

SUBJECT: Continuing the Trade Agricultural Inspection Grant Program until 2025

COMMITTEE: Agriculture and Livestock — favorable, without amendment

VOTE: 9 ayes — Burns, Anderson, Bailes, Cole, Cyrier, Guillen, Herrero, Rosenthal, Toth

0 nays

WITNESSES: For — Tony Martinez, Pharr International Bridge; Dante Galeazzi, Texas International Produce Association; (*Registered, but did not testify:* Cynthia Garza-Reyes and Michael Vargas, City of Pharr and Pharr International Bridge; J Pete Laney, Texas Citrus Mutual)

Against — None

On — (*Registered, but did not testify:* Dan Hunter, Texas Department of Agriculture)

BACKGROUND: Agriculture Code sec. 12.050 establishes the Trade Agricultural Grant Program and authorizes the Texas Department of Agriculture to partner with a nonprofit organization to assist in performing agricultural inspections on products entering from Mexico. The nonprofit organization is chosen through a competitive bidding process and is required to match all state funds granted.

DIGEST: HB 1371 would extend the Trade Agricultural Inspection Grant program until September 1, 2025. The Texas Department of Agriculture would be required to evaluate the performance of the program and submit a report to the Legislature containing certain information relating to that performance by January 15, 2025.

This 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, 2021.

**SUPPORTERS
SAY:**

HB 1371 would allow the proven benefits of the Trade Agricultural Inspection Grant Program to continue until 2025. This program reduces the potential financial harm to Texas businesses caused by backups at border agricultural inspection sites and increases access to fresh produce throughout Texas and the nation.

Long wait times at federal inspection sites can have a detrimental impact on the quality of produce brought across the border and can disrupt a crucial component of the state's food industry. The loss of imported produce can have serious repercussions across Texas, and the perishable nature of these products creates an urgent need for methods that decrease wait times for inspections at border crossings. The state has found the grant program to be an effective method to address this issue. Partnering with a nonprofit organization chosen through a competitive bidding process based on the organization's proven experience working with border authorities and ability to match state funds effectively supplements existing inspection programs and should be allowed to continue.

To ensure effective implementation of the program, \$725,000 could be made available to the Texas Department of Agriculture through a rider in Art. 11 of CSSB 1 by Nelson (Bonnen), the general appropriations act.

**CRITICS
SAY:**

HB 1371 would continue the Trade Agricultural Inspection Grant Program, a useful tool in the effort to reduce inspection wait times for agricultural products at the border, but appropriations would need to be made in support of the program to accomplish the bill's goals.

NOTES:

According to a Legislative Budget Board estimate, the bill would have a negative impact of \$500,000 on general revenue related funds through the biennium ending August 31, 2023.