

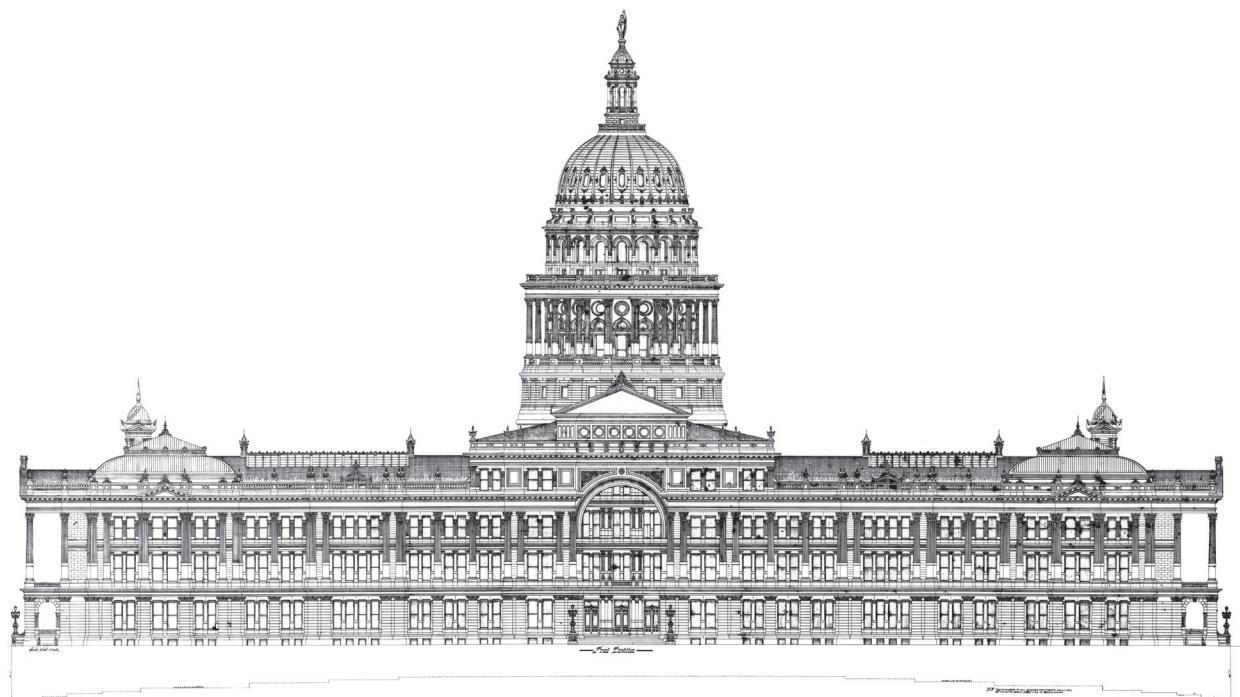


INTERIM REPORT

TO THE

82ND TEXAS LEGISLATURE

House Committee on
AGRICULTURE AND LIVESTOCK
January 2011



House Agriculture and Livestock Committee Report



HOUSE COMMITTEE ON AGRICULTURE AND LIVESTOCK TEXAS HOUSE OF REPRESENTATIVES INTERIM REPORT 2010

**REPORT TO THE TEXAS HOUSE OF REPRESENTATIVES
82ND SESSION**

**YVONNE GONZALEZ TOUREILLES
CHAIRWOMAN**

**JIM TERRELL
COMMITTEE CLERK**

**AUSTIN MCCARTY
ASSISTANT COMMITTEE CLERK**

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January 10, 2011

The Honorable Joe Straus
Speaker, Texas House of Representatives
Members of the Texas House of Representatives
Texas State Capitol
Austin, Texas 78768

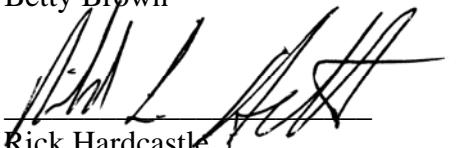
Dear Mr. Speaker and Fellow Members,

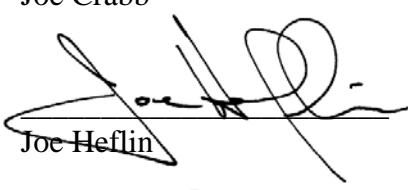
The Committee on Agriculture and Livestock of the 81st Session hereby submits its interim report and recommendations to the 82nd Legislature.

Respectfully submitted,

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Yvonne Gonzalez Toureilles

Charles "Doc" Anderson
Charles "Doc" Anderson *

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* Rep. Anderson's statement: While my signature is attached to this report as a general statement of support and gratitude for the work of committee staff, state agencies, and other stakeholders to identify the salient points outlined here, this should in no way be misconstrued as endorsing increased levels of spending under current fiscal conditions. Like every other program throughout the state, all priorities must be identified and funded within available revenues. Again, I am grateful for the compilation of this report and the work which went into it.

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COMMITTEE JURISDICTION

The committee shall have nine members, with jurisdiction over all matters pertaining to:

- (1) agriculture, horticulture, and farm husbandry;
- (2) livestock and stock raising, and the livestock industry;
- (3) the development and preservation of forests, and the regulation, control, and promotion of the lumber industry;
- (4) problems and issues particularly affecting rural areas of the state; and
- (5) the following state agencies: the Department of Agriculture, the Texas Animal Health Commission, the State Soil and Water Conservation Board, the Texas Forest Service, the Office of South Central Interstate Forest Fire Protection Compact, the Office of Chief Apiary Inspector, Texas AgriLife Research, the Texas AgriLife Extension Service, the Food and Fibers Research Council, the State Seed and Plant Board, the State Board of Veterinary Medical Examiners, the Texas Veterinary Medical Diagnostic Laboratory, the Produce Recovery Fund Board, the board of directors of the Texas Boll Weevil Eradication Foundation, Inc., the Office of Rural Community Affairs, and the Texas Wildlife Damage Management Service.

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INTERIM STUDY CHARGES

- 1) Evaluate the impact of tick-borne diseases in domestic and exotic livestock and of plant diseases and pests on the Texas agriculture industry. Examine barriers limiting the state's response and identify resources to enhance the state's ability to control, prevent, and respond to disease vectors.
- 2) Review efforts to manage feral hog populations and mitigate damage to agricultural and livestock operations.
- 3) Study the safety and efficiency of the existing agriculture-related transportation infrastructure. Consider the air, ground, and rail transportation needs of rural Texas and analyze the effect on economic development. *Joint Interim Charge with House Committee on Transportation*
- 4) Survey rural economic development programs. Analyze the economic relationship between rural communities and the agriculture industry and their combined impact on the state's economy. *Joint Interim Charge with House Committee on County Affairs*
- 5) Monitor the agencies and programs under the committee's jurisdiction.

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INTERIM CHARGE ONE

Evaluate the impact of tick-borne diseases in domestic and exotic livestock and of plant diseases and pests on the Texas agriculture industry. Examine barriers limiting the state's response and identify resources to enhance the state's ability to control, prevent, and respond to disease vectors.

BACKGROUND

Tick-borne and plant diseases and pests continue to threaten agriculture production in Texas today as they have for generations. Losses attributed to plant diseases, pests, and tick-borne diseases in animals have a profound impact on the state's economy and on its ability to provide a safe and reliable food supply. The Texas Department of Agriculture along with the Texas Department of Public Safety work together to control the spread of dangerous plant diseases. One of the primary tools utilized in the battle has been the use of highway inspection checkpoints to inspect agricultural plants grown in Texas as well as plants being brought into the state. With respect to tick-borne diseases, the Texas Animal Health Commission (TAHC) is the lead agency charged with identifying tick-borne disease outbreaks and coordinating the state's response. The Texas Veterinary Medical Diagnostic Laboratory provides diagnostic services for the state's commercial livestock producers and companion animal owners.

ANIMAL DISEASES

Cattle Fever

It is thought that cattle fever ticks (*Boophilus microplus*) were first introduced to North America as an exotic tick species, arriving on cattle and horses transported to the New World by Spanish colonialists.

The ticks are capable of carrying bovine babesiosis, a protozoal disease caused by *Babesia bovis* and *Babesia bigemina*. Now considered an exotic disease in the United States, bovine babesiosis continues to cause great concern among cattle ranchers and state/federal animal health officials because it is considered endemic to Mexico. Stray livestock and wildlife can easily transmit the ticks into Texas by crossing the Rio Grande in South Texas.

When an infected fever tick feeds on cattle, it injects protozoa into the bloodstream. The protozoa attack the animal's red blood cells causing acute anemia and an enlarged liver and spleen. The protozoa may cause a fast and brutal death in up to 90 percent of cattle that have not been previously exposed to the organism. Cattle infected as calves with *Babesia bovis* normally do not develop the debilitating disease. They form lifetime resistance but occasionally may be less healthy than uninfected animals. The blood parasite is not harmful to humans.

Surveillance and Control

The havoc caused by the spread of the fever tick in the old trail ride days ultimately led to the creation of a national fever tick eradication program in 1906. The program targeted all or part of 14 states: Texas, Oklahoma, Arkansas, Louisiana, Mississippi, Alabama, Georgia, Florida, South

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Carolina, North Carolina, Virginia, Tennessee, Kentucky, Missouri, and California. The intent was to maintain trade with other states by eradicating the tick from infested states.

By 1943, the eradication campaign was essentially declared complete. All that remains today of the original program is a permanent quarantine zone along the Rio Grande in Texas. The permanent quarantine zone is an approximately 500-mile-long swath of land stretching from Del Rio to the Gulf of Mexico, ranging in width from several hundred yards to approximately 10 miles.

Fever-tick surveillance and control activities within the quarantine zone are primarily carried out by personnel with the United States Department of Agriculture (USDA)-Animal Health and Plant inspection Services (APHIS)-Veterinary Services Cattle Fever Tick Eradication Program, including approximately 160 mounted "tick riders." The TAHC has approximately 10 employees participating in the program along the Rio Grande and helps provide treatment products and technical expertise in epidemiology and mapping. All state and federal activities are carried out under TAHC authority. Tick riders patrol the Rio Grande along the Texas-Mexico border, conduct range inspections of land within the quarantine zone, apprehend stray and smuggled livestock from Mexico, inspect and certify as "tick free" cattle leaving the quarantine zone, and feed treated corn product to wildlife at risk within the zone.

Primary surveillance control activities focus on "scratching" the animals for ticks, which involves an inspector using his fingers to feel the skin of the animal from head to tail, and visually looking for ticks. Livestock tick inspections are performed prior to sale at several South Texas livestock auction facilities adjacent to the quarantine zone. Additionally, all livestock moved in or out of the permanent quarantine zone are dipped in a solution that kills the fever tick without harming the animal. Livestock auctions may also dip (treat) cattle sold at the request of buyers in some South Texas markets before they are transported elsewhere. TAHC market inspectors are trained to identify ticks in the field and perform visual tick surveillance activities at all livestock auctions in Texas.

If cattle on a ranch are found to be infested with fever ticks, the ranch is quarantined. If tick-infested animals are found at a livestock market or other facility, they are usually returned to their point of origin and that ranch is quarantined or they are held and treated/scratched two weeks apart prior to release. The market or facility where the ticks were found must also be cleaned and disinfected. Cattle, horses and deer on quarantined premises and on adjacent pastures are subject to inspections and treatment, and their movement from the quarantined ranch is restricted. Livestock must be dipped or sprayed immediately following fever tick detection.

When the cattle are tick-free, they can be moved to a new, tick-free pasture. The tick-infested pasture is left empty for a minimum of nine months so the ticks will die from the lack of a food source and failure to complete their life cycle. Free-ranging deer and exotics are considered livestock and must be treated by approved methods on infested premises during the period the pasture is left vacant. Further, deer populations are now sufficient in many locations to perpetuate the life cycle of the tick even if cattle are removed from the pasture. This new deer/cattle interface complicates the eradication program effort, and weakens animal health

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officials' ability to certify that a premise has no more ticks on it when time for release occurs, if cattle have been vacated.

According to TAHC, Mexican cattle imports are inspected and dipped at least twice prior to entry into the United States. Mexican imports are not a source of the current problem. Nevertheless, they are not allowed to be pastured in the quarantine zone. As of May 2010, an additional 800,000 acres are under "blanket" temporary quarantine outside of the permanent quarantine zone. There is also concern that in addition to white-tail deer, exotics such as nilgai, red deer, and elk can also serve as host for the cattle fever tick by transporting the tick and perpetuating the tick from generation to generation. Within the last year, infested free-ranging red deer and nilgai have been found in several locations. These animals can move freely across the Rio Grande in most locations unless a high fence is present. *Babesia*-infected ticks are not likely to cause death in animals other than cattle, but they can easily move ticks to new pastures in both the permanent quarantine zone and the "free" zone. As of November 2010, there are 22 infested pastures in the free zone and 68 in the permanent quarantined zoned. The presence of infested premises in the free zone has forced the creation of three separate temporary "blanket" zones that include parts of Maverick, Dimmitt, Jim Hogg, Zapata, Starr and Hidalgo Counties.

Equine Piroplasmosis

Equine Piroplasmosis is a disease affecting horses, donkeys, mules, and zebras. It is caused by two parasitic organisms, *Babesia equi* and *Babesia caballi*. Although equine piroplasmosis has historically been transmitted to horses by ticks, recent outbreaks of the blood-borne disease have been linked primarily to the use of contaminated needles. The disease does not affect humans.

Texas has been free of the disease since the 1980s but recently a number of positive cases were verified on a large quarter-horse breeding ranch in South Texas. According to committee testimony provided on May 26, 2010, by Dr. Dee Ellis, Executive Director for the Texas Animal Health Commission, 40 infected horses in 26 different counties were positively identified. As the investigation was completed, three additional infected horses were identified, bringing the total positives in Texas off the index ranch to 43. Movement tests put in place by other states, racetracks, and some equine events so far have led to the identification of 52 infected horses not related to the original ranch. These additional positives are in four distinct populations in the state: Horses associated with an infected premises, Quarter Horse racehorses, former Quarter Horse racehorses now used as breeding stock, and horses imported into the United States prior to 2005 when the testing protocol was changed. The disease is considered incurable, though treatment research is underway. Permanent quarantine or euthanasia are considered the primary options for infected animals.

A serious tick-related outbreak could threaten the free trade status of the United States, which is currently considered free of equine piroplasmosis. At the state level, about 16 states currently require piroplasmosis tests on some or all Texas horses.

Surveillance and Control

The Texas Animal Health Commission is the lead agency in the surveillance and control of this disease. More than 2,000 horses in Texas were tested for equine piroplasmosis by TAHC as part of the South Texas investigation. Unrelated requirements for interstate movement have led to the

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testing of 9,300 more Texas horses by private veterinary practitioners. These tests are conducted by the Texas Veterinary Medical Diagnostic Laboratory, which has the capability to routinely conduct testing for piroplasmosis. There is some concern that there could be an infected tick population in Texas responsible for the recent infections. Surveillance efforts have not determined this to be the case, except in the initial South Texas ranch. Use of contaminated needles appears to be the primary mode of transmission in most other cases. The TAHC has taken steps to locate and safely quarantine affected horses in the state. The illegal movement of horses from Mexico and unsafe animal husbandry practices (sharing needles) in the racing industry continue to pose a threat to Texas horses. It has recently been determined that horses of international origin may have entered Texas and the United States on a test now considered unreliable. To date, nine infected horses imported legally have been found infected in Texas. Although the original South Texas case has been controlled and tick transmission has been ruled out in most cases, the potential for ongoing disease detection in racing quarter horses and international import horses is significant. Thus, this emerging disease will require long-term planning and significant resources to detect and eradicate the disease at both the state and national level for the high-risk populations.

PLANT PESTS AND DISEASES

Boll Weevil

The adult boll weevil is a small grayish or reddish-brown beetle, of about one-quarter inch in length. It has a snout about half the length of its body and double-toothed spurs on the inside of the front legs.

Boll weevils feed on and reproduce in cotton. Cotton is the only cultivated host in which reproduction is known to occur. Both the feeding and reproduction processes damage bolls on the cotton plant ultimately reducing quality and the amount of cotton lint available for harvest.

Adult boll weevils emerge in the spring and search out cotton fields that are producing fruit (squares). After feeding on cotton squares for three to seven days, female boll weevils begin laying eggs. To lay an egg, a female boll weevil chews a hole in a square or small boll with the mandibles at the end of her snout. She then deposits an egg in the hole and fills the hole with a sticky secretion that dries to form a plug. Once the plug is formed, the weevil egg, larvae, and pupae are completely protected and are only affected by pesticide at the adult weevil stage once they have exited the cotton fruit.

Surveillance and Control

The Texas Boll Weevil Eradication Foundation, Inc., was established by the Texas Legislature in 1993 to combat the pest. The non-profit foundation is run by cotton producers and governs and oversees the implementation of the boll weevil eradication program in Texas under the oversight of the Texas Department of Agriculture (TDA). The foundation hires employees to map cotton fields throughout the state and to set up and monitor traps for boll weevils. The foundation also arranges for aerial pesticide applications in areas of boll weevil infestation. The statewide program covers more than 5.45 million cotton acres in 16 Texas zones and four New Mexico zones. To date, 11 of the 16 Texas zones have been declared either suppressed or functionally eradicated.

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Asian Citrus Pysllid

The Asian Citrus Pysllid was first detected in Texas in 2001. By 2009, the pest had been detected in at least 60 of the 100 counties where commercial and "backyard" citrus is reportedly grown. Citrus greening disease, also known as *Huanglongbing*, caused by a bacterium that is vectored by the Citrus Psyllid, has not yet been detected in Texas.

The disease reduces fruit production, destroys the appearance, taste, and economic value of fruit, and eventually kills citrus trees. In Florida, citrus greening has devastated that state's citrus industry. More than 100,000 acres of citrus in that state have succumbed to the disease. All species of citrus are susceptible. Scientists and growers note that the disease can be difficult to detect since it has a dormant period of one to three years and oftentimes is unevenly distributed in infected trees, which impacts sampling. Early detection is the key to containing the disease. Once a tree becomes infected, there is no cure.

The economic impact on the citrus industry in Texas is significant. The Center for North American Studies at Texas A&M University has estimated that the Texas citrus industry supports approximately \$121 million in economic activity, including approximately 2000 jobs. If citrus greening affects Texas, the impacts could be devastating, with losses in economic activity exceeding 50 percent.

Surveillance and Control

In Texas, growers, with assistance from the USDA's Animal, Plant Health Inspection Service and the Texas Department of Agriculture, have implemented an area-wide, voluntary control program for the Asian Citrus Pysllid. By February 2010, 15,400 acres of citrus had been treated with systemic insecticides.

During the 81st Legislative Session, language included in the TDA's sunset legislation authorized the creation of citrus pest management zones. The law provides the framework whereby growers can conduct a referendum on whether or not to create a more formal area-wide control program, including the pest management zones. Federal funding from USDA is currently being used to coordinate the voluntary program and monitor results. Additionally, the TDA has increased the use of temporary road station inspections along major entryways to the state, and with the use of increased federal funding, has strengthened its nursery inspection program.

In addition to the Citrus Pysllid, citrus greening can also be spread through budwood used to graft various varieties produced in commercial nurseries. Currently, the Texas citrus industry has a virus/disease free budwood program. Florida has adopted requirements that budwood nurseries be enclosed and California is phasing in such a requirement. Texas is in the early stages of a voluntary program of enclosing such facilities.

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RECOMMENDATIONS

- 1) Continue current state funding levels for the Texas Animal Health Commission and Texas Department of Agriculture programs aimed at controlling destructive plant and animal pests and diseases.
- 2) Encourage continued and increased cooperation and communication among the state's livestock and agriculture community and the various state and federal agencies charged with disease surveillance and control.
- 3) Work with the federal government to ensure the safety of fever-tick riders along the Texas-Mexico border.

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Dee Ellis, DVM MPA, Texas Animal Health Commission, Testimony, House Agriculture & Livestock Committee, May 26, 2010

Texas Boll Weevil Eradication Foundation (txbollweevil.org)

Sunset Advisory Commission Recommendations, February 2009

Mr. Ray Prewitt, Texas Citrus Mutual, Testimony, House Agriculture & Livestock Committee, May 26, 2010

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INTERIM CHARGE TWO

Review efforts to manage feral hog populations and mitigate damage to agricultural and livestock operations.

BACKGROUND

Feral hogs (*Sus scrofa*) are an old world species belonging to the family *Suidae* and in Texas include European wild hogs, feral hogs, and European-feral crossbreeds. Feral hogs are domestic hogs that either escaped or were released for hunting purposes. With each generation, the hog's domestic characteristics diminish and it develops the traits needed for survival in the wild.

Texas is home to the largest feral hog population in the United States, according to the Texas Department of Agriculture (TDA). An extremely high reproductive rate and the lack of natural predators have caused their numbers to explode to the extent that today feral hogs are found in each of the state's 254 counties.

Although first introduced in Texas in the 1500s, it was not until the 1980s that feral hog population exploded across the state. Several factors contributed to the population increase.

Characteristics

Overall, feral swine are smaller, leaner, and more muscular than their domestic counterparts. Average boar and sow weights are about 130 pounds and 110 pounds, respectively, although the largest adults may weigh more than 400 pounds and be more than three feet tall and five feet long. Males have larger heads and tusks than females. Some feral hogs develop a mane or crest of hair on their necks and backs that are raised when they are angered. This is the reason for the nickname "razorback."

Feral hogs have poor eyesight but excellent senses of hearing and smell. Their specially developed snouts are flattened and strengthened by a plate of cartilage, which allows them to root in all types of soil. Males of all three types of wild swine have four continually growing tusks (canine teeth) that they use for defense and to establish dominance for breeding. Tusks project from the sides of the mouth, can be extremely sharp, and may grow five inches before they are broken off or worn down from use. When conditions are good, feral hogs live an average of four to five years. Some live as long as eight years. Mortality among juveniles, particularly during the first three months of life, is extremely high but tapers off slightly throughout the first year. Juveniles may die from accidental suffocation by sows, starvation, parasites, disease, accidental death, hunting and predation. Adults are sometimes killed by coyotes, bobcats, mountain lions, large raptors, and feral dogs.

Habitat

Feral hogs have adapted well to a wide range of ecosystems in Texas. They prefer moist bottomland and are commonly found in riparian areas near rivers, creeks, streams, lakes, ponds, marshes, bogs, swamps, and sloughs. They also prefer dense vegetation that conceals them and protects them from temperature extremes. Only poor habitat and extremely arid conditions seem to limit their distribution. Hogs usually concentrate where food is plentiful. They may rest during the day in dense, shady areas and move at night to more open areas for food and water.

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PROPERTY DAMAGE AND DISEASE

Feral hogs are responsible for severe damage to property, livestock, crops, pastures, fences, roads, ponds, and fields. They can also transmit dangerous diseases. The Texas AgriLife Extension Service conservatively estimates the direct damage from feral hogs in Texas to be about \$52 million annually. Landowners spend an estimated \$7 million annually on control measures and corrective management efforts. Feral hogs have become a serious problem for both rural and urban landowners.

Feral hogs will feed on almost any agricultural crop they can find. They eat seeds, seedlings, mature crops, hay, turf, and gardens. Their rooting and trampling also damages crops. The financial losses to agricultural producers can be staggering. Feral hogs also compete with livestock by rooting up and eating vegetation intended for livestock feed. Rooting creates troughs or mounds that can damage farm equipment and injure livestock. Rooting can also affect the plant composition of a pasture by promoting the growth of undesirable plants where hogs have destroyed desirable forage grasses. Swine wallowing can severely muddy ponds and streams and cause algae blooms, oxygen depletion, bank erosion, and soured water. This is particularly true when drought conditions concentrate large numbers of hogs around a few water sources.

Feral hogs consume supplemental food and damage feeders and food plots intended for livestock and wildlife. When hogs frequent these sites other animals often avoid them. Fence damage—torn netting, holes, and weakened wires and posts—can allow livestock to wander, give access to predators, and result in costly repairs. Hogs are so persistent and strong that they can breach all but the most expensive and sturdy fence.

Predation of livestock and wildlife by feral hogs can be a serious problem in some areas. When the opportunity presents itself, hogs prey upon kids, lambs, calves, deer, fawns, ground-nesting birds, and a variety of other animals. Some hogs become highly efficient predators. They generally prey upon young animals but will kill injured or weak adults. Feral hogs are often attracted to birthing grounds, where they feed on afterbirth and fetal tissue. In certain areas, feral hogs may cause significant losses to endangered or threatened wildlife species.

Feral hogs are susceptible to a variety of infectious and parasitic diseases. The more hog populations increase and expand, the greater the chances that they may transmit disease to other wildlife, to livestock, and to humans.

External parasites that infest feral hogs include fleas, hog lice, and ticks. Internal parasites include roundworms, liver flukes, trichinella, kidneyworms, lungworms, stomach worms, and whipworms.

Hog diseases that could have severe repercussions for agribusiness include swine brucellosis, pseudorabies, leptospirosis, tuberculosis, tularemia, plague, and anthrax. Exotic or foreign diseases of concern include foot and mouth disease, African swine fever, classical swine fever, and swine vesicular disease.

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Swine brucellosis is a bacterial disease of animals and humans. It causes abortions in sows and can cause infertility in boars. It is a threat to the swine industry. It is transmitted through reproductive discharges (semen and afterbirth) and, once infected; a hog is a carrier for life. Brucellosis is contagious to humans; chronic symptoms range from severe flu to arthritis and meningitis. Humans can be treated with antibiotics to alleviate symptoms, but there is no cure for livestock or people. Anyone who handles a feral hog should wear protective gloves, particularly if there is contact with blood or reproductive organs. Feral hog meat should be thoroughly cooked before it is eaten.

Pseudorabies, a viral disease, attacks the central nervous system and can be fatal to cattle, horses, goats, sheep, dogs, cats, raccoons, skunks, opossums, and small rodents. It is not related to rabies and it does not infect humans. Pseudorabies is a special concern to swine producers because it causes abortions and stillbirths. Once infected, hogs are lifetime carriers and periodically shed the virus through their noses and mouths. Livestock can be infected by direct contact with infected animals, consuming contaminated feed or water, or contacting contaminated equipment.

Anthrax is a soil-borne disease that occurs irregularly in Texas, usually where the daily minimum temperature is at least 60 degrees Farenheit, where wet periods are followed by long dry periods and where soils are alkaline or neutral. All mammals, especially ruminants, are susceptible to anthrax. Feral hogs may come into contact with the bacteria while feeding or by interacting with infected animals. Humans can contract the disease from contaminated soil or animals. Vaccines are available for both humans and livestock.

Foot and mouth disease is a foreign animal disease of great concern because it is highly contagious, spreads rapidly, can cause serious economic losses, and can constrain international trade in livestock products. It is a viral disease of ungulates (mainly cloven-hoofed ruminants, including swine) and some rodents. It does not affect humans, but humans can spread the virus. There is no known cure. Symptoms include fever and blister-like lesions on the tongue, teats, lips, inside of the mouth, and between the hooves. Many infected animals recover but are permanently debilitated. The virus can be spread by contact with infected animals and with contaminated feed, water, or equipment.

CONTROL EFFORTS

Once feral hogs have become established in an area it is nearly impossible to remove all of them. However, with an integrated approach the size of the population can be controlled and hog damage can be kept at an acceptable level. Hogs can be controlled with exclusion, snares, live traps, shooting and aerial hunting. There are no toxicants, repellents, fertility agents or biological control agents registered for use against feral hogs in the United States. Such products have had limited success in other countries, but the cost of developing and registering them for use in the U.S. has been prohibitive. In Texas, feral hogs are considered free-ranging exotic animals and may be taken at any time of the year by any legal means. The Texas Animal Health Commission (TAHC) regulates the movement of feral hogs to help prevent the spread of infectious diseases. Captured feral swine may be legally moved to feral swine holding facilities approved by TAHC,

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approved slaughter facilities, or hunting preserves licensed by Texas Parks and Wildlife and also approved by TAHC.

Exclusion techniques involve modifying habitat, changing animal husbandry practices, and building fences. However, these methods may be cost prohibitive, especially over large acreages. Fencing small areas may be helpful. Mesh wire fencing used in combination with electric fencing is most successful at excluding hogs. Chain link fencing also can be used if a sufficient portion is buried underground. Unfortunately, fencing seldom controls hogs permanently. They eventually find their way through most fences, regardless of the design. Also, fences have to be maintained, which increases costs.

Snares are excellent tools for managing feral hogs. They can be placed on fences where hogs are crossing or along hog trails. A snare consists of a flexible wire cable loop, a sliding lock device, and a heavy swivel. The cable should be either 3/32 or 1/8 inch in diameter and up to 48 inches long. Snares have several pros and cons. They are relatively inexpensive, require minimum equipment for installation, and need little maintenance. However, a snare will catch a variety of animals, including deer, and not just hogs. They need to be located where the chance of catching non-target animals is minimized.

Cage traps are often used with feral hogs and have several advantages. They interfere little with normal hog behavior, can be either permanent or portable fixtures, can catch several hogs at once depending upon the size and design of the trap, and allow the trapper to release any non-target animals that are caught. Captured hogs can be slaughtered or sent to market.

Shooting is often used as a control method, but this method usually will not reduce the population to a great extent. Ground shooting might be effective if it is intensive and if the hog population is small. Current Texas law does not require a landowner or landowner's agent or lessee to have a hunting license if feral hogs are damaging the landowner's property. Feral hog hunting has become popular in Texas and generates income for many landowners. Feral hog hunting can take place year-round, but most hunters take feral hogs incidental to deer hunting. Intensive hunting may cause feral hogs to shift their home range or become more nocturnal.

Aerial hunting, with proper permits and licenses, is a legal method of controlling feral hogs in Texas. Most aerial hunting is done with helicopters, and requires an experienced pilot and a capable gunner. Aerial hunting can stop a damage problem quickly and is very highly selective because only targeted animals are killed. Aerial hunting also can be used in areas that are inaccessible to other management methods. Depending on the amount of damage hogs are causing, the benefits of an aerial hunt can far outweigh the costs, which can be \$300 or more per hour flown. Like all other control methods, aerial hunting does have limitations. Rough terrain, poor weather, heavy cover, high cost, and the inherent hazards of low-level flight are all factors to consider.

STATE FUNDING

The Feral Hog Damage Abatement Program is a statewide program focused on reducing the population and economic damage caused by feral hogs. The TDA was appropriated \$1 million

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for the 2010-2011 biennium to fund the program. A 2010 one-year grant will continue the Texas AgriLife Extension Service's Feral Hog Control Program and fund a focused research project at the Texas Parks and Wildlife Department. A 2011 RFP will be issued for the remaining \$500,000. In a letter dated February 15, 2010, and submitted to the governor's office and the Legislative Budget Board, TDA is suggesting a 10 percent cut to this program during the 2012-2013 biennium as part of the agency's efforts to reduce expenditures as required by legislative leadership.

RECOMMENDATIONS

- 1) Enact legislation allowing feral hogs to be hunted at all times without a hunting license.
- 2) Increase funding of research for targeted control of feral swine populations.

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REFERENCES

Texas Soil and Water Conservation Board Press Release, March 2, 2010

Feral Hogs in Texas, Mark E. Mapson, Texas Cooperative Extension, Wildlife Services

Drew DeBerry, Deputy Commissioner, Texas Department of Agriculture

Billy Higginbotham, Professor, Extension Wildlife and Fisheries Specialist, Texas AgriLife Extension Service

Tammy R. Beckham, DVM, PhD, Director, Texas Veterinary Medical Diagnostic

Dee Ellis, DVM MPA, State Veterinarian, Texas Animal Health Commission

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INTERIM CHARGE THREE

Study the safety and efficiency of the existing agriculture-related transportation infrastructure. Consider the air, ground, and rail transportation needs of rural Texas and analyze the effect on economic development. *Joint Interim Charge with House Committee on Transportation.*

BACKGROUND

Over the past two decades, changes in transportation demand by agriculture and rural industry have interacted with the deregulation of the transportation sector. This has resulted in the abandonment both of the regulation of truck rates and competition and of many rural rail links that were deemed inefficient. Agricultural industrialization and the move towards applying market principles to guide production decisions have had a profound impact on rural transportation infrastructure. Combined with strategic rail decisions to terminate inefficient routes, these changes have resulted in larger and heavier trucks hauling agricultural products over longer distances on pavements and bridges that were not constructed to withstand those loads. A need exists to better understand the strategic challenges and issues as well as the critical role that transportation plays in promoting competitive agriculture and a strong rural economy.

Farm-To-Market Road System

There are more than 62,000 miles of rural highways in Texas and the 10,175-mile Texas Highway Trunk System forms the core of the rural network. Also included in the trunk system are approximately 41,000 miles of Farm-to-Market or Ranch-to-Market roads and spurs, which is the most extensive network of secondary roadways in the world.

The Texas Highway Trunk System is a program to improve the mobility and safety of highway users on the state's rural highway system. The program objectives are to provide a rural four-lane divided or better network to connect major activity centers within Texas and to provide access to major points of entry. In order to successfully maintain high mobility and safety, access to the highways have to be controlled while still allowing liberal access.

The network was initially established between 1930 and 1950 with the improvement of existing unpaved roads linking rural communities. As early as 1945, the then Texas Highway Commission authorized construction of 7,500 miles of rural roads funded by the state and federal governments on a 50-50 cost-share basis. The first construction contracts were let in January 1946 in Randall County. The Colson-Briscoe Act of 1949 included \$15 million annually in funding to construct local roads that did not have sufficient traffic volume to pay for their construction and maintenance. In 1962, the Texas Legislature increased the appropriation to ensure that at least \$23 million annually would be available to construct new farm roads. That same year, the highway commission increased the size of the state's farm-road system from 35,000 to 50,000 miles.

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County Roads

The county road system in Texas is comprised of 160,000 road miles and 17,000 bridges. The county road system receives \$7.3 million annually from the state gasoline tax. Additionally, the Texas Department of Transportation (TxDOT) allocates approximately \$6 million in surplus materials annually to counties. The ongoing county bridge rehabilitation program is funded 80 percent by federal grants, ten percent by state grants, and ten percent by county funds. Counties also receive a portion of the local motor vehicle registration fees, including the optional local registration fee, which may be assessed by a commissioners court. Currently, 242 counties collect this fee. Counties also receive a portion of the state truck permit fee. All other local funds must be raised through the property tax assessment.

Each of the state's 254 counties is authorized by law to retain a portion of motor vehicle registration fees they collect. Section 502.102, Transportation Code, governs the allocation of tag-fee revenue between TxDOT and individual county road and bridge funds based on the number of miles maintained by the county up to 500 miles, the amount of certain taxes and penalties collected by the county tax assessor-collectors, and net collections. Other funding sources for county roads include TxDOT's Local Government Assistance Program, Optional road and bridge fees, 2060 Permit fees, Lateral Road and Bridge funds, and the Off-System Bridge Program. Over the last 20 years, state assistance for county roads has totaled more than \$8.8 billion.

Rural Rail

According to TxDOT, Texas railroads handle more than 10 million carloads over a 15,000-mile rail system and lead the nation in total rail miles and rail tons carried. Some 45 railroads operate in Texas, including three Class 1 railroads: the Union Pacific, the Burlington Northern Santa Fe, and the Kansas City Southern. In December 2009, TxDOT created a Rail Division to perform a variety of functions related to rail safety and preserving and expanding rail access in rural Texas.

Railroad Congestion

Congestion is a problem on the state's rail network as well as on its highways. Rural agricultural producers who utilize rail to transport their products are adversely affected by a major railroad congestion problem in Fort Worth. Tower 55 is an at-grade intersection of the Burlington Northern Santa Fe and Union Pacific railroads located adjacent to downtown Fort Worth. It has been identified as the busiest railroad intersection in the United States. Between 100 and 120 trains pass through this location daily. An additional 70 trains per day use the adjacent Trinity Railway Express line. Due to the high traffic volume and the time it takes for trains to complete a crossing, trains must wait an average of 90 minutes to pass through Tower 55. TxDOT is working with Union Pacific which owns the crossing, and the North Central Texas Council of Governments to reduce or eliminate congestion at Tower 55. A study is planned that will identify the best option for a grade-separated crossing at Tower 55, which is the best long-term solution. In the meantime, a third north-south track will be added adjacent to Tower 55. This will enable more trains to pass through Tower 55 at the same time and allow tower operators to stage trains closer to the intersection and move them through more efficiently. The improvements are expected to cost \$93.7 million and could in a few years relieve some of the Tower 55 congestion.

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South Orient Railroad and North East Texas Rural Rail Transportation District

In West Texas, the state (TxDOT) owns the South Orient Railroad (SORR). It is approximately 391 miles long and extends from San Angelo Junction through San Angelo to Presidio at the Texas-Mexico border. When private interests sought to abandon the rail line, the Texas Legislature appropriated \$3 million to acquire the right-of-way and a security interest in the infrastructure. The South Orient Railroad Company (SORC) provided an additional \$2.5 million of the \$5.5 million purchase price for the operating rights to the line. SORC was unable to generate sufficient revenues from the operations and considered abandoning the line in 1999. The Texas Legislature then appropriated \$6 million to TxDOT to purchase the railroad infrastructure. Texas Pacifico (TXPF), a subsidiary of Grupo Mexico, provided \$3.5 million of the \$9.5 million purchase price in return for operating rights on the line. Under the operating agreement, TxDOT is the railroad's owner and Texas Pacifico obtained a 40-year operating lease with 5- and 10-year renewal options. TXPF has invested approximately \$8 million to rehabilitate the railroad's infrastructure. SORR has one of only five rail border crossings between Texas and Mexico, and one of only eight between the United States and Mexico. TxDOT estimates that between 2001 and 2008, transporting freight along the SORR has saved \$43,257,369 in pavement maintenance costs for parallel roads. Commodities moved on the SORR are primarily agricultural (wheat, cotton, feed, fertilizer, molasses, mash, milo), industrial (steel, scrap metal, paper), and energy-related (pipe, sand, wind tower components). Several agricultural cooperatives are located along the rail and are dependent upon the rail traffic. There are currently several projects underway to rehabilitate the line from San Angelo east toward Coleman. Once completed, these projects will enable 25 mile per hour speeds on this segment of the line. Train speeds are currently limited to 10 mph across the entire SORR route, except for a segment of approximately 131 miles between San Angelo and Sulphur Junction where speeds are 25 mph.

In East Texas, the North East Texas Rural Rail Transportation District (NETEX), a political subdivision of the state, owns and manages a 66-mile rail line from west of Mount Pleasant to west of Greenville. TxDOT purchased the initial 31-mile segment of the line with \$2 million appropriated by the 74th Legislature. In September 2000, NETEX purchased an additional 35 miles of rail line with a \$1.5 million grant. The 77th Legislature provided \$300,000 through TxDOT to purchase an additional 23.2 miles of right-of-way, which does not include tracks, since the railroad was salvaged in the early 1990s. NETEX has been relatively successful in preserving its railroad corridor and continuing to provide freight rail services. It leases operations across the line to Blacklands Railroad, which has increased its customer base from 2 to 20 active shippers since 1999. The number of railcars handled across the line has increased from 250 in 1999 to 2,677 in 2008. NETEX has developed potential projects in cooperation with local economic development entities, that would expand rail services to new and existing businesses in the area, increase NETEX operations, and provide economic stimulus. Commodities moved across the line include plastics, wax, agricultural products, scrap iron, lime, fly-ash, and chemicals. Train speeds are currently limited to 10 miles per hour because the railroad requires replacement of a significant number of ties along with bridge repairs and drainage improvements.

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Rural Truck Traffic

Over the past two decades, the transportation demands of agricultural producers and rural industries have changed, and railroads for economic reasons have abandoned many rural rail links. In many regions of the state, the volume of truck traffic on rural infrastructure has significantly increased due to a variety of factors, including: agricultural industrialization, resulting in fewer but larger farms; increases in the physical size of agricultural equipment transported by truck between specialized operations, economic revival of the oil industry resulting in short but high-volume "heavy" truck movements, increases in allowable truck gross weights on state roads and highways; increases in truck traffic resulting from the North American Free Trade Agreement; and the abandonment of approximately 2,400 miles of railroad track in Texas.

Overweight and Oversized Vehicles

Texas has numerous permitted and exempted loads. Permitted loads are those that exceed legal limits and require a TxDOT-issued permit. Exempt loads are those that do not require a permit but are allowed to exceed legal limits by a specific statute or law. Any vehicle exceeding the legal gross vehicle weight or axle weight is considered an overweight vehicle. The current legal load limits are 20,000 pounds for a single axle, 34,000 pounds for a tandem axle, 42,000 pounds for a tridem axle, and 80,000 pounds total gross weight. Although state law generally requires operators of oversize and overweight vehicles to obtain a permit, it specifically exempts vehicles transporting particular commodities, including milk, chili peppers, timber, cotton, and several other products. With a few exceptions, permits are required to transport non-divisible loads, which are loads that cannot reasonably be divided to meet legal size and weight requirements. By law, permitted loads are engineered to minimize damage to roads and bridges. For overweight loads, TxDOT specifies axle weights and spacing to properly disburse the weight of the load. Permitted loads are also required to travel a route specified by TxDOT and must meet other safety requirements governing signage, lighting and the use of escort vehicles, depending on the permit type and size/weight of the load. Fees vary from \$60 for a single trip permit with no weight, to \$4,000 for an annual permit for unlimited trips for loads up to 12-feet wide, 14-feet high, and 120,000 pounds. During testimony at an April 28, 2010, joint hearing of the House Committee on Agriculture and Livestock and House Committee on Transportation, various agricultural producers and the Texas Farm Bureau testified in favor of increasing the legal gross axle weight from 80,000 pounds to 96,000 pounds on state-maintained roadways. Proponents argue that by adding an additional axle to the truck/trailer the additional weight would be distributed evenly and therefore would cause minimal additional wear on the roadways. Proponents also claim that increasing weight limits would reduce the number of trucks on the roads. County Judges and Commissioners Association of Texas (CJCAT) General Counsel Jim Allison has cautioned against such a move arguing that increasing the weight limit for trucks would increase maintenance costs for existing county and farm-to-market roads at a time when county and state road and bridge maintenance resources are already being stretched to the limit.

Rural Highway Funding

Many of the state's highways are over 50 years old. Increasing use and the influx of hurricanes, wildfire, blizzards, and droughts have accelerated the deterioration of the system and the consumption of immediate financial resources. Texas faces challenges in addressing crippling congestion in urban areas while maintaining the aging rural highway system. One of the earliest

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missions of the highway department was to get farmers out of the field and produce to the market. More money spent expanding the system to address congestion in urban areas means less money is available to maintain the state's rural highway network. The large numbers of new drivers on the roadways has not translated into additional revenue to spend on highways.

Although revenue from the motor fuel tax has increased over the years, declining purchasing power has eaten away at available revenue. Construction inflation increased 65 percent between 2002 and 2008. In 2009, state motor fuel tax revenue declined more than two percent while the state's population increased. The state motor fuel tax has not been increased since 1991.

RECOMMENDATIONS

- 1) Continue work to develop, negotiate, and enact legislation similar to C.S.H.B. 3143 (81st Legislature). C.S.H.B. 3143 (81st Legislature) sought to amend Section 621.508, Transportation Code, to authorize the owner of a motor vehicle to obtain from the commissioners court of the county, through the county judge, an excess weight permit that allows the operation of the vehicle described in the permit on the roads in the county and with a gross weight up to 12 percent heavier than the weight authorized by law for that vehicle. The bill stipulated the fee for a permit that is valid for any period during which the permit holder operates the vehicle may not exceed \$500. The fee for a permit that is valid for one year from the date of issuance may not exceed \$225. The issuance of a permit would not authorize the operation of a vehicle with a gross weight heavier than authorized by law for that vehicle on a bridge if the weight of the vehicle exceeds the weight limit established by the Texas Transportation Commission or by the county commissioners court.
- 2) Encourage TxDOT and the Texas Department of Agriculture to promote the increased use of the state's rural rail systems to transport raw and processed agricultural commodities.

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REFERENCES

Amedeo Saenz, Jr., P.E., Public Joint Hearing Testimony before House Agriculture and Livestock and House Transportation Committees, April 28, 2010

Fred Underwood, TxDOT Commissioner representing rural areas of the state, Public Joint Hearing Testimony before House Agriculture and Livestock and House Transportation Committees, April 28, 2010

Dennis Kearns, Burlington Northern Santa Fe Railway, Texas Railroad Association

Jim Allison, General Counsel, County Judges and Commissioners Association of Texas, Public Joint Hearing Testimony before House Agriculture and Livestock and House Transportation Committees, April 28, 2010

David Palmer, Texas Department of Public Safety

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INTERIM CHARGE FOUR

Survey rural economic development programs. Analyze the economic relationship between rural communities and the agriculture industry and their combined impact on the state's economy.
Joint Interim Charge with House Committee on County Affairs.

BACKGROUND

A number of state and federal agencies assist with administering programs aimed at promoting rural economic development. The primary agencies through which rural economic development funds are administered are the Texas Department of Rural Affairs (previously, the Office of Rural Community Affairs), Texas Department of Agriculture, and the United States Department of Agriculture.

TEXAS DEPARTMENT OF RURAL AFFAIRS

The Texas Department of Rural Affairs (TDRA) is a state agency created in 2001 by the 77th Legislature to ensure a continuing focus on rural issues, to monitor governmental actions affecting rural Texas, to research problems and recommend solutions, and to coordinate rural programs among state agencies. Since its inception, TDRA has operated as a statewide agency serving all rural areas of Texas and awarding over 4,800 grants totaling more than \$642.3 million. These funds have gone to communities and counties for economic development, disaster relief, infrastructure, and healthcare--benefiting more than four million people in Texas.

The agency is primarily funded through federal grants, with 90.3 percent of the agency's total funding coming from federal grant funds, 6.9 percent from state general revenue, and 2.8 percent from general revenue-dedicated and other funds.

In FY 2008, the agency's \$3.6 million (3.98 percent) in general revenue funds leveraged over \$79.4 million in federal funds for rural community programs in Texas. These programs fund basic infrastructure projects such as sanitary sewer systems, drainage and flood control projects, and road improvements. TDRA programs also fund drinking water, safe housing, and disaster relief projects. In addition, the legislature approved funds to fund the Renewable Energy Program, the Emergency Service District Program and the creation of two new rural technology centers. The agency's rural health programs provide grants and stipends to rural health care professionals to locate in rural communities. These programs also provide grants to rural hospitals for capital improvements and to rural communities for the purchase of life-saving equipment, such as defibrillators.

Community Development Block Grant Program

Texas has the largest Community Development Block Grant program in the country. The primary objective of the CDBG program is to develop viable communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low- and moderate-income. The state must ensure that at least 70 percent of its CDBG grant funds are used for activities that benefit low- and moderate-income persons. Under certain circumstances, the state may also use CDBG funds to meet urgent community development needs that pose a serious and immediate threat to the health or welfare of the

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community.

Since TDRA began operations in 2002, the agency has:

- Awarded 1,232 grants (totaling \$345,550,998) to 692 rural communities and counties to assist those communities and counties with their community and economic development needs, thus benefiting 1,975,712 rural Texans. Of those rural Texans, 1,155,380 are persons of low to moderate income.
- Awarded 87 grants (totaling \$23,527,694) to 73 rural communities and counties to assist those communities and counties with their disaster relief needs, thus benefiting 588,170 rural Texans. Of those rural Texans, 256,430 are persons of low to moderate income.
- Awarded 192 grants (totaling \$61,053,164) to 135 rural communities and counties to provide first time water and wastewater service, thus benefiting 70,470 rural Texans. Of those rural Texans, 54,803 are persons of low to moderate income.
- Awarded 1,145 grants (totaling \$18,349,643) to 572 rural communities and individuals to assist rural communities improve access to healthcare and improve healthcare facilities.
- Awarded 172 grants (totaling \$8,332,736) to public and nonprofit hospitals through its Capital Improvement Loan Fund to improve the health services and healthcare infrastructure of Texas' rural communities by making capital improvements to existing facilities, constructing new health facilities, and purchasing capital equipment.

TEXAS DEPARTMENT OF AGRICULTURE

Texas Agricultural Finance Authority

Significant changes were made last session to the Texas Agricultural Finance Authority (TAFA), an authority within the Texas Department of Agriculture (TDA) created by the legislature in 1987. Through partnership with banks or other agricultural lending institutions, TAFA provides financial assistance to creditworthy individuals and businesses. Four programs are designed for eligible applicants who wish to establish or enhance their farm or ranch operations or to establish an agricultural-related business. Special incentives, including a new grant program, are now available to young farmers.

Agricultural Loan Guarantee

TAFA provides financial assistance through loan guarantees to eligible applicants who wish to establish or enhance their farm or ranch operations or to establish an agricultural-related business. The program provides guarantees based on a tiered structure, not to exceed \$750,000 or 70 percent of the loan amount, whichever is less. The program also provides an interest rebate as part of the loan guarantee process to eligible borrowers.

Interest Rate Reduction

TAFA can facilitate commercial lending that may result in lower interest rates compared to current market rates. Any person who proposes to use the proceeds under the interest rate reduction program in a manner that will help accomplish the state's goal of fostering the creation and expansion of an agricultural-related business in Texas is eligible.

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Young Farmer Interest Rate Reduction

Providing an even greater benefit than the standard interest rate reduction program, young farmers can see greater reductions to their rates through TAFA. Any person who is at least 18 years of age but younger than 46 years of age and proposes to use the proceeds under the young farmer interest rate reduction program in a manner that will help accomplish the state's goal of fostering the creation and expansion of an agricultural business in Texas is eligible.

Young Farmer Grant

For the first time, TAFA offers a grant program two times a year to eligible applicants who are at least 18 years of age but younger than 46 years of age and who are engaged in creating or expanding agriculture in Texas. The applicant must be able to make dollar-for-dollar matching expenditures to sustain, create, or expand a proposed project. Individual grants may range from \$5,000 to \$10,000.

USDA RURAL DEVELOPMENT

United States Department of Agriculture (USDA) Rural Development funds utilization in Texas has experienced steady increases during the past three years. During FY 2009, a total of \$1.26 billion in grants, direct loans, and guaranteed loans were delivered to Texas' rural areas. USDA administers several programs aimed at assisting rural businesses and communities in promoting economic development.

Business and Industry Guaranteed Loans

The Business and Industry Guaranteed Loan Program helps create jobs and stimulates rural economies by providing loan guarantees of up to 90 percent for commercial lenders assisting rural businesses. For most business programs, a rural area is any area other than a city or town that has a population of more than 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town as defined by the latest United States Census data. The maximum loan amount is \$10 million and loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. For FY 2010, Texas was allocated \$42 million. Texas received an additional \$77 million in B&I program funding under the American Reinvestment and Recovery Act.

Value Added Producer Grants

Value Added Producer Grants assist eligible producers of agricultural commodities, agricultural producer groups, farmer and rancher cooperatives, and majority-owned producer-based ventures in developing feasibility studies, and business plans, and providing working capital for viable marketing opportunities and for the development of strategies to create marketing opportunities in emerging markets. The maximum grant amount for planning is \$150,000, and the maximum grant amount for working capital is \$150,000. Value added is defined as the value that is realized by the producer from an agricultural commodity or product as a result of: a change in the physical state, differentiated production or marketing; as demonstrated in a business plan, product segregation, or production of farm or ranch based renewable energy.

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Rural Business Enterprise Grants

Rural Business Enterprise Grants (RBEG) are competitive grants awarded to public bodies, private non-profit corporations, and federally recognized Indian tribal groups to finance and facilitate development of small and emerging private business enterprises. Grants can be used to finance: acquisition and development of land, easements, and rights-of-way; construction, conversion, enlargement, repairs, or modernization of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities, and pollution control abatement facilities; financial assistance to third parties through a loan (revolving loan fund); loans for start-up operating costs and working capital; technical assistance for private business enterprises; and reasonable fees and charges for professional services necessary for the planning and development of a project. The FY 2010 RBEG allocation for Texas is \$1.4 million.

RURAL BROADBAND ACCESS

In March 2010, TDA announced the Texas recipients of USDA funding that will help bring much-needed high-speed Internet service to rural areas of the state. Governor Rick Perry designated TDA, in consultation with the Public Utility Commission and the Texas Public Safety Commission, as the lead agency in coordinating broadband expansion activities funded by the American Recovery and Reinvestment Act.

The American Recovery and Reinvestment Act appropriated \$7.2 billion and directed USDA's Rural Utilities Service and the Department of Commerce's National Telecommunications Information Administration (NTIA) to expand broadband access to unserved and underserved communities across the nation in order to increase jobs, spur investments in technology and infrastructure, and provide long-term economic benefits.

Texas Projects Receiving USDA Funding:

PRIDE Network, Inc.: The Texas South Plains Project; \$22,720,551 loan and \$21,829,549 grant. The funding will provide a FTTP telecommunications infrastructure, with a WiMAX service-extension overlay, that will bring advanced broadband services to rural communities of the Texas South Plains region.

PRIDE Network, Inc.: The Burk Burnett and Iowa Park Project; \$12,811,071 loan and \$6,309,931 grant. The funding will provide a FTTP telecommunications infrastructure, with a WiMAX service-extension overlay, that will bring advanced broadband services to the rural communities of Burk Burnett and Iowa Park (less than five percent of this network will serve an area in Oklahoma).

XIT Rural Telephone Cooperative, Inc.: The FTTP and Very High Speed DSL2 (VDSL2) Combination Application Project; \$3,065,440 grant and \$3,190,560 private investment. The funding will provide a FTTP and Fiber-to-the-Node (FTTN) advanced DSL technology within two separate service areas in and around the communities of Dalhart and Stratford.

Southern Texas Broadband Infrastructure Development and Adoption Project: \$40,093,153 loan and \$38,520,868 grant. The funding will develop a broadband infrastructure in 11 unserved and underserved rural communities of the Texas South Plains region.

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Texas NTIA Funding:

Level 3 EON, Inc.: The Expanding Broadband Access Across Texas project received \$4,677,788 to build 17 new access points on Level 3's existing broadband network to enable last mile providers to offer affordable high-speed services to underserved areas. These points of interconnection enable last mile providers to transport data to the Internet backbone and provide affordable service to anchor institutions, homes, and businesses. The project could enhance broadband capabilities for as many as 400,000 households, 21,000 businesses, and 214 community anchor institutions, including schools, government agencies, and health care providers.

RECOMMENDATION

Encourage Texas' federal congressional delegation to support increased federal economic development funding for grants and low-interest loans targeting rural areas, particularly in the areas of job creation and the expansion of high-speed broadband Internet service to rural areas.

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REFERENCES

Billy Curb, Business and Cooperative Loan Specialist, USDA Rural Development Program, Testimony, Joint Public Hearing of House Committees of Agriculture and Livestock and County Affairs, April 27, 2010

Charlie Stone, Executive Director, Texas Department of Rural Affairs, Testimony, Joint Public Hearing of House Committees of Agriculture and Livestock and County Affairs, April 27, 2010

Becky Dempsey, Deputy Assistant Commissioner, Texas Dept. of Agriculture, Rural Economic Development Division

Texas Department of Rural Affairs website
www.tdra.state.tx.us

Texas Department of Agriculture Press Release, *Federal Funds Bring High-Speed Internet To Rural Texas*, March 12, 2010

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CHARGE FIVE

Monitor the agencies and programs under the committee's jurisdiction.

TEXAS ANIMAL HEALTH COMMISSION

The Texas Animal Health Commission (TAHC) was founded in 1893 with a mission to address the Texas fever tick problem. Today, TAHC works to protect the health of all Texas livestock, including: cattle, swine, poultry, sheep, goats, equine family animals, and exotic livestock.

TAHC also works to keep pests from reoccurring as major livestock health hazards. Ultimately, the TAHC mission and role is the assurance of marketability and mobility of Texas livestock. TAHC works to sustain and continue to make a vital contribution to a wholesome and abundant supply of meat, eggs, and dairy products at affordable costs.

TAHC has legislative authority to make and enforce regulations to prevent, control, and eradicate specific infectious animal diseases that endanger livestock. TAHC regulations are made and adopted by 13 governor-appointed commissioners who represent the general public and various livestock industries and professions. The commissioners serve staggered six-year terms and meet as needed to study the regulatory needs of the agency, review public comments on proposed regulation changes, and adopt new rules when necessary.

Agency headquarters are in Austin. Seven regional offices are strategically located across the state so that the staff can work more effectively with ranchers, livestock market and slaughter plant personnel, and other livestock industry representatives. Four regional laboratories provide serological and microbiological diagnostic services for cattle brucellosis, swine brucellosis, and pseudorabies. The Austin laboratory provides identification of pest specimens such as screwworm fly larvae, scabies mites, and ticks collected from livestock.

RECOMMENDATION

Amend Chapter 161.060, Agriculture Code, to authorize TAHC's regional laboratory system to perform brucellosis tests for neighboring states and to charge and retain a reasonable fee to pay for related overhead and associated expenses.