

TEXAS DEPARTMENT OF AGRICULTURE

Texas Agricultural Finance Authority

Meeting Minutes

July 30, 2025

Board Members Present:

Ted Conover, Chairman
Justin Tucker, Vice-Chairman
Sarah Burnett
Georgina Macias
Barry Smith
Dan Hunter
John Crew
The Honorable Lee Norman (virtual)
Brian McCuiston (virtual)

TDA Staff Present:

James Redfield
Will Robinson
Bradine Griffiths
Julia Rico
CJ Balderrama
Craig Davis
Nicole Caston
Emily Daly
Emily Hirsh
Karen Reichel
Kat Neilson
Mindy Fryer
Kelly Sara
Susan Maldonado
Danielle Mitchell (virtual)

Guests Present:

Andy Prihoda
Hilda Gutierrez (virtual)
Ross Sinicropi (virtual)
Sukanya Romyanon (virtual)
Dava Denson (virtual)
Drew Fuller (virtual)
J Pete Laney (virtual)
Dale Murden (virtual)
Kara Bishop (virtual)
Mark Jackson (virtual)
Robert Braden (virtual)
Jason Gandy (virtual)
Matthew E Hanson (virtual)
Erin M. Kimbrough (virtual)

- I. **Call to Order:** Ted Conover called the meeting to order at 9:10 AM.
- II. **Roll Call and Confirmation of Quorum:** Mindy Fryer called role and confirmed a quorum.
- III. **Opening Remarks:** Ted Conover welcomed the Board to the meeting.
- IV. **Discussion and Possible Action relating to Approval of Meeting Minutes for the January 26, 2025 board meeting:** Ted Conover called for edits to the previous meeting's minutes. Hearing none, Ted Conover called for a motion to approve the minutes. Barry Smith moved; Sarah Burnett seconded; the motion passed unanimously.

V. **Discussion and Possible Action relating to the 89th Texas Legislature, Regular Session, including but not limited to the following items:**

a) **Overview of items impacting Texas Department of Agriculture (TDA) and agriculture:**

Dan Hunter provided an overview of the 89th Texas Legislature, including the ongoing special session concerning flood relief and redistricting. Dan Hunter informed the Board of several TDA disaster relief programs, such as the STAR Fund, the Hay Hotline, and the Texas 1944 Water Treaty Assistance Grant. No motion or vote was taken by the Board on this agenda item.

b) **House Bill 43 – related to the Texas Agricultural Finance Authority (TAFA), including but not limited to the following:** Karen Reichek presented an overview of House Bill (H. B.) 43, which modifies TAFA program scopes, budgets, and definitions. Karen Reichek informed the Board of changes in board composition, including the removal of two appointed members. Karen Reichek discussed changes to the Farmer Interest Rate Reduction Program maximum loan amount, maximum borrower rate, and eligible lender requirements. She discussed changes to the Agricultural Grant Program (formerly the Young Farmer Grant Program), including a decreased match percentage, an increased maximum grant amount, and expanded eligibility requirements. Ms. Reichek informed the Board of the establishment of the Pest and Disease Control and Depredation program.

Karen Reichek reviewed action items to comply with H. B. 43, including drafting revised program rules and guidance. Ted Conover requested TDA staff to provide a draft of updated rules and program guidance for Board to use for in-depth discussions at the next meeting. No motion or vote was taken by the Board on this agenda item.

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

budget. Karen Reichek presented a proposed operating budget for Board review, including an additional \$50 million, half of the \$100 million appropriated by the legislature related to H.B. 43. Mindy Fryer explained changes in funding categories in preparation for H. B. 43 program adjustments. Ted Conover proposed approving the budget and making additional adjustments as necessary during the fiscal year. He requested the staff to include a budget status item on future Board agendas. Justin Tucker motioned to approve; Barry Smith seconded; the motion passed unanimously.

VII. **Discussion and Possible Action relating to approval for TDA, on behalf of TAFA, to renew the outside counsel services agreement with Bracewell LLP to provide legal services in support of TAFA bonding and other business programs during FY 2026.** Susan Maldonado recommended a contract renewal. Ted Conover called for a motion to renew. John Crew motioned; Sarah Burnett seconded; the motion passed unanimously.

VIII. **Discussion and Possible Action relating to approval for TDA, on behalf of TAFA, 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 TAFA during FY 2026.

Karen Reichek recommended the Board consider renewing the financial advisory services contract. Ted Conover called for a motion to renew. Barry Smith moved; John Crew seconded; the motion passed unanimously.

IX. Discussion and Possible Action relating to presentation of TAFA overview by TDA staff, including, but not limited to discussion of program history, outstanding obligations, and recommendations for the following TAFA programs, along with additional program-specific subject matter specified below:

- a) **Agricultural Loan Guarantee – Discussion and Possible Action relating to rebate amounts, guaranteed limits, types of loans, and composition of loan guarantee portfolio:** Mindy Fryer presented an overview of the Agricultural Loan Guarantee program, including current cash balance, loan types, and loan guarantee agreement totals. Mindy Fryer confirmed that this program will not be impacted by H. B. 43. No motion or vote was taken by the Board on this agenda item.
- b) **Rural Municipal Finance:** Mindy Fryer presented an overview of this program. No motion or vote was taken by the Board on this agenda item.
- c) **Interest Rate Reduction/Young Farmer Interest Rate Reduction.** Mindy Fryer alerted the Board to a potential change in interest rate at the biennium. Mindy Fryer presented an overview of the program, including award totals. No motion or vote was taken by the Board on this agenda item.

X. Discussion and Possible Action regarding 2025 Young Farmer Grant Program, Round 2, grant applications and awards. Karen Reichek informed the Board that because H.B. 43 was effective immediately and removed the Young Farmer Grant from statute, they were not required to fund any applications in this final round. The Board proceeded with funding applications. Kat Nielson presented an overview of Young Farmer Grant applications. The Board selected the following applications for approval:

- GYF2025140
- GYF2025093
- GYF2025155
- GYF2025118
- GYF2025096
- GYF2025078
- GYF2025117
- GYF2025087
- GYF2025130
- GYF2025070
- GYF2025106

- GYF2025147
- GYF2025 122
- GYF2025094
- GYF2025097
- GYF2025132
- GYF2025090
- GYF2025135
- GYF2025114

John Crew motioned to approve; Georgina Macias seconded; the motion passed unanimously.

- XI. **Public Comment:** No guests presented public comment.
- XII. **Discussion and Possible Action relating to the next meeting date:** After discussion of availability, August 18, 2025, at 10:30 a.m. was proposed for the next Board meeting. Barry motioned to approve; Georgina seconded; the motion passed unanimously.
- XIII. **Discussion and Possible Action relating to other business raised at meeting to be placed on next agenda:** John Crew requested an overview of bonding activities. Mindy Fryer confirmed that TDA would bring drafted rules and program templates for Board review. No motion or vote was taken by the Board on this agenda item.
- XIV. **Executive Session (as necessary):** The Board did not conduct an executive session.
- XV. **Adjourn:** Ted Conover called for the meeting to adjourn at 11:14 AM.