

**SUBJECT:** Transferring food and fibers commission to agriculture department

**COMMITTEE:** Agriculture and Livestock — committee substitute recommended

**VOTE:** 7 ayes — Hardcastle, Anderson, Brown, Burnam, Farrar, Herrero, Olivo  
0 nays

**WITNESSES:** For — None  
Against — None  
On — Bob Avant, Texas Food and Fibers Commission; Trey Powers, Texas Department of Agriculture

**BACKGROUND:** The Texas Food and Fibers Commission contracts with universities doing agricultural research in Texas to conduct surveys, research, and investigations on the use of cotton fiber, cotton seed, oilseed products, other products of the cotton plant, wool, mohair, and other textile products.  
  
The commission is composed of the chancellor of the Texas A&M University system, the president of the University of Texas at Austin, the president of Texas Tech University, and the president of Texas Woman's University. The commission is advised by three committees established by statute – a 25-member natural fibers committee, a 25-member food protein committee, and a seven-member executive advisory committee.

**DIGEST:** CSHB 373 would abolish the Texas Food and Fibers Commission as an independent agency on January 1, 2006, and transfer its duties to a newly created Food and Fibers Research Council that would be part of the Texas Department of Agriculture (TDA).  
  
The council would administer a food and fibers research grant program to help the fibers and oilseeds industries in Texas by identifying and obtaining funding from public and private entities for support of applied research related to fibers and oilseeds. Funding from the program would be used for the same types of surveys, research, and investigations now conducted by the commission.

The food and fibers research council would have 13 members appointed by the agriculture commissioner. Members would serve six-year terms and would not be entitled to compensation or reimbursement for travel expenses. The members would be: the agriculture commissioner or the commissioner's designee, who would serve as presiding officer; two representatives of the Texas Cotton Producers Association; and one representative each from:

- the textile or fashion industry;
- the food processing industry;
- the Texas Cotton Association;
- the Texas Cotton Ginners Association;
- the Texas Independent Ginners Association;
- the Texas Agriculture Cooperative Council;
- the Mohair Council of America;
- the Texas Sheep and Goat Raisers Association;
- the National Cottonseed Products Association; and
- Southwest Peanut Growers Association.

The agriculture commissioner would have to provide the council with staff and resources to administer the program, as determined by the commissioner. CSHB 373 would transfer the commission's contracts, records, employees, property, and unspent appropriations to TDA.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS  
SAY:**

CSHB 373 would improve the efficiency of state government by moving the Food and Fibers Commission, a three-person agency that distributes research grants, to TDA. a larger state agency devoted to agriculture and its promotion that could provide oversight and support while retaining the important function performed by the commission.

The Texas Food and Fiber Commission is an independent agency that must undergo all of the procedures that being a state agency entails, but it had only three staff members and a biennial general revenue budget of about \$2.6 million in fiscal 2004-05. The commission must submit legislative appropriations requests, and the Legislative Budget Board must

scrutinize the agency's budget and prepare analysis documents. Legislative budget committees must consider the commission's budget individually, commission staff must testify about its budget and performance, and the agency periodically must undergo Sunset review. Given the size and mission of the agency, this can be a time-consuming, inefficient process for both the Legislature and the commission.

HB 373 would solve this problem by placing the commission under the oversight of TDA while retaining the important functions of the agency. Under HB 373, the function of the commission – to distribute grant money for research projects that can benefit the food and fiber industry – would not change. Because the council would be a part of TDA and could take advantage of its support staff, the number of employees most likely could be reduced from three to two.

Although the commission no longer would be independent, CSHB 373 would ensure the food and fiber industry's voice was heard by instituting a statutory council within TDA that would be dedicated to the industry. Council members, appointed from the full spectrum of industries involved in food and fibers in Texas, would work to represent the industry within TDA and to the research community.

Two 25-person committees now advise the commission, and one executive committee filters information from these committees to the commission. CSHB 373 would continue this industry involvement but make it more efficient by reducing these large, unwieldy committees to one 13-member council. The council would be able to institute advisory committees as necessary to ensure that all industry voices were heard when deciding which grant projects to fund.

CSHB 373 would increase oversight of the council. As part of TDA, the council would be subject to oversight of a statewide elected official and continuous monitoring by the agency. The council would continue to be subject to scrutiny during TDA's sunset cycle. Direct legislative oversight of the council would continue through the legislative appropriations process, when its budget would be scrutinized as part of TDA's budget. However, the agency and legislative staff and members would not have to spend their limited resources examining the agency individually if that were not necessary.

TDA would be a good fit for the food and fibers commission because it already houses similar grant programs. CSHB 373 would set up the council and its operations similar to the other grant programs.

OPPONENTS  
SAY:

By placing the Food and Fibers Commission under a large state agency, CSHB 373 could reduce the profile and independence of the state's efforts to fund research for this vital agricultural industry. It could be easy for the mission and duties of the commission to become lost amid the large programs of TDA.

CSHB 373 could result in the food and fibers commission receiving less legislative oversight than it receives now. The Legislature is able to examine the commission's budget individually and focus on the performance of the commission. This helps ensure that the agency is meeting its performance standards and that the industry is being well served.

NOTES:

The committee substitute revised the bill as filed to change the membership of the council by requiring that two, instead of one, member be from the Texas Cotton Producers Association, and requiring a representative of either the textile or fashion industry instead of one from each industry. It also changed the commission's powers so that it would administer the grant program instead of adopting and administering the program.

The companion bill, SB 161 by Jackson, was reported favorably as substituted by the Senate Natural Resources Subcommittee on Agriculture and Coastal Resources on March 14 and recommended for the Senate Local and Uncontested Calendar.