Virtual)
Adam Hart, United Cotton Growers (Virtual)
Sarah Burnett, Texas Earth, Inc. (Virtual)
John Crew, Public Werks, Inc. (Virtual)
Billy Tiller, Vulpes distribution group and cotton farmer (Virtual)
Rick Shang, Vulpes Corp. (Virtual)
Holt Bivins, Texas Ag Insurance (Virtual)

- I. **Call to Order.**
Vice Chairman Tucker called the meeting to order at 9:33 AM.
- II. **Roll Call and Confirmation of Quorum.**
Mindy Fryer called roll and confirmed a quorum. Ted Conover was out for medical reasons, and Colby McClendon was unable to attend due to harvest. The Board excused both members.
- III. **Welcome and Opening Remarks.**
Vice-Chairman Tucker commented that since Ted was unable to attend, he would be chairing the meeting.
- IV. **Discussion and Possible Action relating to approval of meeting minutes for the April 23, 2026, board meeting.**
Vice Chairman Tucker called for edits to the previous meeting's minutes. Hearing none, Aaron Wiechman moved to approve the minutes as presented, and Tommy Henderson seconded it. All approved and the motion passed unanimously.
- V. **Public Comment.**
Vice Chairman Tucker opened the floor for public comment. He asked for anyone wishing to speak to state their name and who they represent. There may be additional opportunities to speak on specific agenda topics throughout the meeting.

Kody Bessent with Plains Cotton Growers reminded the TAFA Board that it has been one year since the passing of House Bill 43. This was a critical piece of legislation to help mend the financial gap and strain that the ag industry has been under for the last couple of years. He appreciates the expedited process. In regard to the visa programs, H1B is a very different type of program and affects agencies and universities. H2A and H2B visas are monitored by the Department of Labor. The ag industry utilizes these programs very aggressively to have a reliable labor force. Under the program, employers must provide very good wages, housing, transportation, and things of that nature. Participation in these visa programs should not make an applicant ineligible for a grant under AgLink, AgPro, AgBoost, or AgDefense.

Adam Hart with United Cotton Growers in Levelland, Texas, reiterated Mr. Bessent's comments and stated his operation has been utilizing H2A workers for

five years. This program provides a stable workforce of safe, drug-free workers who are prepared to work long shifts outside the nine to five scope. Turnover with these workers is near zero compared to the local workforce, which often requires replacing a position every one or two weeks. They stop showing up and leave us understaffed. H1B is far from H2A and the Board should not discriminate against agricultural businesses utilizing these H2 programs. There are a lot of infrastructure issues that can be resolved with the help of these grants and I appreciate the opportunity.

Todd Straley with Quarterway Cotton Growers in Hale County commented that he represents 75 growers at his gin, he also farms and ranches. About 20% of his growers utilize the H2A program and they represent about 40% of the acres that come through the gin. He utilizes H2A workers on his farm because it is a struggle to keep help. It was a shock to find out that this may exclude him and others from this grant program because they didn't know that going into it. He appreciates the Board having this conversation and talking about it.

Dale Murden, President of the Texas Citrus Mutual and Texas Vegetable Association, commented that H2A is extremely important to this industry since everything is harvested by hand. He stated that he cannot find any statute, rule or published grant guideline that would disqualify a person using H2A workers from this grant opportunity. He appreciates everyone's hard work to stand up these programs.

VI. Discussion and Possible Action relating to State of Texas Fiscal Year (FY) 2026 Budget.

No modifications were presented by staff for the FY 2026 budget, and no action was taken on this agenda item.

VII. Discussion and Possible Action relating to FY 2027 Budget.

Vice Chairman Tucker called on Karen Reichel to present the FY 2027 Budget. Karen walked the Board through the budget which included a comparison with 2026 budgeted and projected actual amounts. Some line items decreased while a few increased. Overall, the balance of the fund is expected to increase due to strong interest earnings. When AgLink grant awards are made, those funds will be encumbered in fiscal year 2026. With no questions, Nelda Barrera moved to approve of the budget as presented, and Aaron Wiechman seconded it. All approved and the motion passed unanimously.

VIII. Discussion and Possible Action relating to Approval for the Texas Department of Agriculture (TDA), on behalf of the Texas Agricultural Finance Authority (TAFA), to enter into a new contract with Martinez, Rosario & Company, LLP for outside financial audit services.

Mindy Fryer explained that the Board voted to resolicit the contract related to TAFA's financial audit due to the expanded scope of House Bill 43. TDA received one bid and is working through the contracting process with this vendor. With no

questions, Judge Lee Norman moved to approve entering into a contract with Martinez, Rosario & Company, LLP for outside financial audit services. Nelda Barrera seconded it. All approved and the motion passed unanimously.

IX. Discussion and Possible Action relating to approval for TDA, on behalf of TAFE, to renew the outside counsel services agreement with Bracewell LLP to provide legal services in support of business programs during FY 2027.

Vice Chairman Tucker asked Susan Maldonado, General Counsel for TDA to brief the Board on this agenda item. Ms. Maldonado explained that in September of 2024, TDA, on behalf of TAFE, entered into a contract with Bracewell LLP to provide TAFE with legal services. The current contract expires August 31, 2026; however, the base contract allows for three one-year options to renew. Staff recommends the TAFE Board exercise its second option to renew for a one-year renewal term. The firm has been utilized to provide independent, third-party legal advice and counsel to the Board. Ms. Maldonado emphasized that the TAFE Board, rather than TDA, is the client receiving the services, and that TDA administers the contract on the Board's behalf. There being no questions from the Board, Scott Frazier moved to approve renewing the contract with Bracewell LLP for outside counsel services. Zach Davis seconded the motion. All approved and the motion passed unanimously.

X. Discussion and Possible Action relating to approval for TDA, on behalf of TAFE, to renew the contract for outside financial advisory services with TRB Capital Markets LLC d/b/a Estrada Hinojosa to support issuance of public securities and creation and implementation of other financing programs on behalf of TDA and TAFE during FY 2027.

Karen Reichek explained that TDA is requesting to renew the Financial Advisor contract related to facilitating the issuance of public securities and the creation and implementation of financing programs, including underwriting. By keeping this contract in place, it will be available in case the TAFE Board has a need for their services during the next fiscal year. They do not charge unless the Board utilizes their services. If TAFE decides not to renew and the Board needs these services, it will take six to nine months to solicit and contract with a vendor. There being no questions from the Board, Tommy Henderson moved to approve renewing the contract with TRB Capital Markets for financial advisory services. Nelda Barrera seconded the motion. All approved and the motion passed unanimously.

Susan Maldonado commented that the board is welcome to review any of the TAFE contracts.

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

Vice Chairman Tucker stated that there have not been any subcommittee meetings since the last TAFE Board meeting and there are no new balances to

report related to the Agriculture Loan Guarantee Program, Interest Rate Reduction programs, or grant programs. Updated figures will be provided after the quarterly review is completed. No action was taken on this agenda item.

XII. Discussion and Possible Action relating to eligibility for TAFE state-funded grants of any potential grantee that currently participates in the H-1B, H-2A, and H-2B visa programs.

Vice Chairman Tucker asked Craig Davis to start the discussion on this agenda item. Mr. Davis stated that this is a policy TDA will be implementing. Documents have been drafted but the policy has not been issued or implemented yet. Simply put, state grant funds, free money, should be used to encourage Texas employers to hire Texas workers instead of foreign workers. Initial review indicates that only three potential recipients would be impacted.

Tommy Henerson stated that he thought the Board settled this issue last month and noted that there is not a single cotton gin that does not hire foreign workers. By adopting this exclusion, the Board would penalize businesses the legislature was aiming to help when they passed House Bill 43.

Nelda Barrera commented that House Bill 43 was created to support the agriculture industry across the state, regardless if businesses utilize these foreign works or not. The job of the TAFE Board is to support them.

Scott Frazier noted that the application did not specify this limitation and there is not anything in TAFE's rules or statute to justify this change in eligibility for these grant programs. Cotton Gins may not hire visa workers directly, but they hire a company who handles all the paperwork and hires the workers.

Vice Chairman Tucker called for public comments on this agenda item.

Kody Bessent with Plains Cotton Growers stated that in his service area, 85% of the gins utilize foreign workers and some of the producers who have applied also utilize these programs. Without these workers, they will go out of business because they can't find domestic citizens to do this work.

Adam Hart with United Cotton Growers states that he employee 22 full-time Texas residents but also hires 40-50 seasonal workers. They work 12 hours a day for 8-12 weeks. Finding 50 workers in Levelland, Texas, for a temporary job would be impossible. These workers travel from other areas of the state and country. This program allows the agriculture industry to hire legal foreign workers and maintain compliance with federal regulations.

Kelley Green with Texas Cotton Ginners Association commented that he was not sure where the discrepancy was coming from, three potential recipients compared to the reality. This is a program of last resort.

Dale Murden, President of the Texas Citrus Mutual and Texas Vegetable Association stated the citrus and vegetables industries would not exist without these workers.

Todd Straley with Quarterway Cotton Growers stated there are a lot of guys out there that are utilizing this H2A program. It is because they have to, operations cannot find the labor. US workers are encouraged and are always interviewed, but none apply.

Mike Helle with Green Gold Farms commented that he has been farming for five years in the valley. Foreign workers are utilized all over the world. H2A workers are a consistent workforce who do the job no one else wants. Locals will get hired and then won't show up.

Judge Norman summed up the conversation by saying he supports the comments made by the agriculture industry representatives and supports the necessity to have these workers.

Scott Frazier moved that participation in H1A, H2A, and H2B not be considered as grounds for disqualification to TAFA grant programs. Tommy Henderson seconded the motion. The motion passed unopposed.

XIII. Discussion and Possible Action relating to prospective loan projects.

Vice Chairman Tucker welcomed John Crew and Sarah Burnet to share a business project summary for Vulpes Agricultural regarding a potential L-Glufosinate production facility in Lubbock, Texas. No action was taken on this agenda item.

Vice Chairman Tucker acknowledged State Representative Kitzman who expressed his appreciation to the TAFA Board for their hard work on implementing House Bill 43.

Vice Chairman Tucker called for a break at 10:50 AM. The meeting resumed at 10:57 AM.

XIV. Discussion and Possible Action relating to the following items concerning the Pest Disease Control and Depredation, AgLink, AgPro, and AgBoost Grant Programs.

Marios Parpounas, Chief Financial Officer for TDA, stressed that TAFA had received \$400 million worth of applications for the three programs and only has \$100 million of funding. It is important to take the time to make sure the process is fair for everyone, and there are no issues with the actions from the board. There will be tough decisions ahead.

Karen discussed the status of the AgDefense program. Eight letters of intent have been received. These one-page summaries will be distributed to all Board members. The Board will need to decide which, if any, they want to request full proposals from. Tommy Henerson moved to request full applications from all the projects. Nelda Barrera seconded the motion passed unanimously.

For the AgLink grant opportunity, 157 eligible applications requesting \$67.5 million will be distributed and reviewed by the Board. If a Board member identified a conflict of interest, they were not assigned that application for review. Each application will be reviewed by three board members. Those scores will be averaged and projects ranked prior to the next Board meeting.

Regarding the AgPro grant opportunity, staff will send out a list of applicants for the Board to identify any conflict of interest. There were 1,109 applications submitted that requested nearly \$256 million. The Board instructed staff to evaluate and score all applications. The Board will then review and consider the highest scoring applications for funding. A tentative timeline was discussed that would distribute applications to the Board in September for potential funding decisions to be made in early November.

Currently, there is no set criteria for the fourth grant opportunity, AgBoost. TDA staff will share previous notes with the Board so they can review and offer suggestions. Staff will put this item on the agenda for August.

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

The Board agreed to tentatively schedule the next meeting for Monday, July 6, 2026, at 9:30 AM. No motion or vote was taken by the Board on this agenda item.

XVI. Discussion and Possible Action relating to other business raised at this meeting to be placed on a future 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. Vice Chairman Tucker noted that selection of AgLink recipients may take some time and suggested limiting the July agenda. Discussion of the AgBoost program will be included on the August agenda.

XVII. Executive Session.

The Board did not conduct an executive session.

XVIII. Adjourn.

Vice Chairman Tucker adjourned the meeting at 12:30 PM.