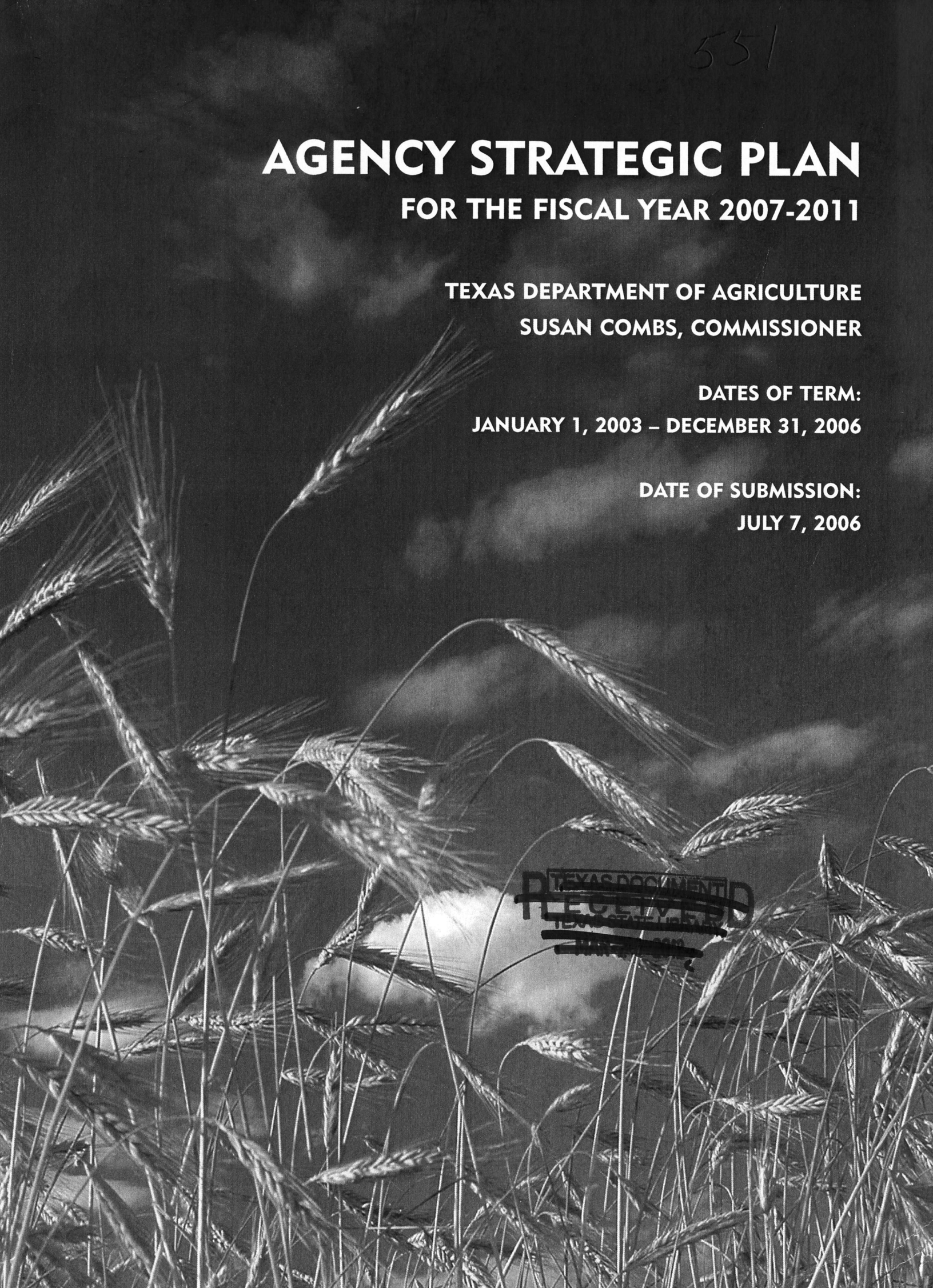
AGENCY STRATEGIC PLAN

FOR THE FISCAL YEAR 2007-2011

TEXAS DEPARTMENT OF AGRICULTURE
SUSAN COMBS, COMMISSIONER

DATES OF TERM:
JANUARY 1, 2003 – DECEMBER 31, 2006

DATE OF SUBMISSION:
JULY 7, 2006



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PLANNING FOR PROGRESS

THE MISSION OF TEXAS STATE GOVERNMENT

Texas state government must be limited, efficient, and completely accountable. It should foster opportunity and economic prosperity, focus on critical priorities, and support the creation of strong family environments for our children. The stewards of the public trust must be men and women who administer state government in a fair, just and responsible manner. To honor the public trust, state officials must seek new and innovative ways to meet state government priorities in a fiscally responsible manner.

Aim high...we are not here to achieve inconsequential things!

THE PHILOSOPHY OF THE TEXAS STATE GOVERNMENT

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise we will promote the following core principles:

- First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics or individual recognition.
- Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.
- Decisions affecting individual Texans, in most instances, are best made by those individuals, their families and the local government closest to their communities.
- Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. Just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future and the future of those they love.
- Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.
- State government has a responsibility to safeguard taxpayer dollars by eliminating waste and abuse, and providing efficient and honest government.

Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.

NATURAL RESOURCES AND AGRICULTURE GOALS AND BENCHMARKS

PRIORITY GOAL

To conserve and protect our state's natural resources (air, water, land, wildlife and mineral resources) by:

- Providing leadership and policy guidance for state, federal, and local initiatives; and
- Encouraging responsible, sustainable economic development.

BENCHMARKS

- Percent of nitrogen oxide and criteria pollutants reduced in the air
- Amount of desalinated brackish and ocean water for Texas
- Percent of water conservation through decreased water usage, increased water reuse and brush control
- Percent of Texas waters that meet or exceed safe water quality standards
- Percent of polluted site clean-ups to protect the environment and public health
- Percent of regulatory permits processed while ensuring appropriate public input
- Percent of environmental violations tracked and reported
- Percent of land that is preserved and accessible through continuation of public and private natural and wildlife areas
- Percent of renewable energy usage and production of domestic fuel sources
- Percent of implemented new technologies that provide efficient, effective, and value-added solutions for a balanced Texas ecosystem

MISSION AND PHILOSOPHY OF THE TEXAS DEPARTMENT OF AGRICULTURE

THE MISSION OF THE TEXAS DEPARTMENT OF AGRICULTURE

Making Texas the nation's leader in agriculture, while promoting excellence in children's nutrition, rural economic development and providing efficient and extraordinary service.

THE GUIDING PHILOSOPHY AND VALUES OF THE TEXAS DEPARTMENT OF AGRICULTURE

QUALITY – We are committed to providing efficient and extraordinary service at the lowest possible cost with the greatest sense of pride.

PROFESSIONALISM – We will strive for professionalism in providing the highest quality service to our customers.

EFFICIENCY – We believe in continually striving to improve the efficiency of our operations. We will strive to spend our appropriations wisely and frugally, always in the best interests of the citizens of Texas. We will strive to minimize bureaucracy by delegating authority and decision making and eliminating unnecessary layers of management.

FAIRNESS – We believe in treating our fellow employees and customers fairly, with consideration and respect.

TEAMWORK – We believe that teamwork is important and essential. We will strive to create an environment conducive to teamwork and recognize those who contribute through cooperative efforts.

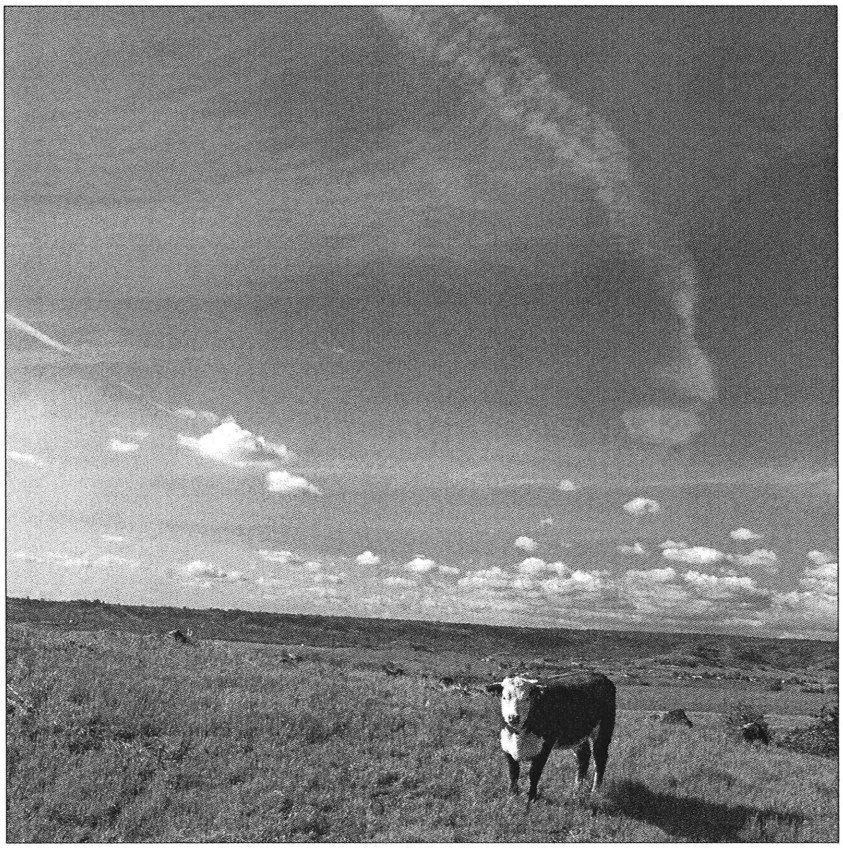
TRUST – We believe that a climate of trust and mutual caring enhances productivity and employee satisfaction. We will strive to build trust among our fellow employees and those we serve.

COMMUNICATION – We believe in effective and open communication in all of our endeavors. We will support a friendly, interactive and cooperative environment.

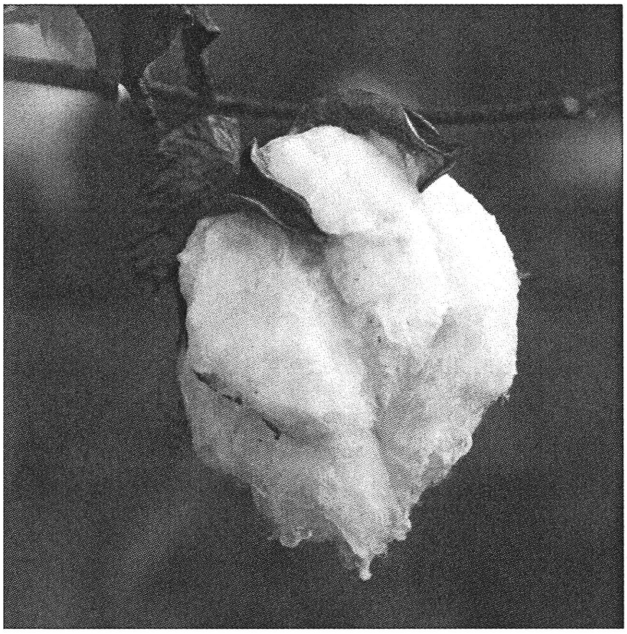
INNOVATION – We believe in a work environment where employees are encouraged to make suggestions for improvements and be recognized for their ideas.

INTEGRITY – We believe in serving the citizens of Texas with integrity and honesty while assuring that all of our actions and decisions are in their best interests.

EXTERNAL/INTERNAL ASSESSMENT



THE STATE OF AGRICULTURE

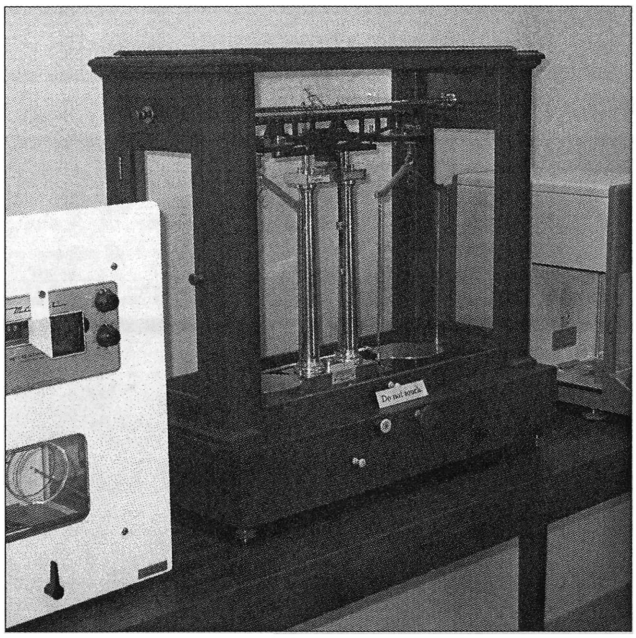


AGRICULTURAL COMMODITIES

Texas is the second-largest agricultural state in the nation, accounting for about 7 percent of the total U.S. agricultural income. The food, horticulture and fiber industry also is the second-largest industry in Texas and generates $73 billion a year for the economy. Texas ranks first in the nation in the number of cattle and calves, accounting for 15 percent of the U.S. total. The Lone Star State also is the top producer of cotton, sheep, wool, goats, mohair and horses. In addition, each year Texas exports about $3 billion worth of agricultural products to other countries with the state's top exports including live animals and meat; cotton and cottonseed; feed grains and products; hides and skins; wheat and products; and feeds and fodder.

Along with livestock and crops, the state's agriculture industry includes timber/forestry, aquaculture, bees/honey and nursery/greenhouse. Eighty percent of the land in Texas is in some form of agricultural production. Ninety-two percent of Texas' agricultural operations are still run by individuals or families. Even though agriculture employs one out of every seven working Texans, less than 2 percent of the population is involved in day-to-day farming or ranching.

STATE OF THE DEPARTMENT



TDA was created in 1907 pursuant to Chapters 11 and 12 of the Texas Agriculture Code. The agency is headed by the Commissioner of Agriculture, a statewide-elected official who serves a four-year term.

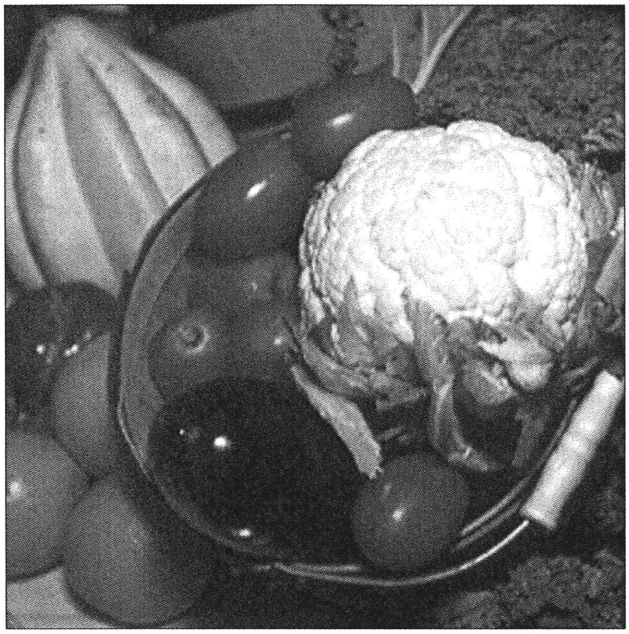
The department:

- **Generates markets** by promoting the sale of Texas agricultural products and assisting Texans engaged in agriculture to expand profitable markets for their products;
- **Regulates pesticide use** by enforcing state and federal pesticide laws;
- **Regulates agricultural commodities and measuring devices** by establishing and enforcing standards for agricultural commodities and ensuring that certain products offered to Texas consumers are properly measured, priced and marketed; and
- **Administers child nutrition programs** to ensure our youngest Texans have access to good health and a strong future through the benefits that good nutrition has to offer.

The department's current operating budget supports 504.5 full time equivalents (FTE's), with more than half of the employees working in field offices and laboratories throughout the state. TDA maintains and manages the following facilities:

TYPE OF FACILITY	LOCATIONS
Regional offices	Lubbock, Dallas, San Antonio, Houston, San Juan
Sub-offices	Amarillo, Tyler, Corpus Christi
Seed analysis laboratories	Lubbock, Stephenville, Giddings
Pesticide residue laboratory	Bryan/College Station
Metrology laboratories	Giddings, Lubbock
Livestock exporting operations	Eagle Pass, Brownsville, Del Rio, Laredo, El Paso, George Bush Intercontinental Airport (Houston)

CURRENT YEAR ACTIVITIES



- TDA returned $2 million to the state's General Revenue Fund for the 2004 – 2005 biennium and requested a reduction of 20 employee positions for 2006 – 2007. TDA cut costs by streamlining operations in its Pesticides, Regulatory and Field divisions by building an all-encompassing redesigned computer system. The integrated information system made it easier and more efficient for people to do business with the agency.

- TDA has streamlined the license renewal process to provide more efficient services. Previously, license renewal dates were set in statute, which caused confusion about prorated fees and a disproportionate workload during renewal periods. Streamlining the process provides a better turnaround for customers and license fee determination.

- TDA's GO TEXAN marketing campaign promotes all Texas agricultural products under one easily recognizable trademark: a glowing brand in the shape of Texas. This signature logo helps shoppers pick Texas products at a glance. GO TEXAN taps into Texas loyalty, working to persuade 22 million Texas consumers to choose the state's agricultural bounty when shopping. GO TEXAN programs include food, horticulture, fiber, livestock, shrimp and international marketing.

- TDA continues to promote Texas products through its GO TEXAN Partner Program. Texas producers, commodity boards, cooperatives and small businesses use grant funds to offset GO TEXAN marketing and other promotional costs. This dollar for dollar matching program will receive approximately $1 million in funding over the 2006-2007 biennium.

- As a result of SB 1137, the Wine Industry Development Advisory Committee and the Texas Wine Industry Development Fund were created to develop and support a long-term vision for the state's wine industry including a focus on future development, research, educational programming, risk management and marketing. TDA is working with the committee to determine how the Wine Industry Development Fund shall allocate available funds for the purpose of conducting surveys and research on: developing the Texas wine industry; viticulture and enology education programs; and technologies or practices to benefit grape and wine production.

- TDA held the first ever "Celebrate the Catch of Texas!" Shrimp Recipe Contest. Each contestant used Texas-produced shrimp, any species or size, as their main recipe ingredient. The original recipes were for salads, appetizers, soups or entrées. The winning recipe was showcased in the Food and Fiber Pavilion at the State Fair of Texas.

- TDA continues to support the Texas Yes! Program. This program has been successful in promoting rural Texas by providing dollar-for-dollar matching grants for rural tourism events, workshops and overall marketing and promotion. The program will receive $1 million in funding for the 2006-2007 biennium.

- Texas Yes! Hometown STARS (Supporting Tourism and Rural Success) is a matching fund reimbursement program designed to help leverage the dollars available to rural communities to promote local tourism events, in turn boosting local economies and attracting new jobs and dollars. The program will reimburse communities for half of their promotional costs up to $10,000 and is open to all TexasYes! Community Members.

- The first round of funding for Bootstrap Bucks went to seven communities to promote tourism, events or festivals. Selected Texas Yes! communities received up to $2,500 in reimbursable funds to help leverage the

dollars available to directly promote a local tourism event or festival. Communities used the $2,500 in reimbursable funds on one of four eligible promotional items, including banners, posters, newspaper advertisements, radio and television spots.

- For more than 35 years, TDA has been an annual presence in its Food and Fiber Pavilion at the State Fair of Texas in Dallas. The Pavilion hosts well over half of the 3.5 million visitors who attend the Fair each year. Activities and presentations showcase a variety of Texas-based exhibitors, performers and agricultural experts, all of which give fairgoers a glimpse into rural Texas and the wonder of agriculture. Companies and commodity groups large and small join forces to educate millions of fairgoers about the diversity of Texas agriculture and the vast array of products sewn, grown, prepared and processed in Texas.

- TDA continues to support rural economic development through the new Texas Certified Retirement Community Program. This program will assess and certify communities as retirement communities and help them market themselves as desirable retirement locations. Attracting retirees to rural Texas will not only broaden the potential for community growth and create new employment opportunities for rural Texans, but it will also encourage retirees and their families to visit rural areas of the state.

- TDA continues to partner with the U.S. Department of Agriculture Natural Resources Conservation Service and Texas Cooperative Extension to host conferences to discuss agriculture diversification. The conferences are designed to provide information to land owners about options to diversify a farm and ranch operation to bring in more income and to discuss with communities ways to support the landowner's activity, which in turn expands business opportunities within the community.

- New funding from the 2006-2007 appropriations bill set in motion the establishment of the Fuel Ethanol and Biodiesel Grant Program as originally created by Senate Bill 275 (78th Session, 2003) but not funded. The program, jointly administered by TDA and the Texas Economic Development and Tourism Office, is designed as an incentive for developing Texas' renewable fuel industry. TDA assisted with Texas Renewables 2005, Central Texas Clean Cities and West Texas Wind Energy Consortium conferences held in Houston, Austin, Trent and Winters.

- During the 79th legislative session the Boll Weevil Eradication Program was expanded to include a statewide maintenance program. The maintenance program will help protect investments made by producers and will work to preserve the progress of boll weevil eradication efforts.

- As of 2005 every cotton-growing region in the state is involved in the boll weevil eradication effort consisting of 16 active eradication zones in Texas covering more than 6 million acres. The success of boll weevil eradication has been a major contributing factor to the increased value of the Texas cotton crop, ranking the state first in the United States in value of cotton and cottonseed sales.

- TDA implemented a stricter cotton stalk destruction program to enhance the effectiveness and success of boll weevil eradication across Texas. The new procedures began with the 2005 cotton crop.

- The Feral Hog Damage Abatement Pilot Program is a new initiative by TDA to reduce the economic damages caused by feral hogs. Texas has the nation's largest feral hog population, and many landowners have experienced substantial crop and property damage. This two-year pilot program has awarded $500,000 in grants for the 2006-2007 biennium. The program supports hog control research, development of regionally specific trapping technologies and a statewide cost/benefit analysis of various control methods.

- During the 79th legislative session, HB 373 revised Chapter 42 of the Agriculture Code to create the Food and Fibers Research Council, effective in June 2005, and abolished the Texas Food and Fibers Commission. The Commission's research grant program was transferred to TDA, effective January 1, 2006. The Food and Fibers Research Grant Program facilitates and supports cotton, wool, mohair and oilseeds research, provides technical outreach to the industry and researchers, disseminates research information, and leverages private sector, federal, and university support with general revenue funds.

- Texas was one of six states selected to share $6 million in a project to expand the U.S. Department of Agriculture's Fresh Fruit and Vegetable Program in Texas schools. TDA selected 24 public schools to participate in the project. Selected schools will be reimbursed for providing fresh fruits and vegetables to students any time during the school day, before school or after the end of the last class period. The produce provided is in addition to any items served by the National School Lunch Program or School Breakfast Program.

- In November 2005, Commissioner Susan Combs joined other Texas health leaders to spotlight diabetes prevention through good nutrition and exercise at a special event at the Texas State Capitol to kick off Diabetes Awareness Month.

- TDA announced the winners of the first ever Kids Kitchen Corral Cooking Contest. The contest was designed to promote good nutrition among Texas schoolchildren. The Kids Kitchen Corral Contest called on kids from across Texas to submit their own unique healthy recipes for judging. The contest categories were breakfast, lunch, dinner and snack. TDA received almost 200 entries.

- Children visiting the Houston Livestock Show and Rodeo were encouraged to play with their food at a special TDA nutrition exhibit designed to promote healthy eating. A highlight was an activity allowing children to use their imaginations to create faces, animals and other creations from fresh Texas fruits and vegetables. Produce choices were Texas apples, broccoli, potatoes, carrots, celery, bell peppers and citrus.

- TDA continues to work with other state and federal agencies as well as private entities to develop policies and programs to protect human health and natural resources. The quality and quantity of the state's usable water resources currently is a primary area of much study and research.

- TDA is a designated member of the Texas Groundwater Protection Committee and its subcommittees that deal with agricultural chemicals, education and public outreach, point source and nonpoint source pollution, water research priorities and legislative initiatives. TDA also participates in the Texas Watershed Protection Committee that was formed to address atrazine detections in state surface waters.

- TDA staff represents the EPA Region 6 states on the SFIREG Working Committee on Water Quality & Pesticide Disposal covering issues of national importance. In addition TDA, in cooperation with the Texas Cooperative Extension and the Texas Commission on Environmental Quality, participates in regional waste pesticide collections of unwanted or unused (waste) pesticides throughout the state as part of the Agricultural Waste Pesticide Collection Program. The collections also provide a forum for TDA to discuss the proper use, storage and disposal of pesticides with urban and agricultural users thus preventing potential water contamination due to improper disposal.

- The Environmental Protection Agency has cited TDA's voluntary endangered species protection approach as a model for other states because of TDA's collaborative effort that includes the Texas Cooperative Extension, the Texas Parks and Wildlife Department, the U.S. Fish and Wildlife Service, the Texas Commission on Environmental Quality, the Texas State Soil and Water Conservation Board, the Environmental Protection Agency, the Texas Department of Transportation, the Nature Conservancy of Texas, the Audubon Society, producer groups, pesticide manufacturers and landowners.

- TDA personnel assist regional endangered species task forces in identifying and managing endangered species and addressing related issues. Emphasis is placed on coordinating and assisting multi-agency natural resource task forces that deal with species that affect broad areas of the state comprised of many counties. Task forces assisted include the Texas Black-tailed Prairie Dog Working Group, the Leon River Restoration Project, the Colorado River Saltcedar Control Work Group and the Pecos River Ecosystem Project.

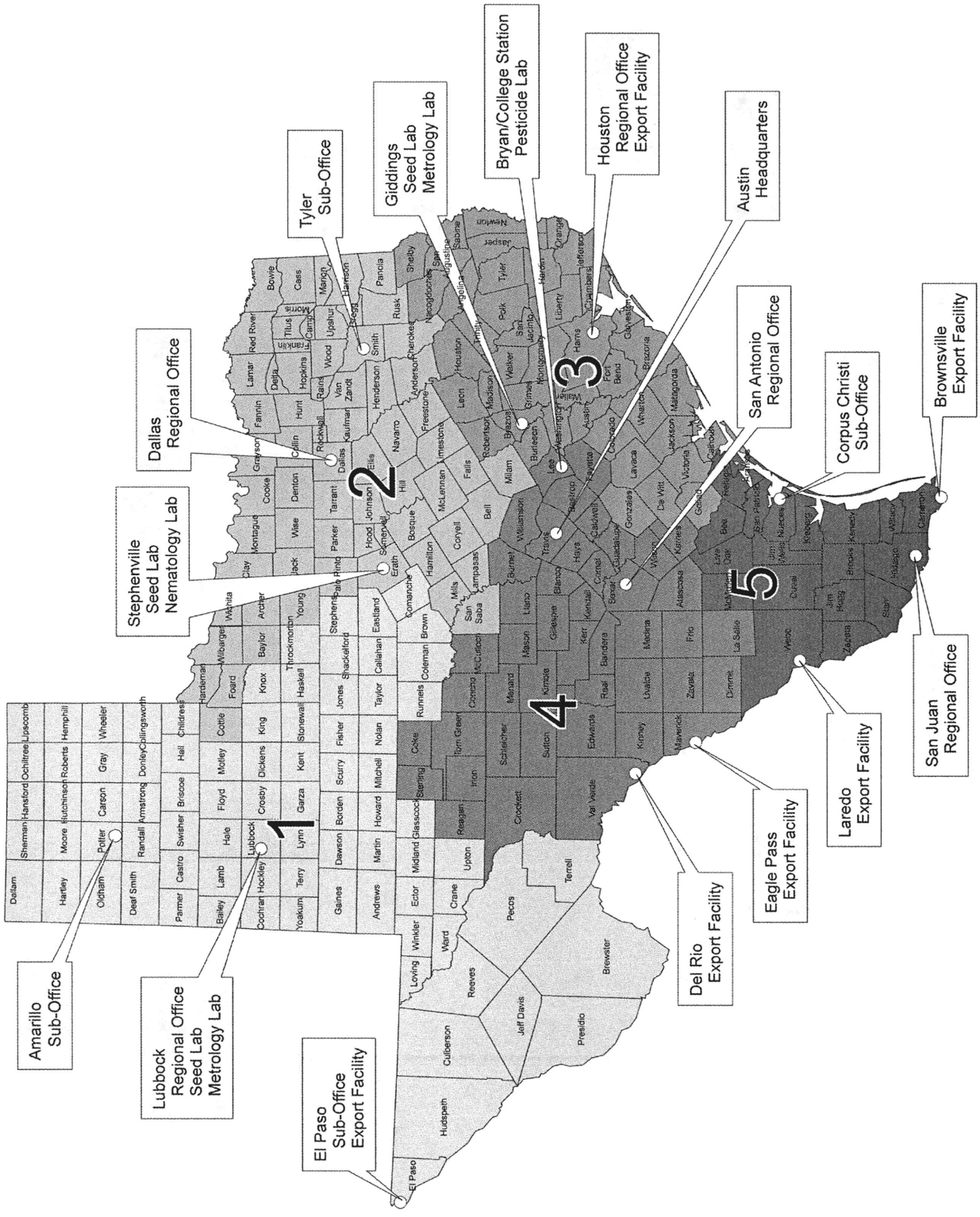
- TDA helped assure consumers across the nation that the Texas and U.S. beef supply was safe following the confirmation that the 12-year-old cow testing positive for Bovine Spongiform Encephalopathy – commonly known as mad cow disease – was from a Texas herd. The cow, which was originally tested and sampled in November 2004, was blocked and removed from the human food supply at the time of testing. The infected cow was born before the industry's ban on feeding ruminant-derived protein to cattle.

- Agriculture Commissioner Susan Combs urged Texas farmers and ranchers along the Gulf coast and in the potential path of Hurricane Rita to take the necessary precautions to protect their livestock, other animals and farming equipment from damaging winds and possible flooding. Combs directed people to the Texas Animal Health Commission, which had a list of facilities across the state accepting livestock and pets from hurricane evacuees.

- Agriculture Commissioner Susan Combs applauded the Texas agriculture industry and agriculture-related agencies and associations across the state in their all-out Herculean efforts to help farmers, ranchers and agribusinesses impacted by Hurricane Rita. TDA efforts included: (1) staff in Austin answering phones and coordinating efforts; (2) through the Hay and Grazing Hotline, TDA has been able to help producers locate hay and pastures for lease; (3) personnel in the Houston regional office delivering hay and feed to some producers in hard-to-reach areas; (4) the Austin staff located fuel for a poultry operation in East Texas; and (5) TDA was a resource for producers needing contacts for disaster assistance information, such as unemployment assistance and low interest Small Business Administration loans. This information also was sent to county judges and Farm Service Agency offices in the impacted counties.

- When wildfires burned 1 million acres in the eastern half of the Texas Panhandle in January 2006, Commissioner Combs met with U.S. Department of Agriculture officials in Washington, D.C., to request funding to assist area farmers and ranchers. The commissioner also wrote the Texas delegation in Washington requesting help to reimburse livestock owners for losses, including feed and feed transportation costs because of the loss of grazing pasture. The letter also requested emergency conservation program funding to rebuild fences and remove debris. She also called for a temporary change to the tax code to allow a deduction to the ranchers for the value of their "raised" livestock, based on the value of the animals at the time of loss and urged a tax credit be allowed for all the replacement animal costs incurred during the next 12 months. TDA helped coordinate information efforts and updated its Hay and Grazing Hotline twice a day to include information from Texas cotton gins, such as the availability of cotton burrs, cottonseed and gin trash to assist with feeding cattle. TDA also compiled a list of livestock haulers to assist in moving livestock out of the area. In addition, TDA staff from Region 1 worked at the hay and feed distribution centers set up to help area ranchers. In areas and towns that lost electricity, TDA personnel delivered hard copies of the Hay and Grazing Hotline and disaster information to county judges, feed stores, grain elevators and local coffee shops. Following the fires, TDA met with area officials to keep them updated on resources for disaster assistance.

REGIONS SERVED



FUNDING AND FULL-TIME EQUIVALENTS

TDA was appropriated $116.7 million in its bill pattern for the 2006-07 biennium. The method of finance for this funding includes general revenue, earned federal funds, dedicated general revenue, other funds, inter-agency contracts and appropriated receipts.

The agency was authorized 524.5 Full-Time Equivalents (FTEs) for the 2006-07 biennium per the General Appropriations Act. TDA requested a reduction of 20 FTEs in the 2006-2007 biennium by streamlining operations with a redesigned computer system. Therefore, the total authorized FTEs are now 504.5.

TDA relies on a competent and knowledgeable staff to effectively and efficiently administer the state's agricultural laws.

EQUAL EMPLOYMENT

TDA provides employment opportunities to all employees and qualified applicants regardless of race, color, national origin, sex, age, disability or veteran status. TDA is committed to identifying, recruiting, selecting and retaining a diverse workforce that is representative of the state's labor force and aggressively seeks to do so. In addition, all employees are provided equal opportunities to training and career development activities.

As of August 2005, Blacks and Hispanics made up more than 36.8 percent of the agency's work force, compared with 39.1 percent in fiscal year 2004 and 40.2 percent in fiscal year 2003. Other ethnic groups currently comprise 3.4 percent of TDA's labor force, compared with 3.3 percent in fiscal year 2004 and 3.1 percent in fiscal year 2003. Texas minority labor force percentages (in some categories) have increased compared with previous years and with this increase TDA's labor force (in some categories) continues to reflect the Texas labor force.

The table below provides an analysis of the agency's workforce for the past three fiscal years compared with the minority labor force in the Texas Workforce Commission Civil Rights Division's *Equal Employment Opportunity and Minority Hiring Practices Report* published February 2005.

MINORITY LABOR FORCE ANALYSIS

AUGUST 2005

JOB CATEGORY	LABOR FORCE BLACK	TDA BLACK	LABOR FORCE HISPANIC	TDA HISPANIC	LABOR FORCE FEMALE	TDA FEMALE
Officials/ Administrative	7.1%	12.5%	15.2%	16.6%	44.1%	37.5%
Professional	7.9%	9.9%	14.4%	25.2%	54.4%	34.0%
Technical	10.4%	6.5%	19.8%	24.0%	47.5%	25.8%
Para-Professional	17.9%	13.3%	31.8%	13.3%	55.6%	73.3%
Admin Support	9.9%	22.0%	23.2%	31.4%	61.5%	90.7%
Skilled Craft	4.7%	0.0%	34.1%	0.0%	7.0%	0.0%
Service/ Maintenance	8.7%	0.0%	33.0%	83.3%	39.9%	0.0%

APRIL 2004

JOB CATEGORY	LABOR FORCE BLACK	TDA BLACK	LABOR FORCE HISPANIC	TDA HISPANIC	LABOR FORCE FEMALE	TDA FEMALE
Officials/ Administrative	7.3%	15.4%	11.6%	7.7%	31.6%	26.9%
Professional	9.3%	10.7%	10.9%	26.2%	46.9%	32.3%
Technical	13.7%	7.4%	18.9%	18.5%	39.4%	33.3%
Para-Professional	17.9%	14.3%	31.4%	17.4%	55.8%	78.3%
Admin Support	19.0%	27.3%	27.0%	33.0%	80.0%	89.0%
Skilled Craft	10.4%	0.0%	29.5%	0.0%	10.2%	0.0%
Service/ Maintenance	18.4%	0.0%	44.2%	100.0%	24.9%	0.0%

SEPTEMBER 2003

JOB CATEGORY	LABOR FORCE BLACK	TDA BLACK	LABOR FORCE HISPANIC	TDA HISPANIC	LABOR FORCE FEMALE	TDA FEMALE
Officials/ Administrative	7.0%	16.7%	11.0%	8.33%	31.0%	20.8%
Professional	9.0%	10.4%	10.0%	26.4%	47.0%	32.4%
Technical	14.0%	13.6%	18.0%	25.0%	39.0%	38.6%
Para-Professional	18.0%	12.0%	31.0%	20.0%	56.0%	84.0%
Admin Support	19.0%	28.1%	27.0%	30.3%	80.0%	88.8%
Skilled Craft	10.0%	0.0%	28.0%	0.0%	10.0%	0.0%
Service/ Maintenance	18.0%	0.0%	44.0%	100.0%	26.0%	0.0%

RECRUITMENT AND RETENTION

The purpose of TDA's recruitment and retention efforts is to identify, recruit and retain a multi-talented and culturally diverse professional and non-professional workforce in science, technology, and financial and other related fields, representative of the citizens of Texas.

To recruit qualified employees, TDA participated in 10 career fairs at universities and colleges across the state in fiscal years 2004 and 2005. Attendees of these events include both the professional and nonprofessional workforce, many of whom possess a degree with an agricultural concentration. To further enhance TDA's recruiting efforts, TDA's Human Resources Division sends job postings to junior colleges, colleges and universities across the state. TDA also actively administers a strong internship program.

To retain employees, TDA encourages internal promotions and employment opportunities for career advancement and offers a multitude of training, education and varied work experiences to employees for their personal and professional growth. TDA has a Telework Program to allow eligible employees and positions to work from home and also offers flex-time schedules for some positions. TDA also engages in Work Force Planning to develop recruiting and retention strategies.

EDUCATIONAL LEVELS AND CLASSIFICATIONS

The majority of positions at TDA require a 4-year degree from an accredited college or university because of the technical nature and specific concentration of positions. The most commonly used classifications are the Inspector series, with 124 FTEs, followed by Program Specialists with 103 FTEs and Administrative Assistant with 58 FTEs.

TURNOVER RATE

The turnover rate for fiscal year 2005 was 13.5 percent, 16.4 percent for fiscal year 2004, and in 2003 it was 20 percent. The current Commissioner assumed office in January 1999.

The inability of the state to match industry salaries and salary limitations for merits will continue to be a challenge in reducing our turnover. TDA will continue to address this issue with various retention and recruiting efforts.

Retirement is also a factor in the turnover rate. TDA retirees accounted for 4.1 percent of the terminations in fiscal year 2005. Approximately 30 percent of TDA's workforce will be eligible to retire within the next five years.

FACILITY INFRASTRUCTURE

AGENCY HEADQUARTERS

TDA is located in the Stephen F. Austin Building in the capitol complex, a state-owned building operated by the Texas Building and Procurement Commission (TBPC). The agency currently occupies approximately 45,529 square feet of office space. Parking is provided by TBPC for each TDA employee stationed at headquarters.

REGIONAL OFFICES, SUB-OFFICES, WAREHOUSE AND LABORATORIES

In addition to the Austin Headquarters, the agency maintains five field offices, three sub-offices, six laboratories and six export pens strategically located throughout the state. The offices listed below comprise approximately 149,587 square feet of office, laboratory and storage space.

Regional Offices are located in:
- Dallas
- Houston
- Lubbock
- San Antonio
- San Juan

Sub-Offices are located in:
- Amarillo
- Corpus Christi
- Tyler

Seed laboratories are located in:
- Giddings
- Lubbock (Regional Office)
- Stephenville

Pesticide residue laboratory is located in:
- College Station

Metrology laboratories are located in:
- Giddings
- Lubbock (Regional Office)

Livestock export facilities are located in:
- Brownsville
- Del Rio
- Eagle Pass
- El Paso
- Houston (George Bush Intercontinental Airport)
- Laredo

Warehouse is located in:
- Austin

VEHICLES

TDA maintains a fleet of approximately 208 vehicles, with 200, or 96 percent of them, assigned to field staff and 8 vehicles, or 4 percent, located in Austin. The 8 vehicles in Austin are in a pool and available to all employees by request. TDA field employees use vehicles primarily to conduct inspections, investigate complaints and promote Texas agricultural products and loan programs throughout the state.

To maximize the use and efficiency of our state vehicles, TDA follows the guidelines of the Fleet Management Plan replacement policy. This plan requires vehicles in the field to be replaced if any of the following criteria apply: mileage over 100,000; more than six years old; unsafe to operate; or not cost effective to repair. As a result, TDA needs to replace approximately 30 to 32 vehicles per year. However, the Capital Budget included with the agency's appropriation only allows us to replace approximately 20 vehicles per year.

Once vehicles are retired from the field office, they may be reassigned to headquarters to conduct short trips within the Austin area for mail pickup and deliveries, or to assist in building maintenance in other field facilities.

NEEDED CAPITAL IMPROVEMENTS:

- In FY05, the Brownsville Export Facility had rebuilt the office completely after mold and asbestos abatement, and the existing canopy structure was completely overhauled and repainted. Because of the age of the remaining five export facilities (El Paso, Eagle Pass, Del Rio, Laredo and Houston), maintenance and repairs are needed. Repairs include: roof repairs, inside wall and ceiling repairs because of water leaks; hydraulic chutes in the pens; some structure repairs in the pens; asphalt/concrete repair around the pens and office building; shade materials for the pens, and the replacement of one or more of the skid loaders.
- A new equipment storage shed is needed at the Giddings Seed Laboratory. This shed will be used to store and secure tractors, welders, chemicals, tools and other farm planting equipment.

HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

The HUB Program promotes equal opportunity in the contract awards process for qualified businesses that do business with Texas State government.

WHAT IS A HUB?

A HUB is defined as a corporation, sole proprietorship, partnership, joint venture or supplier with its principal place of business in Texas and which is formed for the purpose of making a profit. They are otherwise legally recognized as a business organization under the laws of Texas, provided that at least 51 percent of the assets and 51 percent of any classes of stock or equitable securities are owned by one or more persons who are members of these groups that have been economically disadvantaged by business practices of the past: Black Americans, Hispanic Americans, Asian Pacific Americans, Native Americans and American women.

The mission of the HUB Program is to continually work to make a good faith effort to eliminate barriers for HUBs, to purchase from HUBs, and to include HUBs in the procurement process based on the results of the statewide disparity study and in accordance with the objectives of the state's HUB Program.

TDA has established and implemented policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of HUBs in the procurement process. The department's HUB goals are based on the results of the Texas Disparity Study. The state disparity study found that in some categories, a group is not under-utilized if their actual utilization rate exceeded 80 percent of their availability within a particular contracting category during the program period studied. As a result of this study, the goals have been "adjusted" in those categories.

GOALS AND OBJECTIVES

Through all reasonable means available, TDA strives to award procurement and contracting opportunities to minority- and women-owned businesses. The agency's goal is to meet or exceed the percentages as indicated below. These goals, and the performance of TDA for the previous two years, are shown in Table 1.

Of the six procurement categories established by the disparity study, TDA traditionally has used three: Commodity Services, Other Services and Professional Services. Only certain allowed object codes (expenditure codes) within each category are included in these goals. TDA's HUB goals are to meet both the overall or "unadjusted" goals as well as "adjusted" goals under the disparity study.

TABLE 1
HUB GOALS AND TDA PERFORMANCE

Category	TDA Performance		Goals for
	2004	2005	2006
Heavy construction other than building contracts	N/A	N/A	N/A
Building construction, including general contractors and operative builders contracts	N/A	2.69	N/A
Special trade	2.75%	7.29%	N/A
Commodity services	26.7%	19.4%	12.6%
Other services	8.48%	18.2%	33.0%
Professional services	14.6%	36.2%	20.0%

Table 2 below shows the number of bids received, number of contracts awarded and the amount of HUB purchases in the last five fiscal years. The amounts TDA spent with HUBs increased from 2004-2005. TDA will strive to continue this upward trend.

TABLE 2
NUMBER OF HUB BIDS RECEIVED, CONTRACTS AWARDED AND AMOUNTS SPENT

Fiscal Year	Number of Bids Received	Number of Contracts Awarded to HUBs	Amount Spent with HUBs
2001	559	361	$938,776
2002	597	346	$685,859
2003	603	441	$1,353,177
2004	1,080	387	$827,426
2005	935	329	$918,963

The Agency's HUB Coordinator position is the responsibility of the Purchasing Coordinator in the Financial Services Division. The Financial Services' Purchasing Section administers the agency's HUB Plan, which is responsible for the agency's procurement process. Within the Purchasing Section, the Purchasing Coordinator performs various program tasks, including reports and follow-up.

STRATEGIES FOR ACHIEVING HUB GOALS AND OBJECTIVES

TDA prepares and distributes information on procurement procedures in a manner that encourages participation in agency contracts by all businesses. The agency uses the Texas Building and Procurement Commission (TBPC) Centralized Master Bidders List/Historically Underutilized Business (CMBL/HUB) directory as its primary source for notifying businesses of procurement-related activities and opportunities. The agency posts bid information on the Electronic State Business Daily, also known as the *Texas Marketplace,* for procurement opportunities expected to cost $25,000 or more.
All specifications for bids are reviewed to ensure they are structured into reasonable lots in keeping with industry standards and competitive bid requirements.

Bond and insurance requirements are assessed and designed to reasonably permit more than one business to perform the work.

Delivery schedules are reviewed and specified to ensure they are reasonable, realistic and consistent with the agency's actual requirements.

Specifications are reviewed to ensure that the requirements, terms and conditions reflecting the agency's actual requirements are clearly stated and do not impose unreasonable or unnecessary contract requirements.

The agency submits an addendum in accordance with Gov' Code 2161.525 for solicitations when TDA has determined that subcontracting opportunities are probable. This program fits in with the "Mentor-Protégé Program, which required TBPC to design this program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract. TDA continues to contact vendors to see if there is a possibility to match vendors for a possible Mentor-Protégé relationship.

TDA is committed to reaching new and potential HUB vendors and to this end, TDA hosts and co-hosts various HUB forums across the State of Texas each year.

TDA will conduct training sessions on an as-needed basis for all agency employees involved in the procurement process. Staff will have the opportunity to learn about HUB legislation, HUB goals and overall HUB program objectives during these sessions.

TDA will continue to fulfill our "Good Faith Effort" to reach out to HUBs and foster new endeavors with this segment of the business community.

GENERATING MARKETS

TDA seeks to generate markets for Texas products through the following programs:

- Marketing and Promotion Division
- Other Marketing and Promotion Programs; including export facilities, Market News reporters, and Texas Agricultural Statistical Service (TASS)
- Rural Economic Development

MARKETING AND PROMOTION

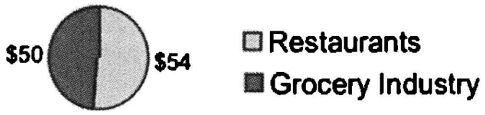
The mission of TDA's Marketing and Promotion Division is to increase sales and awareness of products grown, processed and produced in Texas through GO TEXAN, a focused, broad-based strategic marketing and promotion effort designed to link buyers and sellers of Texas-produced and Texas-processed products. The program works to expand markets for agricultural products through program membership, focused marketing campaigns and state, national and international promotions and events. In addition, the division assists with the marketing and promotion of rural Texas through Texas Yes!, a TDA initiative launched in 2003, and in the promotion of children's nutrition through work with the agency's Food and Nutrition Division.

The department's marketing programs touch every segment of agricultural production and processing in Texas, including food, shrimp, oyster, wine, fiber, horticulture/forestry, livestock, and rural communities and businesses.

FOOD

The food industry accounts for a major portion of the consumer's dollar in Texas. Together, Texas' retail supermarkets/grocery stores and restaurants account for approximately $104 billion in sales each year in Texas, as shown in the chart below:

ANNUAL FOOD SALES IN TEXAS ($104 BILLION)



Sources: Texas Restaurant Association; The Progressive Grocer's Marketing Guidebook

Through its marketing programs, TDA promotes the sale of Texas agricultural food products to supermarkets, grocery stores and restaurants, and expands the economic benefit to Texas agricultural producers and processors, which benefits all Texas residents. Members of the GO TEXAN program can use the high-profile GO TEXAN logo on their labels to designate their product as Texas-made.

FIBER

Texas currently leads the nation in the production of cotton, wool and mohair. Of these, cotton contributed $2.1 billion in value of production in 2005, making it the state's number one cash crop. Although the total number of sheep and Angora goats in Texas has been declining in recent years, Texas ranchers produce about 15 percent of the U.S. wool clip and more than 80 percent of domestic mohair. In 2005, Texas produced 5.6 million pounds of raw wool valued at $5.3 million and 1.5 million pounds of grease mohair worth $4.4 million.

The Fiber Marketing program also includes leather and leather goods derived from animals. Other fiber and exotic hide products have new potential niche markets both domestically and internationally. Texas continues to see a major reduction in textile processing, including spinning, knitting, weaving and cut-and-sew operations. Most fiber is processed outside of Texas and the United States. TDA's marketing staff helps make market

connections for export of Texas fiber and hides while also working to maintain and increase Texas production of finished goods.

GO TEXAN.

GO TEXAN

TDA uses the GO TEXAN promotion program and its distinctive GO TEXAN design and promotional mark to create name-brand recognition for all Texas products and to emphasize the Texas image of products produced and processed in Texas.

The GO TEXAN membership program was launched in 1999 for producers, processors and manufacturers of Texas agricultural products including; food, wine and other beverages, fiber, horticulture and forestry products, and livestock products. In 2003, the Texas Legislature broadened the program to include non-agricultural products processed and produced in Texas.

All GO TEXAN members receive the right to use the GO TEXAN design and promotional mark on their products and promotional materials to identify their products as Texas-made. They also receive the GO TEXAN Infoletter with marketing news and information and are listed on TDA's online member database. Agricultural program members may participate in promotional activities organized by TDA staff and are eligible to apply for matching funds through the GO TEXAN Partner Program, designed to leverage the dollars available to promote their Texas agricultural products.

The Associate GO TEXAN Member Program provides a way for entities that are not producers, processors and manufacturers of Texas agricultural products – such as retail grocery chains, media outlets and printing companies – to use the GO TEXAN design and promotional mark. Associate GO TEXAN members may promote Texas products that meet GO TEXAN standards and rules.

TDA's Bringing Resource Integration and Data Together for Greater Efficiency (BRIDGE) database lists marketing program members by category and includes contact, business and product information. The database allows TDA staff to track successes, including the number of members, sales and referrals, for official reporting by TDA to the public, state oversight agencies and the Texas Legislature.

MARKETING'S SALES AND REFERRALS
FISCAL YEARS 2004-05

SALES AND REFERRALS	2004	2005
Companies Reporting Sales	2,421	3,146
Business Referrals	6,343	6,621
Total Sales and Referrals	**8,764**	**9,767**

The GO TEXAN Partner Program (GOTEPP) is a dollar-for-dollar matching fund promotion program established in 1999 by the 76th Texas Legislature. The program is designed to increase consumer awareness and expand the markets for Texas agricultural products by developing a general promotion and advertising campaign for specific Texas agricultural products based on project requests submitted by eligible applicants. Award decisions are made by the GOTEPP Advisory Board, an independent panel comprised of professionals with expertise in media, advertising, agriculture, e-commerce, government, economics and marketing. Decisions are made on a scheduled basis of no less than biennially. GO TEXAN agricultural membership or associate membership is required to participate in the GOTEPP program. Current GOTEPP members must submit project proposals to be considered for awards.

HORTICULTURE, PRODUCE AND FORESTRY

The Texas horticulture industry is the fourth largest agricultural segment in the state. This industry includes nursery/greenhouse producers, landscape services, retail garden centers, mass merchandisers and florists. Horticulture is the fastest-growing agricultural segment in Texas. Texas nursery/greenhouse growers generated more than $1.3 billion in farm-gate sales in 2000, according to the *American Nursery & Landscape Association 2002 Scope Report*. Although this is the latest Scope report, TDA's 2004 Agricultural statistics report shows $1.39 billion in receipts. Sales by nursery

growers, retail garden centers, home centers and landscape-related firms in Texas have an economic impact on the state of about $9.7 billion a year (expressed in 2004 dollars). Texas also remains an important player in the produce market. The total value of the citrus industry to the Texas economy normally is more than $200 million. The total crop value to the citrus growers usually tops $50 million annually. Texas produced $366 million of commercial vegetables in 2004 this is down from the $460 million in 2003. Nevertheless Texas vegetable production is a vital part of Texas agriculture. TDA's forestry programs promote producers of Texas trees and seedlings for landscaping, timber production and land reclamation and conservation. The program also markets Texas timber for manufacturers and retailers of furniture, home furnishings, building materials, pulp, paper and other wood products. The Texas timber industry employs 91,000 people and generates about $10.3 billion in gross sales with a $22 billion total impact to the economy.

TDA's Horticulture, Produce and Forestry Marketing program helps promote Texas horticultural, produce and forestry producers in a number of ways, including:

- GO TEXAN promotions at Texas nurseries, garden centers and retailers, encouraging shoppers to pick Texas first by identifying Texas-grown selections.
- TDA booths at trade shows, special events and gardening festivals, providing information on Texas growers and their products.
- Published articles and columns on Texas-grown plants, flowers, trees, shrubs and grasses.
- Promotional and marketing materials to link buyers and sellers.
- Promoting the Farm to School Program to schools and producers

INTERNATIONAL

To make the most of Texas' marketing and export opportunities, TDA works with farmers, ranchers, commodity organizations, cooperatives and businesses through the GO TEXAN campaign to promote all Texas agricultural products from food, fiber and wine to forestry and horticulture. The goal is to increase sales of these products not only at home but also abroad.

Texas is one of the top export states in the United States. Traditionally, our success as an exporter has been in commodities. Texas' top agricultural exports are:

- Live animals and meat;
- Cotton and cottonseed;
- Feed grains and products; and
- Hides and skins.

Mexico and Canada are Texas' most important trade partners, especially since the passage of the North American Free Trade Agreement in 1994. From 1993 to 2005, U.S. agricultural exports to Mexico have almost tripled, rising from $3.6 million to $9.4 million. Since 2001, U.S. agricultural trade with Canada has increased by 30 percent with U.S. agricultural exports to Canada increasing from $ 8.12 million to $10.57 million. Texas exports for all industries in 2005 totaled $128.7 billion, with approximately $3 billion of that coming from agricultural products.

TDA, in partnership with the Southern United States Trade Association, conducts trade missions and reverse trade missions for the export of Texas agricultural products to all parts of the world.

TDA has an international marketing staff that can help assess export readiness as well as provide export marketing counseling and assistance with export financial assistance programs.

LIVESTOCK

Texas livestock and products generated more than $8 billion in cash receipts in 2004. The Texas cattle and calf industry accounted for the largest share of the livestock industry with cash receipts of $7.9 billion in 2004. The broiler industry accounted for the third-largest share in 2004 with cash receipts of $1.4 billion. Texas milk production followed closely with $976 million in cash receipts. Egg production led to $306 million in cash receipts.

Other important livestock industries in Texas include horses, hogs, sheep/lamb and mohair. According to the Texas equine industry, cash receipts for horse sales in Texas annually top $354 million. Figures from the Texas Agricultural Statistics Service (TASS) show cash receipts for hogs were $89 million in 2004. Texas sheep and lamb production generated $58 million, while mohair production generated $3 million in cash receipts.

The Texas livestock industry also includes industries such as honey, farm-raised chickens and catfish. Together, all other livestock industries generated about $250 million in cash receipts in 2004. This figure also includes goat production other than for mohair. The meat goat industry has seen rapid growth in recent years, and it is expected to continue.

To help sustain and boost these sales, TDA marketing

staff across the state assist buyers and sellers of all animal types and breeds, purebred livestock, livestock genetics and seed stock. TDA provides assistance to domestic and international buyer groups, which includes hosting direct ranch and manufacturer visits. TDA also provides translation services for international buyers at state and regional livestock shows and helps facilitate sales at these shows. TDA, in partnership with U.S. Livestock Genetics Export Inc. (USLGE), conducts reverse trade missions for the export of livestock and livestock genetics to areas such as Mexico, Brazil and other Latin American countries and Asia.

NUTRITION EDUCATION AND OUTREACH

In 2003, the Texas Department of Agriculture (TDA) became the administering state agency for the U.S. Department of Agriculture's Child Nutrition Programs. In 2004, TDA implemented a new school nutrition policy as a result of collaboration with parents, school administrators, school foodservice, nutritionists, health professionals and food industry representatives. All Texas public schools participating in the federal child nutrition programs must comply with the policy. The policy limits access to Foods of Minimal Nutritional Value (FMNV), fat grams, sugar and the sale of foods that compete with foodservice meals. Deep-fat fried foods will gradually be phased out.

According to recent statistics, 35 percent of Texas school-age children are overweight or obese (severely overweight) – higher than the national average. Texas schools serve more than 400 million lunches and almost 200 million breakfasts each year, all of which meet federal nutrition guidelines. Together these meals should provide 60 percent of the students' dietary needs. TDA's Food and Nutrition Division has teamed up with school districts, foodservice directors and parents to address the problem of skyrocketing childhood obesity rates and to work with schools in providing healthy food choices for students through the school meal programs.

The agency's nutrition marketing effort utilizes the resources in Marketing and Promotion, with staff working closely with the Food and Nutrition Division to promote healthy child nutrition and the school meals and Square Meals programs through the development of educational materials, outreach items and online resources.

STATE FAIR

The State Fair of Texas is a spectacular showcase of exhibits, entertainment and competition presented each fall at historic Fair Park in Dallas. More than 3 million people attend this 24-day event, making it the largest State Fair in the country and one of the largest annual expositions in the world.

For more than 35 years The Texas Department of Agriculture's Food and Fiber Pavilion located in the heart of Fair Park has provided an opportunity to educate the public about the valuable resources and the diverse industry of Texas agriculture. The Pavilion is packed with the best that Texas has to offer, including a variety of exhibitors, sponsors and event presenters coming together under one roof, showcasing the array of products grown, sewn, and processed right in the Long Star State. The Pavilion provides shopping opportunities in the GO TEXAN stores, educational and entertaining programs, interactive exhibits, sampling opportunities of some of the tastes of Texas and general information about Texas agriculture.

TEXAS SHRIMP MARKETING PROGRAM

Commercial shrimp production is Texas' most valuable commercial fishery industry, with an annual value for 2004 of more than $137 million. Commercial landings of shrimp were more than 70 million pounds for Texas, per National Oceanic and Atmospheric Administration data. Texas produces approximately one-third of the total U.S. Gulf of Mexico shrimp harvest, which in turn comprises about 80 percent of the country's total shrimp harvest. In 2001, Brownsville-Port Isabel ranked 14th in the nation in harvest value while Palacios, Port Arthur and Galveston also ranked in the top 25 ports. The state also leads the nation in shrimp aquaculture, harvesting over 6.8 million pounds of farm-raised shrimp in 2005.

In recent years, high fuel prices and an influx of imported shrimp have created instability within the domestic shrimp industry. To support the Texas shrimp enterprise, the 78th Texas Legislature passed legislation charging TDA to promote and market Texas-produced shrimp, both wild-caught and farm-raised, and to educate the public about the Texas shrimp industry. The goals of the Texas Shrimp Marketing program include increasing sales of Texas shrimp by educating consumers and food service professionals of the importance of purchasing Texas shrimp and helping sustain the Texas shrimp industry by encouraging practices that support a healthy market and fair competitive pricing for Texas shrimp

The marketing efforts are funded by surcharges on bay and

gulf shrimp boat licenses issued through the Texas Parks and Wildlife Department and aquaculture licenses issued through TDA. Additional federal funding has also been appropriated for marketing efforts. Total budget amount approved for the 2006-07 biennium is approximately $520,000 per fiscal year, including federal grant funding.

WINE

Texas is the fifth-largest wine producing state in the nation, farming over 3,200 acres of wine grapes. The Texas wine industry contributes about $200 million a year to the state's economy and supports about 1,800 jobs for Texans. The direct excise tax sales impact is $3.7 million and the indirect and direct tax impact is $9.7 million. About 60 percent of all Texas wine is sold from supermarkets, 23 percent through liquor package stores, 8 percent from wine tasting rooms and 9 percent from festivals and private clubs. Wine production in 2005 was estimated to be 1.7 million gallons. The state has more than 100 wineries in production with several others pending approval.

The major grape varieties in Texas are Chardonnay, Sauvignon Blanc, Cabernet Sauvignon, Chenin Blanc and Merlot. Texas also grows a wide array of other varieties such as; Sangievese, Syrah, Viognier, Grenache, Tempranillo, Primativo and Blanc du Bois. Texas has eight designated viticultural areas: the High Plains, the Hill Country, Bell Mountain, Fredericksburg, Escondido Valley, the Davis Mountains, Mesilla Valley (which Texas shares with New Mexico) and the Texoma Viticultural area located in North Texas.

Texas law now allows Texas wineries to ship wines to their customers across the state, generating new opportunities to promote Texas wines.

TEXAS YES!

The Texas Yes! program is a broad-based TDA membership program that creates a single rallying call for rural Texas. Texas Yes! encourages rural communities to share and promote tourism as a way to successfully build a network of thriving rural Texas communities ensuring sustainable economic growth, business development and the prosperity of rural Texas towns, cities and counties. There are three membership categories: Community Member (with full membership benefits), Business Member (with limited benefits) and Associate Member (with limited benefits). There is an application to become a Texas Yes! Member, but there is no fee.

Full member benefits include an array of features, such as:

- Matching fund opportunities
  - Texas Yes! Hometown STARS Program
  - Texas Yes! Bootstrap Bucks Program
  - Texas Yes! Rural Beautification Program
- Marketing
  - Statewide Texas Yes! promotional campaigns
  - Online events calendar
  - Online rural destination guide
  - Use of Texas Yes! service mark
- Information
  - Marketing and rural tourism workshops hosted across the state
  - Guidebooks on event planning, downtown beautification and more
  - Regular newsletters with actionable info
  - E-mail alerts for the latest news and dates
- Networking
  - Contacts and programs at other state and federal agencies
  - Online member database
  - Secrets to small town successes from other Texas Yes! members
- Recognition
  - Hardworking Community Awards Ceremony
  - Statewide Texas Yes! media coverage
  - And more!

Texas Yes!

OTHER MARKETING AND PROMOTION DIVISION PROGRAMS

Included in this category are other programs related to promoting the sale of Texas agricultural products and assisting Texans engaged in agriculture to expand profitable markets for their products. Among these are:

LIVESTOCK EXPORT PENS

TDA has five facilities along the Texas-Mexico border where livestock and poultry are presented for inspection to Mexican officials to expedite a safe and smooth transfer from sellers throughout the United States and Canada to international buyers. A sixth facility, located at the Houston International Airport, is available by appointment for exports by air and sea. The Brownsville facility is also authorized by USDA to conduct boat and airplane transfers.

LIVESTOCK EXPORT ACTIVITY: 2001-2005

	2001	2002	2003	2004	2005
Livestock	505,121	767,400	514,601	337,792	148,440
Poultry	406,950	153,200	44,312	12,000	0
Total, Export Activity	912,071	920,600	558,913	349,792	148,440

Maintenance of the export pens is funded by a portion of the yardage fees collected at each location. Export fees were increased during the last legislative session to maintain and update our export facilities. However, the $200,000 cap for lease and maintenance payments is proving to be too low to keep pace with the improvements needed to safely operate these facilities.

MARKET NEWS SERVICE

The TDA Market News Service collects, compiles and disseminates current and unbiased objective information on marketing conditions affecting livestock, grains, fruits and vegetables, poultry and eggs. Reports include information on prices, volume, quality, condition and other useful information on subjects connected with the marketing and distribution of Texas farm products. This information provides buyers and sellers with the data necessary for making intelligent, informed marketing decisions.

TDA's Market News Service reports on a total of 15 different commodities in various areas of the state. Market information is distributed promptly via TDA's toll-free, in-state telephone number. This information can be obtained outside of Texas and internationally by a phone number linked to the computerized voice-mail system. Other methods of market news dissemination include the Internet, printed and faxed reports, as well as the news media (radio, newspapers and farm periodicals).

TEXAS AGRICULTURAL STATISTICS SERVICE (TASS)

TASS employees work closely with the U.S. Department of Agriculture to conduct surveys and provide agricultural statistical information related to Texas products. TASS employees provide records of state, district and county estimates for major field crops, small grains, livestock, fruit, pecan and vegetable inventories based on information received from farmers and ranchers. All crop estimates include those for acreage planted, acreage harvested, yield and production.

TASS information is available on the Internet, at agricultural shows and in printed materials. TDA funds the printing of the annual Agricultural Statistics Bulletin and the twice-monthly Texas Agricultural Facts.

PRODUCER RELATIONS AND COMMODITY BOARDS

TDA has oversight responsibility for the following commodity boards:

- Sheep & Goat Predator Management Board
- Texas Citrus Producers Board

- Texas Corn Producers Board
- Texas Grain Sorghum Producers Board
- Texas Mohair Producers Board
- Texas Peanut Producers Board
- Texas Pecan Producers Board
- Texas Rice Producers Board
- Texas Wheat Producers Board
- Wintergarden Spinach Producers Board

TDA's responsibilities for these boards include:

- Approving annual budgets for each board;
- Posting agendas for board meetings in accordance with the Open Meetings Act;
- Attending board meetings; and
- Approving the process of electing board members

RURAL ECONOMIC DEVELOPMENT

TDA's rural economic development efforts have grown significantly during the past several years. In 1999, the 76th Legislature mandated TDA to increase retention and expansion of existing agricultural businesses, non-agricultural businesses and agricultural-related businesses and to assist in the creation or attraction of rural businesses. The 77th Legislature expanded TDA's role in economic development by adding additional staff members and transferring the Office of Rural Affairs and administration of the Texas Capital Fund from the Texas Department of Economic Development to TDA. In the 79th legislative session, TDA was given the certified retirement community program to administer for the state and the Entrepreneur program.

The rural economic development programs within the agency provide broad-based assistance to help local economies expand by assisting with rural tourism, small town revitalization and agricultural diversification. TDA works with many businesses and communities to enhance their economic outlook and provide economic opportunities to the 3.2 million Texans that reside in rural areas. TDA's partners contributing to this goal are:

- Governor's Office of Economic Development and Tourism
- U. S. Department of Agriculture
- U.S. Economic Development Administration
- U.S. Small Business Administration
- Texas Cooperative Extension
- Office of Rural Community Affairs
- Regional and local economic development organizations
- Banking institutions and associations
- Utility providers
- Local colleges and state universities
- Trade groups, such as rural railroads, telecommunication companies and agricultural producers

Rural communities face mounting challenges, which have an adverse impact on both the agricultural and non-agricultural industries residing in those communities. The major challenges and opportunities facing rural Texas that impact the department's rural economic development programs are:

Population Changes: Population is decreasing in some areas of the state and aging beyond working years in many rural areas. For example, while Texas' population increased 1.9 percent between 1997 and 1998, a prosperous period for Texas and the nation, approximately 75 Texas counties had no increase in population or experienced a net loss of population. Between 1950 and 2000, 19 rural counties saw constant population decline and 45 experienced a major decline. Between 1990 and 2003, Texas' total population grew 30 percent, while non-metropolitan areas only grew about 12 percent.

Between 1995 and 2000, the number of Texas farms and ranches increased from 222,000 to 226,000. However operations with gross farm revenue of less than $10,000

(the smallest farms that do not generally support a family) increased by 9,000, while farms with revenues of between $10,000 and $99,999 actually decreased from 61,000 to 56,000. The number of farms with receipts of at least $100,000 remained flat. The poverty rate (as of 1999) in non-metro areas was 18.7 percent, compared with 14.5 percent in metro areas.

While total farm cash receipts remain relatively constant at approximately $13.2 billion each year, average farm income generally declined from 1990-1998 from $15,479 to $13,282.

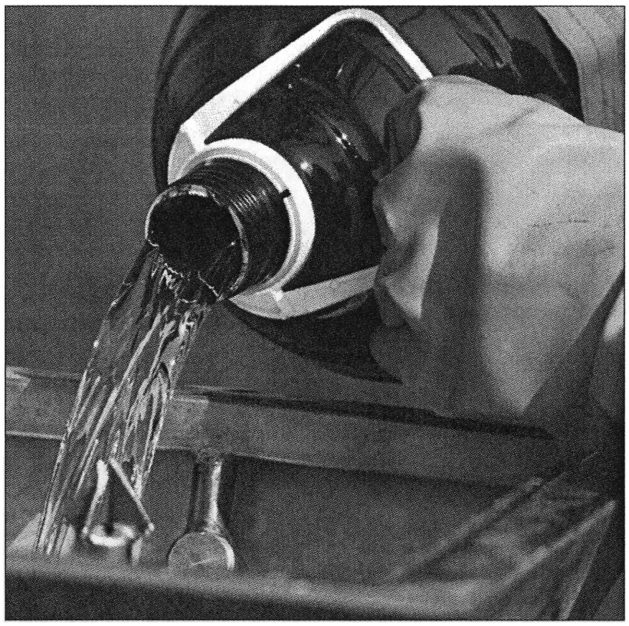
Access to Funding: Rural communities need access to vital information regarding state and federal agencies with funding capabilities to develop community and business infrastructure and to use an existing labor force.

Economic Development Issues: The infrastructure required for business development is not comparable in many rural areas to urban areas in terms of roads, utilities and water resources. The skilled labor supply is limited. Many rural areas lack state-of-the-art telecommunications and adequate railroad and highway transportation infrastructures. Additionally, health care availability is a major concern in many rural areas.

TDA provides technical and educational assistance to the target constituents through a field-based staff and Austin-based program staff. Field-based personnel are often the first point of contact and provide a wide variety of information on assistance available through TDA and its partners. Program staff in Austin administer the Texas Capital Fund and programs of the Texas Agricultural Finance Authority. The program staff also work closely with the Marketing and Promotion staff in administration of the Texas Yes! initiative.

The Texas Capital Fund provides funds for economic development, including funds to assist in job creation and to improve downtowns in non-entitlement communities. The Texas Agricultural Finance Authority provides several programs to assist agricultural producers as well as a loan program to assist rural communities.

REGULATE PESTICIDE USE



TDA is the lead state agency responsible for the enforcement of state and federal laws as well as regulations regarding the registration, distribution and use of pesticides in Texas. The agency's Pesticide programs conduct the following activities:

APPLICATOR CERTIFICATION AND RECERTIFICATION

TDA certifies applicators who use restricted-use and state-limited-use pesticides or regulated herbicides in a variety of license categories. These applicators must demonstrate competency in the knowledge of application standards as well as knowledge of laws and regulations that govern the use of pesticides by passing various exams. Applicators certified by TDA must comply with TDA regulations to obtain continuing education units (CEUs) to renew their licenses.

CEUs may be obtained through completion of continuing education activities. This includes attending live instruction courses as well as courses that are offered by correspondence either through the use of the Internet, videos, workbooks or other similar exercises. Continuing education programs are offered by Texas Cooperative Extension (TCE), trade associations, colleges, government entities and various for-profit course providers.

The Pesticide Education and Outreach Program of the Pesticide Division is responsible for coordinating the initial certification and recertification of applicators and the following functions: writing, delivering and maintaining exams for initial certification; approving courses for recertification; approving and maintaining agreements for the reciprocity of exams (in-state and out-of-state); coordinating with TCE for the development and maintenance of certification training materials; and reporting numbers and accomplishments to the Environmental Protection Agency (EPA) for grant accountabilities.

The Pesticide Division has input at the national level with regard to issues related to the certification of pesticide applicators by being a part of the EPA Certification and Training Advisory Group and being a member of the American Association of Pesticide Safety Educators.

COMPLIANCE

TDA continues to educate pesticide users, and this education increases compliance with pesticide laws and regulations. Staff experience shows that most users want to comply with pesticide laws but often lack proper information for complete compliance. The concept of inspection, education and re-inspection has been very effective in bringing about compliance with pesticide regulations. In the event that education does not work, appropriate fines and penalties provide a strong incentive for full compliance.

Geographic information system (GIS) and global positioning system (GPS) technologies are used to enhance pesticide compliance and enforcement activities. Regional pesticide inspectors are trained to use GPS technology to collect data that allows TDA, using GIS, to create maps that document aspects of pesticide investigations, such as pesticide drift patterns, field characteristics and layout. This technology helps to provide a precise record to aid in the enforcement of state and federal pesticide use regulations.

The addition of the Bringing Resource Integration and Data together for Greater Efficiency (BRIDGE) Data System and the Performing Inspections Enforcement Recruitment (PIER) supporting system for TDA pesticide inspectors should significantly increase the efficiency in regulating and enforcing the distribution and use of pesticides.

TDA serves as a resource for the "Texas County Cleanup" program, administered by the TCEQ. The program provides for the proper collection and recycling

of pesticide containers across the state. TDA provides outreach data to both the public and TCEQ regarding this program. In addition, TDA will provide inspectors when needed at the collection sites.

ENDANGERED SPECIES PROTECTION

TDA maintains a voluntary endangered species protection approach, which has demonstrated successful partnerships with various stakeholders. EPA has cited this approach as a model for other states because of TDA's collaborative effort that includes the Texas Cooperative Extension, the Texas Parks and Wildlife Department, the U.S. Fish and Wildlife Service, TCEQ, the Texas State Soil and Water Conservation Board, EPA, the Texas Department of Transportation, the Nature Conservancy of Texas, the Audubon Society, producer groups, pesticide manufacturers and landowners.

TDA personnel assist regional endangered species task forces in identifying and managing endangered species and addressing related issues. Emphasis is placed on coordinating and assisting multi-agency natural resource task forces that deal with species that affect broad areas of the state comprised of many counties. Task forces assisted include the Texas Black-tailed Prairie Dog Working Group, the Leon River Restoration Project, the Colorado River Saltcedar Control Work Group and the Pecos River Ecosystem Project.

FOOD SAFETY

The Food Quality Protection Act (FQPA) has created a renewed awareness of food safety regarding pesticide residues in agricultural crops, especially in products consumed by children. TDA is among 12 states in the nation actively participating in the USDA's Pesticide Data Program. TDA collects pesticide residue data and contributes to a pesticide residue database of commodities sampled from U.S. markets and selected imports. TDA staff participate in many FQPA discussion groups at the federal, state and producer levels and provide technical advice and expertise in risk assessments.

Under FQPA requirements, TDA conducts extensive data searches to determine potential impacts to human health, with emphasis on potential effects to children. In addition, TDA assesses potential risks from pesticide use on ecological communities, endangered species and the environment. This necessitates frequent communication and data exchange with responsible federal and state entities and pesticide registrants.

REGISTRATION

EPA's implementation of the FQPA has a profound impact on the registration of pesticide products in Texas. Specific uses and tolerances of many active ingredients in pesticides grouped as organophosphates have been reduced and/or eliminated. Moreover, FQPA mandates have enhanced the level of health and environmental risk assessments of pesticides that TDA considers for Section 18 specific exemptions and 24(c) Special Local Need registrations. TDA works closely with U.S. Environmental Protection Agency (EPA) to accommodate the rapidly occurring changes in the federal registration of pesticide products.

The FQPA had a profound impact on the way pesticides are regulated. EPA approval of federal registrations (Federal Insecticide, Fungicide and Rodenticide Act [FIFRA] Section 3) for pesticides was greatly slowed and caused delays in new "reduced risk" pesticides reaching the marketplace. With fewer pesticides available to use, producer requests to the Texas Department of Agriculture for Emergency Exemptions (FIFRA Section 18) were necessary to provide growers with the tools necessary to maintain agricultural productivity, pending EPA approval of registrations for new pesticides.

The workload associated with pesticide registration continues to increase because of new pests and the sometimes-limited availability of federally registered products available to solve pest problems. Some pests develop resistance to a registered product and by the time a federal registration is granted, a different approach must be developed.

In an ongoing effort to ensure all pesticide products that require registration with the department are in compliance, the Pesticide Division sends letters of notification to companies whose pesticide products are not registered with the department. When this occurs, inspectors issue a Stop Use, Stop Distribution or Removal Order (SUSDRO). The program is administered by the Pesticide Policy and Compliance Program, which monitor the issuance of these orders. The result has been improved cooperation by companies in either removing their unregistered products from distribution or properly registering these products with the state.

RESIDUE LABORATORY

The department's pesticide residue laboratory in College Station continues to produce top-quality information and analysis for the state and nation. The key to the laboratory's future success relies on keeping equipment and materials up to date. As the pesticide industry prepares new formulations, the laboratory must develop state-of-the-art techniques for analyzing these formulations. In addition to supporting enforcement and investigative procedures of TDA's Pesticide Program, the laboratory gathers data for the U.S. Department of Agriculture's Pesticide Data Program, which provides information to the U.S. Department of Agriculture concerning pesticide residues on our food. The laboratory also provides analytical support for the TDA Organic Certification Program, Imported Fire Ant Program and the Texas Structural Pest Control Board. The laboratory is one of the cornerstones of credibility in the pesticide enforcement program. The reliability of their analyses has been a major factor in successful and effective enforcement proceedings.

TRAINING AND PROFESSIONAL DEVELOPMENT

TDA continues to place a high premium on training of field inspectors. Pesticide Inspectors are provided regimented training on a variety of pesticide topics designed to increase professional skills and maintain a high level of knowledge and performance. Training efforts are designed to enhance the inspector's basic understanding of pesticide inspection and incident investigation policies and procedures. Activities include both classroom instruction as well as on-the-job training. The Pesticide Division develops, revises and maintains manuals that inspectors use as resource materials in performing their pesticide regulation responsibilities.

TDA's relationship with U.S Environmental Protection Agency (EPA) continues to be a cooperative partnership. TDA has been granted maximum flexibility in its work plan based on past performance. EPA relies on TDA to assist with developing training programs that have been implemented nationally and internationally. Because of TDA's strong commitment to training, the agency has conducted and participated in pesticide training efforts for Mexico's pesticide officials, for pesticide inspectors from other states involved in the Pesticide Inspector Residential Training Program and for EPA's Pesticide Regulatory Education Program initiatives.

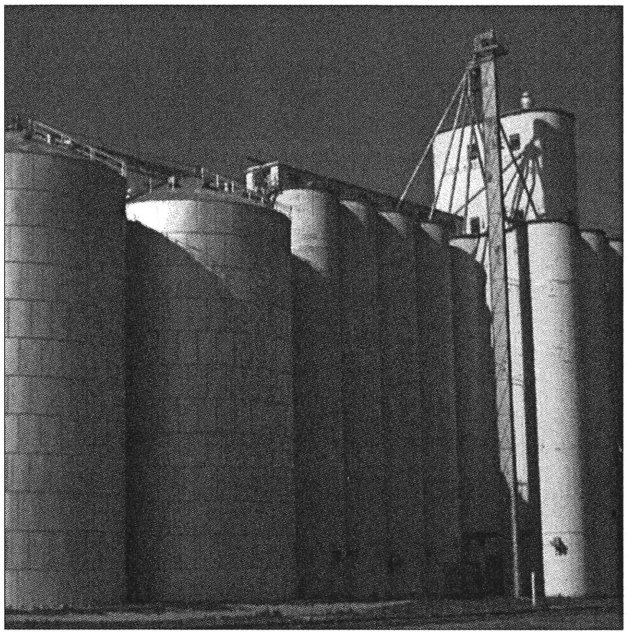
TDA maintains communication with pesticide companies to obtain information necessary for enforcement analyses as products and technologies change. The chemical industry is responding to market demands for products more specific in nature. To reduce input and thus costs, producers want to apply the minimum amount of chemicals necessary to treat a particular pest. As a result, the popularity of single pesticides that cover a broad spectrum of pests has declined. The industry is working to meet the challenge of maintaining product stewardship and presenting information to the consumer and the public on product safety.

WORKER SAFETY

TDA has incorporated Worker Safety compliance procedures as part of a comprehensive inspection scheme employed by the Pesticide Program. These inspections are used to determine the regulated community's level of compliance with all state and federal laws.

TDA maintains a working relationship with the Texas Migrant Council, the Texas Workforce Commission, the Texas Produce Association and the National Migrant Resource Protection Program. Staff also work with EPA, the Centers for Disease Control and Prevention and the State Department of Health Services on environmental health issues as they relate to worker safety.

REGULATE AGRICULTURAL COMMODITIES AND MEASURING DEVICES



TDA's Regulatory Division ensures the quality of consumer products before they are sold. This division also protects producers and consumers through licensing and inspection of the regulated community; testing and regulation of seed quality; and preventing the movement of harmful pests into Texas. Through our strategic planning process, the department has identified ways to improve enforcement of regulatory statutes while increasing the ability to provide efficient and extraordinary service to constituents. TDA staff is now implementing a more intense system of risk-based assessments across regulatory programs to better focus inspection resources and improve the ability to protect constituents.

AGRICULTURAL COMMODITY REGULATION

With the egg industry moving toward larger operations, small producers are contracting with and supplying large packers and wholesale distributors. As a result, the department has simplified carton-labeling requirements to allow packers to affix license numbers of their satellite offices to the end of a carton. Because of a change in federal law, the department also changed its rule regarding egg storage temperature, lowering the temperature requirement from 60 to 45 degrees Fahrenheit. However, included in the state rule is the provision that any different standard adopted by the U.S. Department of Agriculture or the Federal Drug Administration shall prevail. To avoid duplication of inspection efforts at retail stores, the department has entered into a memorandum of understanding with the Texas Department of Health that specifies each agency's egg inspection responsibilities. Extensive egg training is provided to our inspectors to ensure the eggs they inspect meet the grade, size and quality standards set by TDA.

The use of high-tech equipment by the egg industry has been attributed to a continued increase in compliance. To avoid duplication of inspection efforts of packing facilities, TDA will not be inspecting eggs at those facilities that are under the USDA inspection program. To improve compliance and oversight, TDA is distributing its inspection efforts over a wider spectrum of egg retail business types (i.e., grocery and convenience stores) to better focus resources toward locations that may have a higher risk of non-compliance. TDA has also increased out-of-state egg record audits for facilities shipping eggs into Texas to ensure compliance with regulatory statutes.

AQUACULTURE

The 76th Legislature in 1999 clarified and enhanced TDA's regulatory responsibilities over aquaculture facilities in Senate Bill 873. Previously, TDA registered aquaculture facilities and the Texas Parks and Wildlife Department (TPWD) regulated the facilities. With the passage of SB 873, TDA continues to register aquaculture facilities and in addition writes rules regarding the regulation of the industry working with TPWD, Texas Commission on Environmental Quality (TCEQ) and the Texas Animal Health Commission. TCEQ will continue to issue wastewater discharge permits to aquaculture facilities that discharge into or adjacent to state waters.

The 78th Legislature established the Texas Shrimp Marketing Assistance Program and directed TDA to collect a surcharge on aquaculture license fees to fund the program. In an attempt to set an adequate and equitable surcharge, TDA chose to collect the surcharge based on the number of surface acres each aquaculture licensee dedicates to shrimp production.

TDA continues to work with the industry to promote aquaculture and is helping improve the interagency relations between TCEQ and TPWD to ensure that the regulation of aquaculture is conducted in a manner that is both collaborative and efficient.

TDA's future challenges are to assist the industry in the

expansion, promotion and profitability of aquaculture so as to remain competitive in what is now one of the fastest growing segments of U.S. agriculture.

COTTON STALK DESTRUCTION

TDA continues to yield good results with cotton stalk destruction efforts, especially now that all cotton-growing areas of the state are participating actively in boll weevil eradication. Stalk destruction violations have dropped significantly because of increased compliance with the Cotton Pest Law, as producers acknowledge the benefits that cultural and control practices create. In response to producer requests and to increase program effectiveness, the department is restructuring some pest management zones and is revising some stalk destruction requirements. In 2005, TDA overhauled and dramatically shortened procedures whereby the department itself can destroy noncompliant fields whose operators are unresponsive to stalk destruction requirements. At the same time, TDA strengthened enforcement procedures with regard to repeat offenders. The previous year, TDA developed streamlined procedures for granting extensions to the cotton stalk destruction deadline for zones, areas, or counties in need of temporary relief because of weather-related delays in their ability to destroy stalks at the end of the growing season. Also, to simplify paperwork for cotton producers and in preparation for moving to computer-based enforcement tracking, TDA updated inspection forms to better coordinate monitoring of fields with the Texas Boll Weevil Eradication Foundation in eradication zones. The procedure ensures that fields out of compliance after a stalk destruction deadline are identified immediately and appropriate enforcement action is taken.

TDA has implemented a boll weevil quarantine to ensure that eradicated areas are not artificially re-infested by weevil-infested quarantined articles (i.e., trucks, farming equipment) moving through eradicated areas. To prevent transportation of boll weevils into areas where they are near eradication, the department has implemented road stations to intercept shipments of contaminated harvesting equipment and now requires ginners to have compliance agreements to move seed cotton from quarantined areas into restricted zones. Also, TDA stepped up enforcement of a program to assure that non-commercial cotton permits be obtained by persons growing cotton for reasons such as research, outreach, education or ornamentation. Several areas have suppressed boll weevil populations to a level that will require enforcement of existing quarantine restrictions. In particular, the Southern Rolling Plains and the Rolling Plains Central zones have been declared *functionally eradicated* of the boll weevil. In 2004 populations of boll weevils in the Northwest Plains, Northern High Plains, Northern Rolling Plains, Southern High Plains/Caprock, Western High Plains, Permian Basin, and El Paso/Trans Pecos were declared to be *suppressed*. During 2005 the last remaining cotton producing parts of the state became active zones for boll weevil eradication. The final goal for a zone is to achieve eradicated status (complete absence of the boll weevil).

Elimination of boll weevil re-infestations can be expensive. In areas of the southeastern United States, the control to stop re-infestations ranged from $20,000 to more than $1 million, with an average cost of $125,000 per outbreak. The designation as suppressed will invoke quarantine restrictions on the movement of regulated articles from a quarantined area into a restricted area, thereby protecting these zones from boll weevil re-infestation. TDA will cooperate with the Texas Boll Weevil Eradication Foundation to inspect and certify quarantined articles prior to movement into or through suppressed, functionally eradicated or eradicated areas. Restrictions between functionally eradicated and the newly suppressed boll weevil zones will continue to be enforced. As eradication programs eliminate the boll weevil as a major pest, cotton production will become a more profitable enterprise. Additional modifications to existing regulations will ensure program flexibility to address specific local needs and provide for greater acceptance of the program.

As cotton producers continue to endorse Integrated Pest Management (IPM) strategies such as stalk destruction and combine them with comprehensive control efforts like area-wide boll weevil eradication programs, the economic benefits of increased yields and lower production costs will allow Texas to continue its reign as the top cotton-producing state in the nation.

GRAIN WAREHOUSE

With continued fluctuation in grain prices, there is an associated risk of potential grain warehouse violations. To make inspections more efficient, the department has implemented lasers to obtain more accurate measurements and save inspection time.

A computerized grain warehouse inspection program (Examhand) will be implemented in the near future to also reduce the time to inspect a location.

New fees and rules adopted May 17, 2004, have resulted in greater protection of stored grain as a result of more comprehensive and updated requirements.

INTEGRATED PEST MANAGEMENT (IPM)

From 2000-2005, TDA issued 120 grants totaling $1.4 million for IPM-related projects. Because of budget cuts, TDA suspended giving further grants during 2004 but was able to re-instate the program in 2005 using budget savings. Since there is not an appropriation for this program, future grants will only be possible if a source of funds can be identified.

Producers increasingly are using biotechnology as bio-engineered products enter the marketplace. Biotechnology continues to produce new crop varieties with built-in resistance to pests and diseases and tolerance to herbicides. Use of biotechnology in agriculture has reduced production costs by decreasing pesticide use and effect on the environment. Food safety concerns should become less of an issue as public education programs are developed through cooperation with consumer groups, industry, university experts, the U.S. Department of Agriculture and TDA. IPM practices will also continue to expand as more restrictions are placed on available pesticides and with the possible loss of some organophosphate and carbamate insecticides because of the federal Food Quality Protection Act.

METROLOGY

The Metrology Program provides certification of weights and measures standards that are backed up by national and international standards. This is accomplished through an unbroken chain of traceability to the National Institute of Standards and Technology (NIST). These national standards are directly traceable to the International Bureau of Weights and Measures in Paris, France. TDA is the custodian of measurement standards at the state level for mass, length and volume. The Metrology Program supports the weights and measures industry and enforcement officials throughout the state. These standards are used in a wide variety of applications to inspect and certify all types of weighing and measuring devices according to specified accuracy requirements. The annual inspection and certification of these standards have a direct impact on consumers and commodities packed in Texas. They also impact packaged and bulk commodities that cross state and international lines. Depending on the desired accuracy, there are many different types or classes of standards. The Texas Metrology Program has the largest workload of any state metrology program in the United States, certifying approximately 28,000 standards per year. Private industries, such as pharmaceutical, manufacturing, aerospace and high-tech also seek TDA's services.

TDA was granted legislative approval in 2001 to build a new state-of-the-art metrology lab. The new lab was completed in April 2003 and is located in Giddings adjacent to TDA's Seed Laboratory. In addition, with the increasing demand from International Organization for Standardization certified companies requesting that TDA provide ISO 9000 traceable certification services, the new laboratory allows TDA to continue helping Texas companies expand their markets globally.

MEXICAN FRUIT FLY SUPPRESSION

In a unique three-party relationship since 1981, TDA has worked in cooperation with the U.S. Department of Agriculture's Animal and Plant Health Inspection Service - Plant Protection Quarantine and the Texas citrus industry in conducting a Mexican fruit fly suppression program to minimize fruit damage and the risk of spreading the Mexican fruit fly to other citrus-producing areas. The Mexican Fruit Fly Program continues to monitor fly populations and release sterile flies in commercial citrus groves. The program strives for continual improvement through annual reviews and modifications based on new research findings. Trapping also continues for the Mediterranean and other fruit fly species, such as the West Indian fruit fly and the sapote fruit fly, to ensure early detection of these devastating pests.

Mexico maintains fumigation restrictions on imported Texas citrus. To reduce or eliminate costs associated with the ongoing Mexican Fruit Fly Program and to expand export of Texas citrus to other countries without restrictions, TDA is working with USDA, the citrus industry and neighboring states in Mexico to initiate a Mexican Fruit Fly Eradication Program.

PLANT QUALITY REGULATION

The department has increased its enforcement of nursery/floral registration requirements as well as its monitoring of movement of quarantined pests and diseases from other states. Compliance has increased as the department maintains an aggressive enforcement program.

The plant quality program continually coordinates with other states to negotiate newly established quarantine restrictions as pests are discovered in Texas and in other states. Of particular note at present are quarantines for gypsy moth, diaprepes root weevil, sweet potato weevil, reniform nematode, burrowing nematode, Japanese beetle and the red imported fire ant. Phytosanitary and quarantine programs are vital to ensuring that Texas products are able to move freely through commerce and for protection of our industry. Asian gypsy moth, soybean rust, sudden oak death, pink hibiscus mealy bug, citrus greening and other citrus pests are monitored and strategies are being developed for their containment, treatment and eradication in cooperation with USDA-APHIS-PPQ, state agencies and industries.

To ensure the ability to continue to market Texas nursery products, the program negotiates survey activities and develops standards for sampling shipments. The challenge for the program is to develop a solution that will work for Texas as well as the receiving state. Also, the introduction of more foreign products to the market will require a greater effort in the state and federal phytosanitary certification program. Ways to bolster these programs and certification are under consideration. As federal funding is reduced or eliminated for domestic pest programs, TDA will have to develop alternative methods to deal with these and other potentially invasive pests, such as sudden oak death, pink hibiscus mealy bug, channel apple snail, Japanese dodder, broomrape and others, that constantly threaten Texas nursery and agricultural products. In addition, TDA must be prepared for emergency responses to detect, contain, monitor and eradicate any pest eventuality of agricultural and homeland security concern.

Although TDA does not regulate honeybees in Texas, it is the only agency that can issue phytosanitary certifications for the movement of beehive equipment to imported fire ant (IFA) free areas. The Honeybee Equipment Certification program was developed in cooperation with the beekeeping industry and the State Apiary Inspection Program and has greatly facilitated shipments to California.

TDA is the lead regulatory agency and plays a central role in preventing the artificial spread of the IFA into non-infested areas through regulatory and quarantine actions. These regulatory activities also serve as the foundation for phytosanitary certification of plant material marketed outside of Texas. TDA continues to emphasize a number of regulatory measures to help control the spread of IFA. These activities involve annual surveys, establishment of quarantine areas, treatment of newly established populations, distribution of quarantine maps, export certification of products and locations free of IFA infestation, establishing compliance agreements with nursery/floral businesses for quarantine treatment, certification of beehive equipment for the shipment of beehives to IFA-free areas, and monitoring shipments from IFA-infested areas

USDA has reduced domestic staff positions in recent years, and there was additional staff transferred to the Department of Homeland Security. As a result, TDA staff now issue more federal phytosanitary certificates for products exported from the state than in the past. As global trade and the demand for certificates increases, TDA is hard pressed to meet all the requests of Texas exporters. If requests continue to increase, exporters of Texas products may experience delays, which could result in the loss of foreign and domestic markets. The rapid growth of e-commerce is also an area where regulatory oversight is a challenge. Industry and consumer cooperation in this area as well as electronic exchange of information on rules and regulations will continue to play a major role in the program.

To protect the agriculture industry, TDA must be ready to respond to new exotic pests that may enter the state. TDA continues to detect Japanese beetle, gypsy moth and citrus root weevils in various counties across the state through pheromone trapping. The positive detections of such pests have adversely affected shipments of Texas nursery-floral products moving to some states. In response, the department's Regulatory Division has developed a strategy to deal with the Japanese beetle in Texas that facilitates the movement of nursery/floral products into other states and is working in collaboration with Texas A&M University to contain and eradicate a small infestation of citrus root weevils detected in McAllen.

To better protect Texas agriculture, TDA needs to make significant changes in monitoring pests at critical entry points through road station inspections. Road station

inspections are a viable tool in conducting quarantine enforcement. Our current efforts are effective, but only on those days when inspectors are monitoring shipments moving into the state. Using specialty crop grant funds obtained from USDA and additional funds, the department conducted 17 72-hour road stations from August 200 to May 2005, and found that there is a need for better placement of road station inspection sites and their permanent operation. For managing the introduction of pests, these locations need to be situated closer to the Texas borders and should be staffed adequately. Because industry is supportive of improving our monitoring and enforcement efforts for shipments entering the state, TDA will continue to explore options to strengthen quarantine enforcement through road station inspections.

The Plant Quality Program is also working with other states to overcome phytosanitary barriers to facilitate the movement of Texas products previously prohibited because of quarantine restrictions. For example, TDA has worked with the departments of agriculture in Arizona, California, Florida, Mississippi and New Mexico on the issuance of a permit to facilitate nursery shipments into their states. Mississippi maintains a quarantine for the channel apple snail, which occurs in some areas of Texas and through compliance agreements, plant shipments from infested areas are allowed into Mississippi. TDA compliance agreements allow shipment of repackaged fruit to Arizona and California. The department has worked with the Arizona Department of Agriculture to establish a protocol for mail-order shipment of agricultural commodities and roses. The department cooperated with the Florida Department of Agriculture and Consumer Services to develop a system for irradiated fruit shipments under the Caribbean fruit fly quarantine and on updating palm lethal yellowing quarantines. By facilitating plant import permits and administration of the post-entry quarantine program, olive production in Texas has increased substantially.

Because of an increase in global trade through international treaties and technological advances, an exponential increase in the invasion of pest organisms, including noxious and invasive weed species, is expected. TDA needs to acquire and re-allocate resources as well as solicit cooperation of the industry to prevent the entry of invasive pests. TDA also must develop new strategies to identify, survey, monitor, contain and control these pests. The department is currently cooperating with California Department of Food and Agriculture, USDA, Texas Cooperative Extension and Texas Agricultural Experimental Station to contain the infestation of sudden oak death fungus. The cooperative efforts will continue to be a key component in protecting Texas agriculture from pest invasion in the future.

OCTANE TESTING

In fall 1998, TDA began obtaining samples for octane analysis to ensure that the octane level posted for retail motor fuel dispensers is accurate. The initial results found a non-compliance rate of more than 20 percent. Based on these results, the octane program has been expanded so that many more samples could be analyzed. More inspectors were trained and available for sampling to provide the state with an expanded coverage area. By expanding the program, consumers across the state can be assured that in addition to checking fuel pumps for accuracy, octane levels posted on fuel pumps are also being tested. The department has implemented the use of portable octane analyzers, which are used to screen samples that may otherwise require testing from an octane testing laboratory. If the portable octane analyzer produces favorable results for a sample, that sample is not sent to the lab, thus decreasing the department's laboratory testing costs. In fiscal year 2003, 2004, and 2005 the department respectively saved more than $77,000, $129,000 and $135,000 in octane lab testing fees. As the use of more portable octane analyzers increases throughout the state, we expect to further reduce operational costs.

ORGANICS

The Organic Certification Program continues to develop under the direction of the USDA National Organic Program. This program has evolved from one of voluntary compliance to a mandatory program of credible regulation and monitoring that ensures organic claims are accurate. The USDA-AMS adopted national organic standards in April 2001 that were fully implemented in October 2002, and provide a more consistent standard for organic products nationwide. Organic production methods are applied to a number of industries including wool, mohair, beef and poultry. TDA has adopted organic standards to provide for these areas of agricultural protection. Program participation has decreased sharply because of exemptions provided

under the National Organic Standards for certain businesses; however, participation by producers is anticipated to increase steadily during the next four years. TDA has been granted accreditation as an organic certifying agent by USDA's National Organic Program.

PERISHABLE COMMODITIES - HANDLING AND MARKETING

Under this program, a produce dealer or buyer must pay an annual fee into a special trust fund in addition to fees required for licenses. If, in the course of day-to-day operations, a licensed dealer does not pay a producer for produce sold, the producer may recover a portion of their losses from the Produce Recovery Trust Fund, created from the collection of these annual fees.

PRODUCE CERTIFICATION

The Texas Cooperative Inspection Program (TCIP) was created through a cooperative agreement between USDA and TDA. TCIP provides USDA certification of the quality of fresh fruits, vegetables, nuts, peanuts and other specialty products to businesses located throughout Texas.

USDA's grading services for fresh fruits and vegetables are available at both shipping points and in receiving or terminal markets. Shipping point inspections are performed as commodities are packed for shipment by packinghouses.

Terminal market inspections usually involve products that are in interstate commerce. These inspections are conducted at destination points and are done primarily to determine possible quality changes during shipment.

The division of responsibilities between TDA and USDA provides TDA with oversight for all administrative functions and USDA with oversight for the training and licensing of qualified inspectors. TCIP operates entirely on user fees and by statute receives no appropriated state funds. Of the user fees, TDA receives funds to offset administrative program costs with the amount limited to no more than 4 percent of the program's annual receipts for inspections.

SEED CERTIFICATION

TDA is also responsible for providing seed certification services to producers in the state. Texas continues to produce new varieties of seed of improved quality and quantity to meet U.S. market demands as well as those import needs of countries like Mexico and the European community. The purpose of the Texas Seed and Plant Certification Program is to ensure genetic purity and identification thus creating and making available a source of high quality seed for distribution and planting. TDA continues to work with other states and countries that are members of the Association of Official Seed Certifying Agencies. This membership develops uniform seals and tag colors that can be recognized internationally as a mark of high quality seed and allows seed to be shipped to other states and countries. In working with the State Seed and Plant Board, South Texas Native, USDA-NCRS and industry, TDA has developed native plant certification standards.

SEED QUALITY

The Texas Seed Quality Program regulates one of the largest seed industries in the United States and continues to be a leader in seed regulation. The Texas Seed Law requires truth in labeling of agricultural and vegetable seed marketed in Texas. To enforce this law, TDA administers seed testing; trueness-to-variety grow outs; inspection fees; and vegetable seed licenses. Rules are continually refined to meet industry and producer demands. An implemented penalty matrix provides for greater enforcement of seed laws. Through continued efforts to keep the seed industry informed of any new developments and enforce seed laws, a high level of compliance has been observed.

Seed inspections and laboratory tests confirm more than 94 percent of seed offered for sale in the state is in compliance with seed laws. Three seed testing labs accredited by the Association of Official Seed Analysts are provided in key agricultural areas of the state to better serve industry and producers. State seed labs also support international and interstate marketing of seed by providing accurate test results necessary for seed sales and shipments. For example, the Seed Quality Program facilitates the movement of sorghum seed shipments into Mexico by providing sorghum ergot testing.

As a member of the Association of American Seed Control Officials, the Seed Quality Program works in cooperation with USDA and other state departments of agriculture to promote uniformity and proper implementation of seed laws.

TDA is continuing to plan for the future by training and educating personnel, updating equipment and maintaining standards across seed labs to meet the demands of a rapidly changing domestic and foreign seed industry.

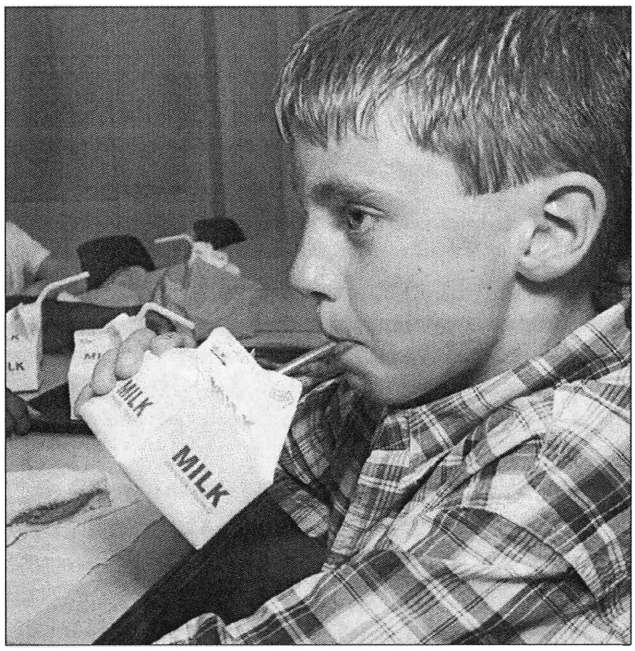
WEIGHTS AND MEASURES

Inspections in this area are being closely studied to develop more efficient inspection procedures while maintaining industry compliance. This includes providing field staff with cutting-edge technology in computer hardware and inspection software as well as the latest innovations in inspection equipment. TDA has provided inspectors with laptop computers with e-mail capabilities and continues converting many inspection forms to an electronic format. Complementing the effort of efficiency, several new volumetric provers (which are containers that measure and hold gas volumes during inspections) have been added to the program, which will speed up the time an inspector spends conducting inspections.

TDA inspectors are cross-trained to check not only weighing and measuring devices but also to conduct package and price verification (scanner) inspections and obtain fuel samples for octane analysis. In addition, TDA inspectors have undergone in-depth training on procedures set forth by the National Institute of Standards and Technology for device, package and price verification inspections. This training, coupled with an increased emphasis on enforcement, has been a major contributing factor in maintaining a compliance rate of more than 94 percent for the Weights and Measures Program. This high compliance rate combined with cross training has allowed agency inspectors to devote more time to additional consumer-related issues, such as octane testing.

Legislative changes in 2003 increased the inspection interval for all weighing and measuring devices from three years to four years. This, in conjunction with handling package and price verification inspections on a complaint basis, enabled TDA to achieve needed cost savings while minimizing the impact on services.

ADMINISTER CHILD NUTRITION PROGRAMS



MISSION/PURPOSE OF FOOD AND NUTRITION

The purpose of the Child Nutrition Programs is to safeguard the health and well-being of the nation's children by providing nutritionally adequate meals each school day and ensuring that participating children gain a full understanding of the relationship between proper eating and good health. In addition, the Child Nutrition Programs provide these children with learning experiences that will improve their eating habits.

The Texas Department of Agriculture's Food and Nutrition Division administers the National School Lunch Program (NSLP), School Breakfast Program (SBP), After School Snack and Seamless Summer Programs in Texas public schools as established by the National School Lunch Act (42 U.S.C. 1751) and the Child Nutrition Act of 1966 (42 U.S.C. 1773, 1779)

NATIONAL SCHOOL LUNCH PROGRAM

The NSLP provides nutritionally balanced, low-cost or free lunches to children each school day. In 1998, Congress expanded the NSLP to include reimbursement for snacks served to children in after school educational and enrichment programs. The U.S. Department of Agriculture's Food and Nutrition Service administers the program at the federal level. At the state level TDA operates the program through agreements with school districts.

Districts that choose to take part in the lunch program receive cash subsidies and donated commodities from the USDA for each meal served. In return, districts must serve lunches that meet federal requirements, and they must offer free or reduced-price lunches to eligible children.

NATIONAL SCHOOL LUNCH PROGRAM PROVISION 2

Provision 2 reduces application burdens and simplifies meal counting and claiming procedures. It allows schools to establish claiming percentages and to serve all meals at no charge for a 4-year cycle.

The school must serve all meals to participating children at no charge for a period of 4 years. During the first year, or base year, the school makes eligibility determinations and takes meal count by category (free, reduced, paid). During the next 3 years, the school makes no new eligibility determinations and counts only the total number of reimbursable meals served each day. Reimbursement during these years is determined by applying the percentages of free, reduced price and paid meals served during the base year to the total meal count for the claiming month. The base year is included as part of the 4 years.

At the end of each 4-year period, TDA may approve 4-year extensions if the income level of the school's population remains stable compared with the base year. Schools electing this alternative must pay the difference between federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than federal funds. Provision 2 has been an option for schools since publication of regulations in 1980.

SCHOOL BREAKFAST PROGRAM

The SBP is a federal entitlement program that provides states with cash assistance for nonprofit breakfast programs in schools. Beginning as a pilot project in 1966, the program was made permanent in 1975 and is administered at the federal level by the U.S. Department of Agriculture's Food and Nutrition Services. TDA administers the program at the state level, and school districts administer the program at the local level.

AFTER SCHOOL SNACK PROGRAM

A school district must operate the NSLP to sponsor or operate the After School Snack Program. This program provides nutritious snacks for children in after school academic programs. After school snacks are provided to children on the same income eligibility basis as school meals; however, programs that operate in areas where at least 50 percent of the students are eligible for free or reduced-price meals may serve snacks to all of their students at no charge and may claim them in the free category.

SEAMLESS SUMMER PROGRAM

Districts that participate in the NSLP and SBP may also choose to participate in the TDA-administered Seamless Summer Program. The Seamless Summer Program's purpose – like that of the traditional Summer Food Service Program administered by the Health and Human Services Commission (HHSC) – is to feed children in low-income areas during the summer months. The Seamless Summer Program operates much like the lunch and breakfast programs operate during the regular instructional year, thereby reducing paperwork and limiting administrative burdens that are normally associated with operating different programs. Districts are required to operate a summer program if 60 percent or more of their students qualify for free or reduced-price meals.

Campus/feeding sites for this program may include one or more open feeding sites within the attendance zone of a qualifying school. Qualifying sites must be located in an attendance area with 50 percent or higher free and reduced eligible students.

PROGRAM YEAR 2005 FACTS

More than 2 million Texas schoolchildren were approved for free meals, and 380,000 students were approved for reduced-price meals. Approximately 93 percent of Texas school districts participated in the Child Nutrition Programs: National School Lunch Program (1,155 districts; 6,997 schools); National School Lunch Program Provision 2 (71 districts; 664 schools); School Breakfast Program (1,170 districts; 6,950 schools); and After School Snack Program (334 districts; 2,191 schools).

In 2005 the average daily participation in the Texas school lunch program was 2.3 million students, with 1.0 million students on average participating in the breakfast program. More than 40,000 school food service professionals served those students a total of 467 million lunches, 207 million breakfasts and 17 million after school snacks last year.

To support the school districts participating in the Child Nutrition Programs, more than $1 billion in federal funds and nearly $14 million in state matching funds were reimbursed to Texas districts. An additional $100 million in USDA donated foods were also distributed.

Child Nutrition Programs have a direct economic impact of more than $2 billion each year in Texas. Currently, approximately 2.1 million Texas children are approved for free meals and 400,000 are approved for reduced-price meals. With full participation, this could equate to $1.5 billion of federal funds available to feed the children of Texas.

NEW PROGRAMS

$1.3 million has been awarded to 24 Texas public schools as part of the U.S. Department of Agriculture's Fresh Fruit and Vegetable Program (FFVP). The FFVP provides all children in participating schools with a variety of free fresh fruits and vegetables throughout the school day. It is an effective and creative way of introducing fresh fruits and vegetables as healthy snack options.

Texas schools applied for funding by submitting detailed proposals on how they plan to creatively put fresh fruit and vegetables into the hands of students. The program was open to elementary, middle and high schools across the state. When making the selections, the Texas Department of Agriculture considered school enrollment and geographic location to ensure selected schools represent a diversity of Texas schoolchildren.

FOOD AND FIBERS RESEARCH GRANT PROGRAM

The Food and Fibers Research Grant Program (Program) is the successor to the Texas Food and Fibers Commission that was transferred to the Texas Department of Agriculture by HB 373 during the 79th Regular Session of the Texas Legislature. The Program is authorized in Chapter 42 of the Agriculture Code, and Program rules are located at 4 TAC §§1.920 - 1.928. The purpose of the program is to engage the Texas food and fibers production and processing industry in funding high priority, applied research at Texas' state-supported universities, state agencies, and federal agricultural agencies.

Chapter 42 restricts Program activities to surveys, research, or investigations of cotton, cottonseed oil or other related oilseed products, wool and mohair, or other related textile products. The Program:

- Facilitates and supports research at Texas' state-supported universities, state agencies, and federal agricultural agencies
- Coordinates research networking opportunities among the universities and natural fibers and oilseed producers, processors, manufacturers, and consumers
- Provides technical outreach to private industry, universities, consumers, and government agencies
- Disseminates research information conducted on cotton, wool, mohair, and oilseeds
- Leverages private sector, federal, and university support with general revenue funds

The Food and Fibers Research Council (Council) oversees the Food and Fibers Research Grant Program and is made up of 13 members appointed by the Commissioner of Agriculture. Council members serve staggered six-year terms. Representatives include:

- The Texas Agriculture Commissioner, or his/her designee
- One representative from the Texas Cotton Ginners' Association
- Two representatives from Texas Cotton Producers
- One representative from the Texas Independent Ginners Association
- One representative from the Texas Cotton Association
- One representative from the Texas Agriculture Cooperative Council
- One representative from the Mohair Council of America
- One representative from the Texas Sheep and Goat Raisers Association
- One Texas oilseed representative from the National Cottonseed Products Association
- One representative from the Southwestern Peanut Growers' Association
- One representative from the textile or fashion industry
- One representative from the food processing industry

Two staff (a Program Director and Program Coordinator) manages the program under the guidance of the Council. Staff reports directly to the Deputy Commissioner of Agriculture. The staff:

- Coordinate Council meetings
- Consult with Council members concerning Program activities and priorities
- Cooperate with commodity groups, state universities, and government agencies to leverage funding for research projects
- Administer the research program
- Maintain outreach to the Texas food and fibers industry

Regarding the administration of Program research, 41 research projects that resulted from 74 proposals were funded for FY 2006. Seven projects were funded in the cotton area, seven projects were funded in the sheep and goat area, six projects were funded in the food protein area, 15 projects were funded in the textile area, five projects were funded in the nutrition area, and one project was funded in the information resources area. These projects will leverage approximately $3,460,000 with $1,226,456 in General Revenue. Administration

cost for the Program is $122,930. Activities that are necessary to administer the Program include:

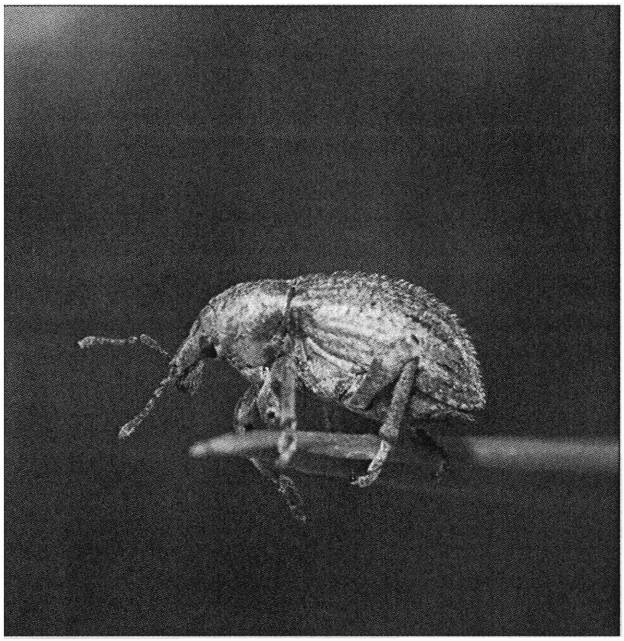
- Tracking national and state research efforts (cotton, wool, mohair, oilseeds, textiles, fashion)
- Identifying research priorities specific to Texas needs
- Requesting proposals from universities
- Reviewing proposals with assistance from external reviewers
- Recommending proposals to Council for approval
- Preparing and processing research contracts in accordance with state procedures
- Administering projects technically and financially (Review project reports and process payment vouchers.)
- Monitoring and maintaining inventory control on property purchased with Council funds
- Reviewing and processing project reports
- Conducting an annual research conference

Another critical function is to maintain outreach to the food and fibers sector of the Texas economy that include, but are not limited to the following:

- Regional cotton producer organizations
- Texas Cotton Ginners' Association
- Texas Independent Cotton Ginners'
- Texas Agricultural Cooperative Council
- Mohair Council
- Texas Sheep and Goat Raisers Association
- National Cotton Council
- National Cottonseed Products Association
- Southwest Peanut Growers Association
- Textile/fashion industry
- Food processing industry
- University research programs
- State and federal research organizations

In FY 2006, the Program significantly changed from its predecessor. Rather than two, 24 person advisory committees and the four university commissioners approving projects, the Council will approve projects. In the past, projects were restricted to the Texas A&M System, The University of Texas at Austin, Texas Tech University, and Texas Woman's University. In FY 2007, projects can be funded at any of Texas' state-supported universities, state agencies, and federal agricultural agencies. This will result in more proposals being received by the program (two or three times as many) and more competition for Program funding. Program information including executive summaries of completed projects and a listing of currently funded projects may the obtained by accessing the TDA Web site. **www.agr.state.tx.us.**

BOLL WEEVIL ERADICATION



Oversight by the Texas Department of Agriculture of the Texas Boll Weevil Eradication Foundation is set forth in the Texas Agriculture Code, Chapter 74. TDA's responsibilities for oversight of the Foundation include the following provisions:

- TDA approves budgets, posts foundation board meetings pursuant to the Texas Open Meetings Act, receives and reviews annual reports, conducts referenda to create and retain eradication zones located in Texas, and provides general oversight of the Foundation's activities.
- Administrative rules are in place to provide direct TDA oversight. TDA must approve any expenses of more than $10,000, and the foundation must provide quarterly reports. The Foundation is also subject to audits by TDA.
- TDA oversight also applies to the Compliance Certificate Program. Cotton growers who do not pay assessments in a timely manner have liens in favor of the Foundation placed on their cotton crops. If the grower sells that cotton, TDA is named as a joint payee on the check, and the grower must obtain TDA's endorsement.

STATE FUNDS

In 1999, the 76th Legislature made two separate appropriations related to boll weevil eradication. The first appropriation, $25 million, was included in an emergency appropriations bill as "drought relief" for FY 1999. $50 million was then included in general appropriations for FY 2000-01.

For the 2002-03 biennium, the 77th Legislature once again appropriated $50 million to continue eradication efforts, and in the 2004-05 biennium, the 78th Legislature appropriated $39.4 million. Most recently, the 79th Legislature appropriated $29 million for the 2006-07 biennium.

The state's current boll weevil eradication program was signed into law in 1997. As of 2005 every cotton-growing region in the state is involved in the eradication effort consisting of 16 active boll weevil eradication zones in Texas covering more than 6 million acres.

Commissioner Combs has declared eight Boll Weevil Eradication Zones as "suppressed," comprising 59 counties and more than 4 million acres in western parts of the state. "Suppressed" means that, on average, fewer than 0.025 boll weevils were found per trap per week during the cotton-growing season. The suppressed Boll Weevil Eradication Zones are Southern High Plains Caprock; Northern High Plains; Western High Plains; Permian Basin; Northern Rolling Plains; Northwest Plains; Panhandle; and El Paso/Trans-Pecos. The eight "suppressed" zones join two Texas zones that have been declared weevil free by achieving "functionally eradicated" status. The Southern Rolling Plains Zone was declared weevil free in 2000 and the Rolling Plains Central Zone in 2002.

The success of boll weevil eradication has been a major contributing factor to the increased value of the Texas cotton crop, ranking the state first in the United States in value of sales by cotton and cottonseed. In 2004 the total value of production for the Texas upland cotton crop was $1.53 billion.

WATER QUALITY ISSUES

Texas Department of Agriculture works with other state and federal agencies as well as private entities to develop policies and programs to protect human health and natural resources. The quality and quantity of the state's usable water resources currently is a primary area of much study and research.

GROUNDWATER PROTECTION

TDA is a designated member of the Texas Groundwater Protection Committee, and its subcommittees that deal with agricultural chemicals, education and public outreach, point source and nonpoint source pollution, water research priorities and legislative initiatives. Texas Commission on Environmental Quality (TCEQ) is the lead agency to coordinate all of these activities. Agricultural Chemicals Subcommittee (ACS) developed the Pesticide Management Plan (PMP) for the prevention of pesticide contamination of groundwater. TDA serves as chair of the PMP Task Force assigned to draft the generic pest management plan that was concurred by EPA in 2001. The cooperative process outlined in the PMP is effectively used to respond to pesticide detections in groundwater. In addition, TDA also serves on several other ACS task forces on best management practices, data evaluation and interpretation, and education.

SURFACE WATER ISSUES

TDA participates in the Texas Watershed Protection Committee that was formed to address atrazine detections in state surface waters. The committee, now chaired by the Texas Cooperative Extension, facilitates and cooperates with various state water quality programs that relate to agricultural activities. These programs include the Source Water Assessment Program (SWAP), the Total Maximum Daily Load (TMDL) Program Clean Rivers Program, and the Texas Agricultural/Silvicultural Nonpoint Source Management Program. The committee currently has an advisory role. TDA served as the chair of the subcommittee that developed a draft surface water management plan, which is now incorporated into the state's Comprehensive Source Water Management Plan. TDA also participates in various subcommittees on surface and groundwater, state management plan, data coordination and site selection and watershed modeling.

WATER QUALITY ADVISORY COMMITTEES

To maintain the improved water quality, TDA is able to take proactive approaches that focus on education and prevention at a local level. Examples of this proactive approach are TDA's involvement with various Regional Watershed Protection Committees, Clean Rivers Steering Committees and TMDL Advisory Committees. Currently TDA representatives serve on 14 Clean Rivers steering committees and four Regional Watershed Protection Committees. This involvement provides TDA with a forum for the exchange of information and the opportunity to advise local producers and other stakeholders on the proper use, storage, and disposal of pesticides, nutrient management, water conservation, Best Management Practices (BMPs) and other agricultural practices that may impact water quality or quantity.

TMDL STEERING COMMITTEES

TDA staff participate regularly with the Texas Water Advisory Group at TCEQ and is a current member of seven TMDL Steering Committees that have an agricultural component. Watershed TMDL segments continue to show little impact on water quality by agricultural chemicals. Exceptions to this are the sporadic detections of triazine and acylanilide pesticides throughout the state. TDA continues to work with all

stakeholders to increase the awareness of such detections. Our discussions with Texas Cooperative Extension (TCE) specialists may lead to incorporating more water courses in pesticide applicator training and exploring a method to capture the number of CEUs related to water.

TOXIC SUBSTANCE COORDINATING COMMITTEE

TDA is a designated member of the Toxic Substance Coordinating Committee (TSCC) led by the Texas Department of State Health Services and its subcommittees including the Fish Advisory Subcommittee, Toxic Algal Committee and Environmental Health Subcommittee. Harmful algae blooms continue to be a serious problem that affects the water quality and aquatic life in Texas. TSCC Harmful Algae Bloom Subcommittee coordinates research and increases public awareness on red tide, brown tide and golden algae events in the state.

GALVESTON BAY COUNCIL

TDA is also a member of the Galveston Bay Council and its Natural Resources Subcommittee.

AQUATIC VEGETATION MANAGEMENT

House Bill 3079, from the 76th legislative session, increased regulation of aquatic herbicide use in public waters by mandating that the Texas Parks and Wildlife Department (TPWD) develop a state aquatic vegetation management plan in coordination with TDA, TCEQ, water conservation districts and other appropriate political subdivisions of the state. The state plan must follow generally accepted principles of integrated pest management. Local plans could be developed but must receive approval from TPWD, TDA and TCEQ. In addition, TDA participates with these interagency committees: Aquatic Herbicide Issues Workgroup, Texas Aquaculture Workgroup, Aquatic Vegetation Working Group, Noxious Weed Working Group, Texas Riparian Invasive Plant Taskforce, Lake Austin-Hydrilla Task Force and TCEQ Water Quality Advisory Workgroup.

REGIONAL WATER PLANNING

Because of Senate Bill 1, TDA, TPWD and TCEQ are currently working with the Texas Water Development Board (TWDB) in the on-going development of regional state water planning. The regional and state water planning process is dynamic in nature. At present, the next round of regional water planning is underway. These plans will be subject to ongoing revisions as the Planning Groups respond to changing conditions and new data. The revised regional water plans were submitted in January 2006, to be followed by a revised State Water Plan one year later.

CATTLE FEEDING AND POULTRY OPERATIONS AFFECTING WATER QUALITY

TDA representatives are involved in assisting the TCEQ in the continuing development of new state Concentrated Animal Feeding Operations (CAFO) rules and a general permit for Dry Poultry Concentrated Animal Feeding Operations. TDA is a member of the Bosque Stakeholders Group and the Bosque Phosphorus Reduction Technical Advisory Committee, whose goal is to dramatically reduce the amount of phosphorus in the Bosque watershed. TDA also participates as a member of the state's 15 Clean Rivers Program (CRP) Steering Committees. The CRP provides a vehicle for local, regional and statewide interests to examine water quality issues, especially TMDLs, on a watershed basis.

WATER QUALITY THROUGH CONSERVATION: SALTCEDAR CONTROL

TDA is currently partnering with TCEQ, U.S. Army Corp of Engineers, Environmental Defense, University of Texas (UT), local landowners, and local governments on the Forgotten River Project. The Forgotten River is a remote stretch of the Rio Grande that runs from Fort Quitman to Amistad Dam along the Texas-Mexico border. Between Fort Quitman and Presidio, the river has dwindled to a trickle of salty water, bordered by massive infestations of invasive saltcedar. The project will focus on large-scale removal of the saltcedar using primarily herbicides, with follow-up for mechanical and/or and biological treatments. The second phase of the project will be the restoration of native vegetation and channel maintenance.

RIO GRANDE BASIN INITIATIVE

Conservation of urban and agriculture irrigation water is a key to sustaining social, economic and environmental development in the Rio Grande Basin. To achieve these goals, TDA along with the Texas State University System, Texas Cooperative Extension, New Mexico State University Cooperative Extension Service, the Texas Agricultural Experiment Station and New Mexico State University Agricultural Experiment Station, have developed and begun implementation of a plan. In addition, TDA monitors the EPA Border XXI Project initiatives and the Texas Department of Health Border Environmental Health Projects by attending meetings and workshops.

STATE FIFRA ISSUES RESEARCH AND EVALUATION GROUP (SFIREG) WATER QUALITY AND PESTICIDE DISPOSAL

TDA staff continues to represent the EPA Region 6 states on the SFIREG Working Committee on Water Quality & Pesticide Disposal focusing on issues of national importance. In addition, TDA in cooperation with TCE and TCEQ participates in regional waste pesticide collections of unwanted or unused (waste) pesticides throughout the state as part of the Agricultural Waste Pesticide Collection Program. The collections also provide a forum for TDA to discuss the proper use, storage and disposal of pesticides with urban and agricultural users thus preventing potential water contamination because of improper disposal.

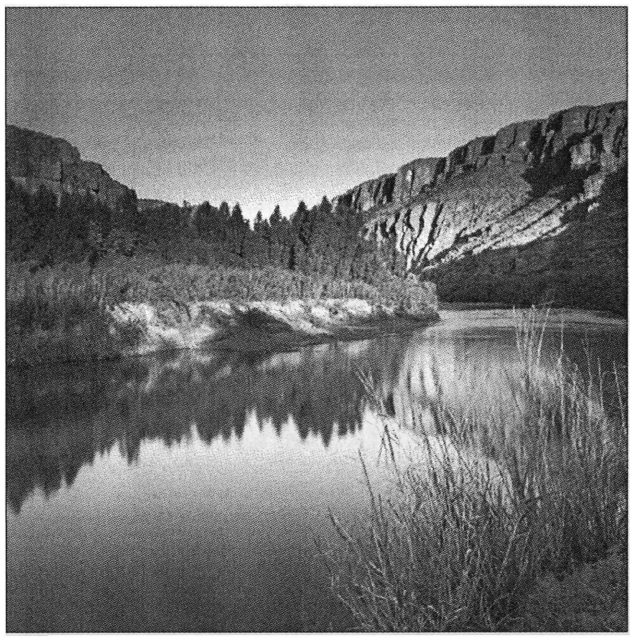
INVASIVE/RIPARIAN SPECIES CONTROL

Invasive species and riparian plant species continue to impact the water quality and quantity in Texas. Besides actively facilitating the brush control program, TDA continues to be involved in a number of activities and committees dealing with this issue. The focus of the task force is the control of both aquatic and restrictive riparian plant species by (a) identifying water bodies and delivery systems having problems with the species; (b) determining the severity of the problem; (c) developing treatment and management plans; (d) identifying, prioritizing and allocating funding sources to problem areas; and (e) organizing local stakeholder workgroups and/or subcommittees based on specific river segments. TDA is a founding and leading member of the Texas Invasive Species Council (TISC) that was previously known as Texas Riparian Invasive Plant Taskforce (TXRIP).

OUTREACH AND EDUCATION

Agency staff routinely are involved in continuing education efforts addressing agriculture and water issues. As water quality issues are a national priority for EPA, TDA will work with TCE to develop exclusive water quality CEU courses that will be used to train pesticide applicators.

SERVING THE BORDER REGIONS



The Texas Department of Agriculture works diligently to assist the Texas/Mexico border region. TDA works with agricultural producers, economic development officials, small business owners and local governments to promote agriculture, agribusinesses and rural Texas. TDA's Agricultural Finance Authority, Marketing and Promotion, Pesticide Programs and Rural Economic Development divisions have all provided direct assistance to the Texas border region.

RURAL ECONOMIC DEVELOPMENT DIVISION:

TEXAS AGRICULTURAL FINANCE AUTHORITY (TAFA)

Since 2004 TAFA has approved five Rural Development Municipal Loans in the amount of $5.6 million for water treatment projects. The use of the Linked Deposit Program increased in 2005-2006 because of the rise in interest rates. Steady activity is anticipated in the future if interest rates continue to rise or even remain steady at current levels. The Young Farmer Loan Guarantee Program has approved five new loans in 2005-2006.

TDA is dedicated to rural economic development efforts in the border region. Agency staff located in El Paso and San Juan are able to identify local needs and respond to business opportunities. The staff work with both federal and state programs to secure funding for qualified businesses. Since 2004 working with the Southwest Trade Assistance Center, 15 projects received grants to assist with marketing and technology improvements. The average amount of the award was $66,000. In addition staff developed and coordinated workshops and training events to promote agricultural diversification, nature tourism, doing business with the state or federal government and Texas Yes!, the Department's program designed to assist rural communities with economic development.

PESTICIDE PROGRAMS DIVISION

TDA facilitates the United States/Mexico Pesticide Information Exchange, a program in which Mexican pesticide officials' travel to the United States and work with inspectors in Texas, Arizona, California and New Mexico. The program includes training about state and federal laws and regulations, inspections at agricultural producer establishments, agricultural and structural applicator issues and worker protection standards. Activities are conducted through separate grants provided by EPA.

MARKETING AND PROMOTION DIVISION

TDA cooperates with many public and private entities to assist border communities by promoting trade with Mexico. The agency continues to work with U.S. Livestock Genetics Export Inc. (USLGE). USLGE has enabled TDA to host various reverse trade missions of foreign buyers to Texas to facilitate livestock sales throughout the year in addition to educating them at technical seminars, shows, sales and ranches. The program also has allowed TDA marketing specialists to expand trade in selected foreign countries including Mexico, Central and South America as well as Europe, Argentina and Australia.

To facilitate livestock exports and help Texas producers market their products, TDA operates six livestock export facilities in Texas. Five are located along the Texas-Mexico border in Brownsville, Del Rio, Eagle Pass, El Paso and Laredo, and a sixth facility at the George Bush Intercontinental Airport in Houston allows shipment by air around the world. The Brownsville facility is also authorized by USDA to conduct boat and airplane transfers.

GO TEXAN is TDA's marketing campaign for Texas agricultural products. The GO TEXAN Partner Program is a dollar-for-dollar matching fund program for promotional and advertising activities that is open to producers, commodity boards, cooperatives and small businesses that are members of GO TEXAN. There are currently 314 GO TEXAN members in the border region.

Since the inception of the GO TEXAN Partner Program in 1999, more than 45 projects for businesses from the border region have been approved for funding, for a total of $1.9 million, including the partner match.

Texas Yes!, launched in 2003, is TDA's initiative to promote and provide assistance to rural Texas and rural Texas communities. The broad-based membership program is open to rural communities, businesses and associates. Currently there are 26 Texas Yes! community members located in the border regions. Communities in the border region have been approved for more than $118,000 in matching reimbursement through the Texas Yes! Hometown STARS and Bootstrap Bucks programs that help rural communities leverage the dollars available for promoting rural tourism events.

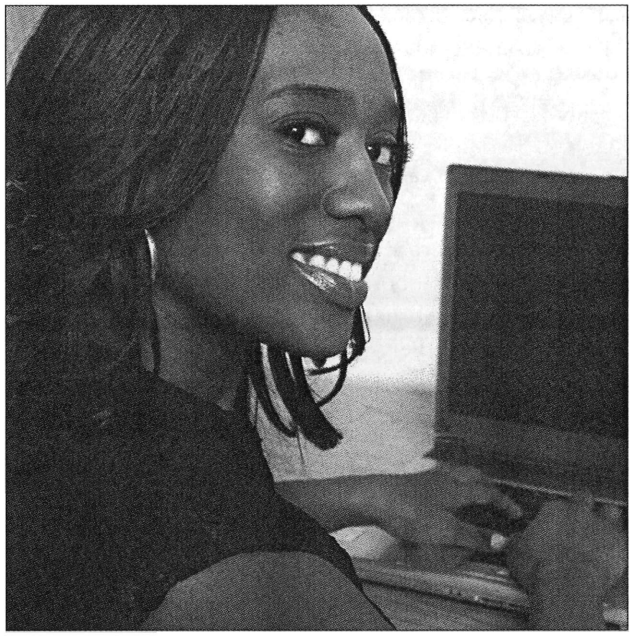
Hidalgo, Wilacy, Starr, Cameron, Frio and Uvalde counties continue to be targeted as a source for produce to be used in the Farm to School program, a USDA initiative that provides funding to schools to purchase fresh produce. TDA continues to encourage producers to sign up for the program and sell their produce to schools. Bexar County is a distribution point.

GOVERNMENTAL AFFAIRS DIVISION

Governmental Affairs continues to be a liaison to the Border Governors' Conference Agriculture Work Table to enhance joint border efforts addressing agriculture issues. In February 2006, TDA representatives participated in the Agriculture Work Table Binational Agrosecurity Exercise to address plans and programs in place and necessary to protect the border during a natural or terrorist agriculture pest or disease outbreak.

TDA also serves on the U.S. – Mexico Working Group of the Tri-National Accord to enhance communication and partnership on shared border agriculture issues.

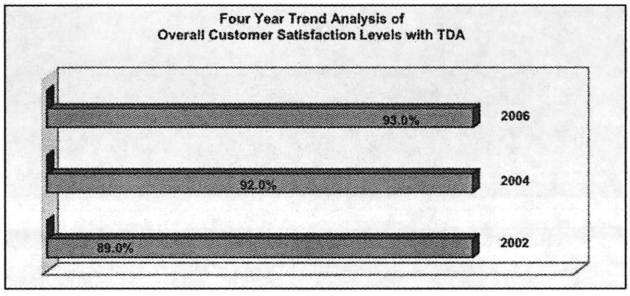
REPORT ON CUSTOMER SERVICE



The Texas Department of Agriculture (TDA) welcomes the opportunity to survey our customers and evaluate their responses in order to improve and/or maintain the highest level of the delivery of TDA services. We are committed to providing excellent customer service and value comments and suggestions that our customers may offer.

For the past four years, TDA has consistently received a high rating of satisfaction from its customers. We place a high priority on our ability to continue this tradition. Figure 1 will reflect this outstanding trend.

FIGURE 1



INVENTORY OF AND BRIEF DESCRIPTION OF EXTERNAL CUSTOMERS BY STRATEGY.

The Texas Department of Agriculture considers the agriculture community and consumers of agricultural products its customers. For purposes of this report, TDA's customers are those persons or companies that are issued a license, certificate, or registration by TDA.

A.1.1 GENERATE MARKETS

Go Texan Members

The Go Texan Program promotes food, fiber, horticulture, and forestry products processed, grown, or raised in Texas. Members can use the Go Texan logo to label their products to identify them as Texas products and participate in the Texas Agricultural Marketing Exchange database listed on the TDA website and available worldwide.

A.1.2 REGULATE PESTICIDE USE

Pesticide Dealers

The Texas Pesticide Regulations require a person who distributes state-limited or restricted-use pesticides or regulated herbicides to obtain a pesticide dealers license from TDA. TDA maintains these registrations and provides the information to the public.

Pesticide Product Registrants

The Texas Pesticide Law and Regulations require a pesticide to be registered before it is sold or distributed in Texas. TDA maintains these registrations and provides the information to the public.

Pesticide Applicators

The Texas Pesticide Regulations require that a person may not use a restricted-use or state-limited-use pesticide or regulated herbicide unless licensed or certified by TDA. TDA maintains these registrations and provides the information to the public.

A.1.3 INTEGRATED PEST MANAGEMENT

Organic Certifications

The Texas Department of Agriculture certifies producers, processors, distributors and retailers of organic food and fiber within the State. The program's purpose is to develop Texas' agricultural economy and to provide consumers with the most abundant and diverse food and fiber supply possible. The program helps Texas farmers diversify their operations and capture a larger share of a growing premium market, guarantees the authenticity of organic food and fiber to consumers who pay that premium price and helps retailers respond to increasing public demand.

A.1.4 CERTIFY PRODUCE

TDA issues no licenses under this strategy.

B.1.1 NURSERY/FLORAL REGULATION

Nursery/Floral Licenses

The purpose of this program is to ensure that Texans

receive pest free plants which is accomplished by licensing and inspecting nursery and floral establishments. TDA maintains these registrations and provides the information to the public.

B.1.2 VERIFY SEED QUALITY

Seed Companies

To ensure quality seed, any person producing certified seed must be a Texas certified seed grower. Three seed laboratories located strategically across the state conduct purity and germination tests on samples of seed.

B.1.3 AGRICULTURAL COMMODITY

Egg Licenses

An egg license is required of a person who buys or sells eggs for resale. Facilities where eggs are graded, stored, packed or processed must be licensed. TDA also licenses brokers of eggs to ensure that consumers are purchasing eggs that meet quality standards for labeling and grade. TDA maintains these registrations and provides the information to the public.

Grain Warehouse Licenses

A grain warehouse license is required to operate a grain elevator or a business engaged in the operation of a public grain warehouse where grain is stored. TDA maintains these registrations and provides the information to the public.

Handling and Marketing of Perishable Commodities Licenses

TDA issues licenses to packers, handlers, dealers, processors and warehousemen of Texas grown fruits and vegetables. TDA routinely inspects produce handlers and dealers to verify locations have been licensed.

Aquaculture Licenses

A facility growing/cultivating various types of fish and other sea life (shrimp) in a controlled environment or a vehicle transporting fish and other sea life from an aquaculture facility to either another facility or directly to consumers must register with TDA. TDA maintains these registrations and provides the information to the public.

C.1.1 INSPECT MEASURING DEVICES

Weights & Measures Licenses

Businesses operating commercial gasoline, kerosene or diesel fuel pumps, scales, bulk meters and LPG meters must register these devices with TDA to ensure that consumers are receiving the correct weight or measure of the product they purchase. TDA maintains these registrations and provides the information to the public.

D.1.1 SUPPORT NUTRITION PROGRAMS

TDA issues no licenses under this strategy.

E.1.1. RESEARCH AND DEVELOPMENT

TDA issues no licenses under this strategy.

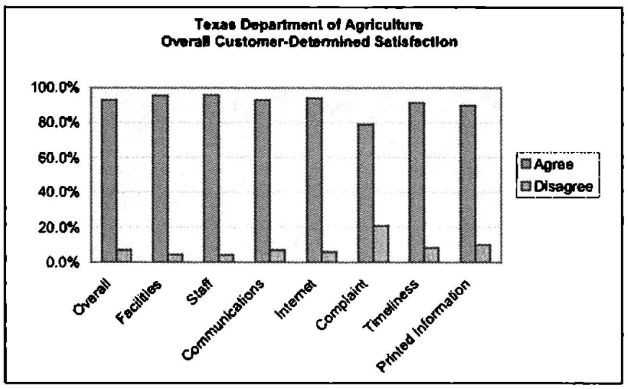
BRIEF DESCRIPTION OF THE INFORMATION-GATHERING METHODS UTILIZED IN OBTAINING INPUT FROM CUSTOMERS.

TDA created an online customer service survey using the Agency Strategic Plan Instructions as a guide. The survey was placed on TDA's web site. The survey has proven to be the most effective method for collecting this type of data.

TDA sent out an invitation to approximately 5,000 randomly selected customers in April 2006 requesting that they participate in the survey. The purpose of the survey was to assess the customer's perception of TDA and to gather information to assist in strategic planning for the department.

TDA's long-term goal is to continue to respond to comments provided by our customers to strengthen the quality of services TDA provides to the citizens of Texas. Following the last Report on Customer Service, TDA implemented a new Customer Relations e-mail account. TDA also revised contact information on its web site to further assist customers in their attempt to contact TDA employees for assistance or information. These changes have been extremely successful, and the turn-around time for customers receiving information has decreased dramatically.

FIGURE 2 – DETAILS THE OVERALL LEVELS OF CUSTOMER-DETERMINED SATISFACTION WITH TDA'S SERVICE QUALITY.



AN ANALYSIS OF THE FINDINGS IDENTIFIED FROM THE ASSESSMENT.

The survey findings indicate that TDA is doing an excellent job overall, with a majority of categories receiving a 90% or higher favorable rating. TDA will continue to conduct this survey and other surveys to continually seek customers' opinions regarding TDA's service delivery.

FIGURES 3 – 10 DISPLAY THE CUSTOMER SATISFACTION LEVELS FOR EACH STATUTORILY REQUIRED CUSTOMER SERVICE QUALITY ELEMENT:

FIGURE 3

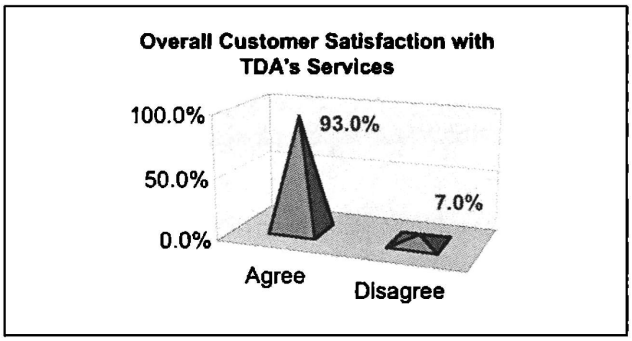


FIGURE 4

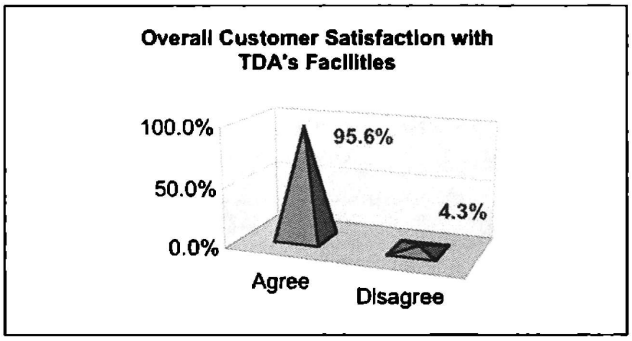


FIGURE 5

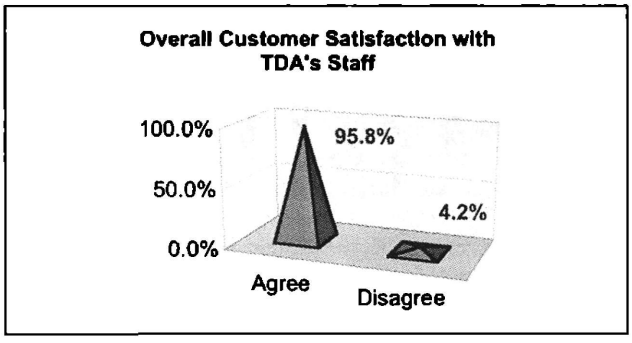


FIGURE 6

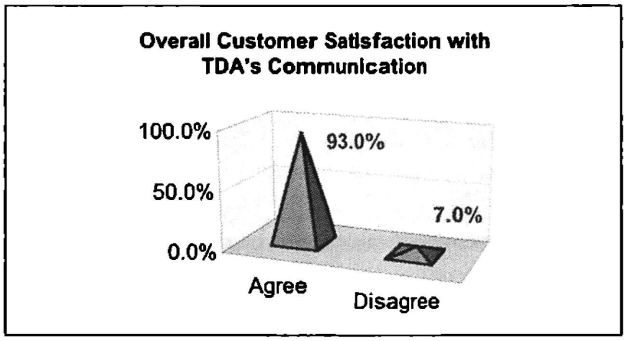


FIGURE 7

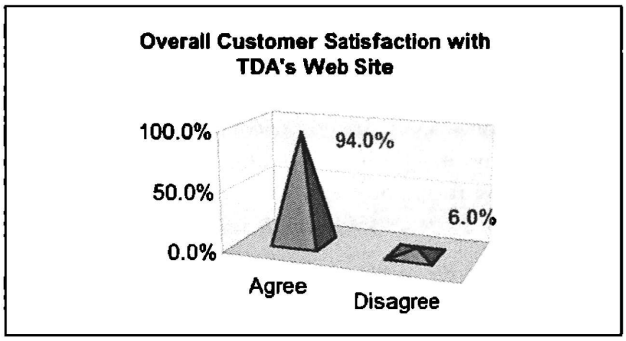


FIGURE 8

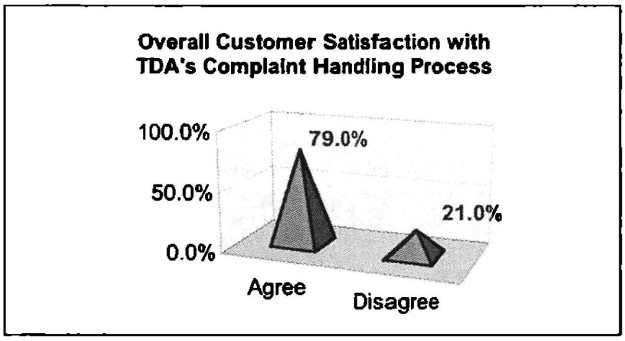


FIGURE 9

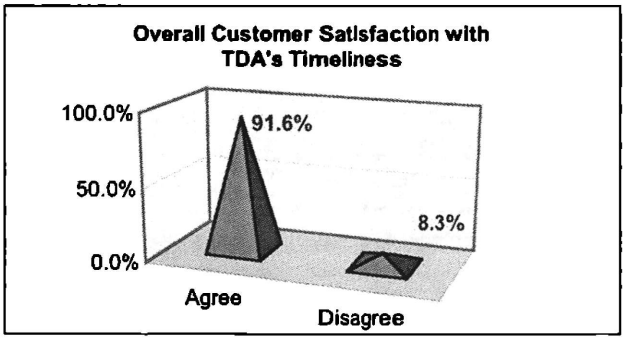
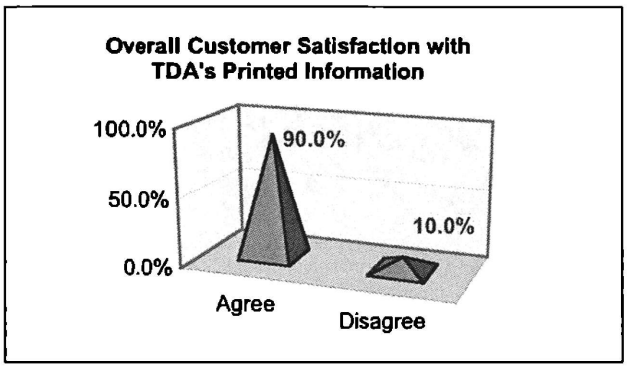


FIGURE 10



PERFORMANCE MEASURE INFORMATION RELATED TO CUSTOMER SERVICE STANDARDS AND CUSTOMER SATISFACTION.

OUTCOME MEASURES

Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received – 93%

Percentage of Surveyed Customer Respondents Identifying Ways to Improve Service Delivery – 2%

OUTPUT MEASURES

NUMBER OF CUSTOMER SURVEYED – 5,000

Number of Customers Served – 141,514

EFFICIENCY MEASURES

Cost Per Customer Surveyed – $0

EXPLANATORY MEASURES

Number of Customers Identified – 141,514

Number of Customer Groups Inventoried - 12

TEXAS DEPARTMENT OF AGRICULTURE – TIMELINE

1907 The Texas Department of Agriculture (TDA) is established by the Texas Legislature as a state agency. Elected every four years in the general election, the Commissioner of Agriculture directs the agency. TDA is charged with executing all laws relating to agriculture, including the proper development and marketing of agriculture, investigating agriculture-related diseases and maintaining relations with the U.S. Department of Agriculture and the agriculture departments of other states.

1919 The Legislature passes the Texas Seed Act, establishing procedures for testing vegetable seed to ensure it meets genetic quality standards.

1920 The Pink Bollworm Commission is established to oversee the enforcement of the Pink Bollworm Act. The Pink Bollworm Act institutes a quarantine zone along the Texas/Mexico border and provides for the inspection and destruction of infested cotton and cotton crops. The creation of the Commission averts a federal quarantine of all Texas cotton.

1923 The Legislature passes the Texas Cotton Seed Certification Law to protect farmers when making seed purchases and to encourage the scientific breeding and maintenance of standard varieties of cotton.

1925 The Legislature transfers the functions of the Office of Commissioner of Markets and Warehouses to the Commissioner of Agriculture. TDA is charged with investigating conditions throughout the state with respect to weights and measures and establishing tolerances and specifications for commercial weighing and measuring devices based on recommendations by the National Bureau of Standards. TDA is required to inspect and seal weights and measures on an annual basis.

The Legislature authorizes TDA to inspect nursery and floral items to prevent the introduction of foreign diseases and insects into the state when growing, shipping and selling nursery products.

1937 The Legislature passes the Act for Citrus Fruit, which creates a licensing system for the purchasing, handling, sale and accounting of sales of citrus fruits for those entering into or doing business in the Texas citrus zone. TDA is charged with enforcement of the law.

1941 The Texas Seed Act is revised to include all agricultural seed.

1957 The TDA Egg Quality program is established to ensure that eggs sold to Texas consumers meet quality standards established by TDA. TDA is required to license dealer-wholesalers, processors and brokers and to inspect eggs at the state's packing plants, distribution centers and retail outlets.

1963 The Legislature requires the licensing, bonding and regulation of handlers, dealers, buying and transporting agents, warehousemen, packers, commission merchants, contract dealers and producers of vegetables. The legislation authorizes TDA to enforce the law and defines administrative penalties for failure to comply.

1969 The Legislature passes the Texas Grain Warehouse Act and charges TDA with the regulation of grain storage facilities to ensure producers are protected when placing grain in storage facilities. TDA is authorized to license grain warehouse operators and to conduct inspections to determine if storage facility operators are accurately tracking stored grain.

1977 The Legislature creates the Produce Recovery Fund, a trust fund administered by TDA and financed with annual fees paid by licensed commission merchants. The fund applies to vegetables and fruit, excluding citrus fruit. A Produce Recovery Fund Board, consisting of four members appointed by the governor, was established.

1981 The Agriculture Code is enacted as part of Texas' continuing statutory revision process. TDA is charged as the lead agency for pesticide regulation in Texas. The agency is required to enforce the "Pesticide Control Act," federal laws which mandate that states take an active role in the regulation of pesticide applicators.

The Legislature enacts the Agricultural Protection Act, codifying laws concerning the licensing and regulation of the handlers, warehousemen, packers, transporting agents and producers of vegetables, citrus fruits and the Produce Recovery Fund.

Lawmakers approve legislation that requires TDA to regulate the use of the term "Texas Agricultural Product." TDA is charged with oversight of any symbol connected with the term in the selling, advertising, marketing and other commercial handling of food or fiber products.

1983 The Legislature increases the offenses for the knowing or intentional use, storage, handling or disposal of a pesticide in a manner likely to cause harm.

1985 The Legislature requires the registration and annual renewal of pump, scale or bulk liquefied petroleum gas metering devices.

1987 The Legislature establishes "Farm Worker Right to Know" laws, requiring agricultural producers to provide workers with training and adequate health and safety information on agricultural pesticides.

The Legislature creates the Texas Agricultural Finance Authority (TAFA) within the Texas Department of Agriculture. TAFA's purpose is to provide financial assistance through eligible lending institutions to creditworthy individuals and businesses. TAFA is governed by a 6-member board appointed by the governor.

1989 Voters pass a constitutional amendment authorizing TAFA to issue general obligation bonds to fund the TAFA program.

The Produce Recovery Fund laws are amended to define administrative, civil and criminal penalties.

The Agriculture Code is amended to require inspections of weights and measures for correctness from one to three years.

The Legislature passes laws allowing TDA to establish a promotional marketing membership program, with a membership fee, to promote Texas grown products or products made from ingredients grown in the state.

1991 The TAFA Young Farmer Endowment Fund and Loan Guaranty Programs are created by the Legislature.

1993 The Legislature authorizes a business or individual to inspect and certify liquid petroleum gas meters with periodic monitoring and testing by TDA. Private individuals are also allowed to test and certify ranch scales.

The Legislature increases the TAFA board from six to nine members and restructures the TAFA Young Farmer Endowment Program from an interest free direct loan to a loan guarantee program. The Farm and Ranch Program is moved from the Veteran's Land Board at the General Land Office to TAFA and administration of all agricultural diversification grant programs at TDA, including the Linked Deposit Program, are transferred to TAFA. The Linked Deposit Program expands to include crops affected by natural disaster and to include projects for the purchase of efficient irrigation and water conservation equipment.

The Texas Boll Weevil Eradication Foundation, Inc. is created by the Legislature and chartered by the Secretary of State as a nonprofit corporation, in response to the approximately $20 million annual loss by Texas cotton producers to the boll weevil.

The Legislature establishes the Organic Certification Program to certify producers, processors, distributors and retailers who handle organic food and fiber. The program allows the use of "Organically Produced" or "Transitional-Organic Certification Pending" logos to identify state-certified organic products.

1995 The Legislature places all agricultural finance programs under the TAFA board.

The Legislature establishes a statute of limitations for filing claims, revises limits and methods of claims payments, and requires a license holder who owes money to the Produce Recovery Fund to repay the fund before their claims are paid.

1997
The Legislature provides for the adoption of worker protection standards and other rules for the protection of the health, safety and welfare of farm workers and pesticide handlers. Laws are also established to require

private pesticide applicators to maintain records of applications.

The Legislature designates the Texas Boll Weevil Eradication Foundation Inc., under the supervision of TDA, as the entity to carry out boll weevil and pink bollworm eradication programs. The Legislature also creates the Cost Sharing Program as part of the eradication efforts.

1999 Legislation is passed creating the GO TEXAN Partner Program to encourage the development and expansion of markets for Texas agricultural products through matching funds for promotional marketing programs. The law establishes a fund to finance the program. TDA is also charged with creating a program to advertise and market Texas oysters.

2001 Legislature transferred the Office of Rural Affairs from the Texas Department of Economic Development (TDED) to the Texas Department of Agriculture (TDA). In the area of water policy, Senate Bill 2 provided additional legal definitions of "agriculture," "agricultural use" and "nursery grower" to include floriculture, viticulture (grape-growing), silviculture (forestry) and horticultural practices as well as wildlife management. Legislation also was passed establishing the Texas Wine Marketing Assistance Program at TDA and establishing a grant program to provide surplus agriculture commodities for food banks. In addition, the Legislature moved the grant portion of the Weather Modification Program at the Texas Natural Resource Conservation Commission to the Texas Department of Agriculture.

2003 Legislation passed to: expand the GO TEXAN Marketing program to include non-agricultural products grown, processed or produced in Texas; create the Texas Shrimp Marketing Assistance Program; continue TDA funding for the Wine Marketing Assistance Program; conform state and federal organic certification laws; change gas pump inspections from three to four year rotation; clarify TDA quarantine authority; require creation of a list of noxious plants having serious potential to cause economic or ecological harm to the state; move the grant function of the Weather Modification Grant Program from TDA to the Texas Department of Licensing and Regulation; and repeal outdated and duplicative statutory requirements. In addition, the Child Nutrition Programs were transferred from the Texas Education Agency to TDA in July 2003. The federal programs provide funding and nutritional guidelines and services for public schools in Texas. TDA became the administering agency for the programs, which were established in TDA's Food and Nutrition Division.

2005 The following section describes the significant legislation passed by the Texas Legislature in 2005.

SIGNIFICANT LEGISLATION - 79TH LEGISLATURE, REGULAR SESSION (2005)

The Texas Department of Agriculture realized many accomplishments during the 79th Regular Legislative Session.

TDA will continue to promote Texas products through its very successful GO TEXAN Partner Program. GO TEXAN encourages Texans to put their money where their pride is by choosing Texas products first. Texas producers, commodity boards, cooperatives and small businesses use grant funds to offset GO TEXAN marketing and other promotional costs. This dollar-for-dollar matching program will receive approximately $1 million in funding over the 2006-2007 biennium.

Texas Yes! also received $1 million in funding for the biennium. This program has been successful in promoting rural Texas by providing dollar-for-dollar matching grants for rural tourism events, workshops and overall marketing and promotion. Membership in Texas Yes! is free and open to rural communities, rural businesses and other organizations devoted to the promotion of rural Texas.

Two new programs will help TDA increase its rural economic development efforts. The first is the Texas Certified Retirement Community Program, established by House Bill 1982. This program will assess and certify communities as retirement communities and help them market themselves as desirable retirement locations. Attracting retirees to rural Texas will not only broaden the potential for community growth and create new employment opportunities for rural Texans, but it will also encourage retirees and their families to visit rural areas of the state.

The second new program, the Texas Entrepreneurship Network (TEN) as established by House Bill 1747, seeks to improve the success rate of rural entrepreneurs. TEN will provide entrepreneurs with local access to statewide resources such as entrepreneurship training, private capital sources and connections to experienced mentors and resource providers. TDA anticipates that these programs, along with other established programs such as the Texas Capital Fund, will further promote and help sustain growth in rural Texas.

As a result of House Bill 373, TDA assumed all responsibilities of the Texas Food and Fibers Commission (TFFC) and then established the Food and Fibers Research Council to administer the Food and Fibers Research Grant Program. The grant program will provide funding for research relating to the use of cotton fiber, cottonseed, oilseed products, other products of the cotton plant, wool, mohair and other textile products. TFFC funding for the 2006 - 07 biennium totaling $1.35 million will be transferred to TDA.

One of TDA's most successful programs, the Boll Weevil Eradication Program, has been expanded by Senate Bill 1428 to include a statewide maintenance program. All cotton growing areas in the state are now in eradication, and cotton yields have risen dramatically as a result. The maintenance program will help protect investments made by producers and will work to preserve the progress of boll weevil eradication efforts, which have had an enormous impact on the Texas cotton industry and the agricultural economy.

Realizing the importance of protecting Texas crops against pests and disease, the Legislature passed House Bill 774 bill to make Texas an official member of the Interstate Pest Control Compact (IPCC). The IPCC administers the Pest Control Insurance Fund that provides financial support for control or eradication activities. Member states can request funds when a pest is found in an adjoining state that constitutes a threat to agricultural crops or products in the applying state. Although TDA joined IPCC in 1994 and paid the one-time dues payment, Texas had not enacted the enabling legislation. TDA is now in full compliance with IPCC

requirements and eligible for more funding if a pest outbreak should occur.

Another new initiative resulting from the appropriations bill is the Feral Hog Damage Abatement Pilot Program. Texas has the nation's largest feral hog population, and many landowners have experienced substantial crop and property damage. This two-year pilot program received $500,000 for the biennium to launch research efforts between TDA and nonprofit research institutions across the state. The program will test various hog-control technologies and measure decreases in financial losses as hogs are controlled.

New funding from the appropriations bill set in motion the establishment of the Fuel Ethanol and Biodiesel Grant Program as originally created by Senate Bill 275 (78th Session, 2003) but not funded. The program, jointly administered by TDA and the Texas Economic Development and Tourism Office, is designed as an incentive for developing Texas' renewable fuel industry.

House Bill 901 will further TDA's mission to provide efficient services by streamlining the TDA license renewal process. Previously, license renewal dates were set in statute, which caused confusion over prorated fees and a disproportionate workload during renewal periods. Streamlining the process will provide a better turnaround for customers and license fee determination.

Another streamlining effort was passed in Senate Bill 1680 and terminated the Agricultural Resources Protection Authority (ARPA). The authority was created in 1989 to prevent overlapping responsibilities in pesticide use. As the federally designated entity charged to oversee Environmental Protection Agency pesticide regulations in Texas, TDA already meets quarterly with the Structural Pest Control Board, Texas Department of State Health Services and Texas Cooperative Extension Service to discuss any issues involving pesticides. The usefulness and necessity of ARPA has declined to the point where it is no longer economically feasible to continue its functions.

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AGENCY GOALS, OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

GOAL A—MARKETS AND PUBLIC HEALTH

EXPAND MARKETS WHILE PROTECTING PUBLIC HEALTH AND NATURAL RESOURCES.

Objective 01 - Expand agriculture markets while protecting pubic health and natural resources

Outcome Measures:

01-01.01 Percent increase from previous biennium in the number of marketing opportunities
01-01.02 Percent of farmers/ranchers/agribusinesses inspections complying with pesticide laws
01-01.03 Percent reduction in the number of incidents of pesticide related violations
01-01.04 Percent of WPS inspections in compliance
01-01.05 Percent of total technical assists to rural communities
01-01.06 Percent of businesses developed with expansion and recruitment prospects
01-01.07 Percent of cotton acres in pest management zones in compliance
01-01.08 Percent increase from prior year in organic program participation

STRATEGY 01-01-01 – GENERATE MARKETS:
Generate marketing opportunities for Texas agriculture.

Output Measures:

01-01-01.01 Number of companies enrolled in TDA marketing programs
01-01-01.02 Number of agriculturally related sales facilitated
01-01-01.03 Number of agriculturally related business referrals made
01-01-01.04 Number of acres inspected for seed certification
01-01-01.05 Number of rural communities assisted by TDA
01-01-01.06 Rural development activities and events held by TDA
01-01-01.07 Businesses assisted with expansion and recruitment prospects in rural Texas
01-01-01.08 Rural communities assisted by TDA with state and federal programs

Efficiency Measures:

01-01-01.01 Average cost per acre inspected for seed certification
01-01-01.02 Average cost per rural community assisted

Explanatory Measures:

01-01-01.01 Number of commodity producer boards assisted
01-01-01.02 Average financial assistance grant amount

Strategy 01-01-02 – Regulate Pesticide Use:
Regulate pesticide use through registration, certification, education and enforcement

Output Measures:

01-01-02.01 Number of licenses and certificates issued to pesticide applicators
01-01-02.02 Number of dealer/marketplace/applicator/producer/use observation and worker protection inspections conducted.
01-01-02.03 Number of pesticide complaint investigations conducted
01-01-02.04 Number of pesticide analyses performed
01-01-02.05 Number of formal enforcement actions taken for pesticide-related violations
01-01-02.06 Number of informal enforcement actions taken for pesticide-related violations
01-01-02.07 Number of worker protection training sessions conducted
01-01-02.08 Number of pesticides registered in Texas annually
01-01-02.09 Number of pesticide special registrations formally submitted to the Environmental Protection Agency (EPA).

Efficiency Measures:

01-01-02.01 Average cost per pesticide inspection
01-01-02.02 Average cost per pesticide product registered.
01-01-02.03 Percent of pesticide complaint investigations for which formal action is taken within 180 days

Explanatory Measure:

01-01-02.01 Total dollar amount of fines and penalties collected for pesticide-related violations

STRATEGY 01-01-03 – INTEGRATED PEST MANAGEMENT:

01-01-03.01 Assist farmers with integrated pest management practices to reduce pesticide use

Output Measures:

01-01-03.01 Hours spent for compliance with cotton stalk destruction deadlines

01-01-03.02 Number of inspections to verify compliance for organic and other crop production certification programs

01-01-03.02 Number of traps inspected to detect Mediterranean and Mexican fruit flies

Efficiency Measure:

01-01-03.01 Average cost per organic or other crop production certification inspection

STRATEGY 01-01-04 – CERTIFY PRODUCE:

Certify fruits, vegetables, peanuts and nuts to enhance their marketability

Output Measures:

01-01-04.01 Number of pounds of fruits, vegetables, peanuts and nuts inspected

01-01-04.02 Number of lots of citrus fruit tested for quality standards

01-01-04.03 Number of fruit, vegetable, peanut and nut shipment certificates issued

Efficiency Measure:

01-01-04.01 Average cost per citrus maturity inspection

STRATEGY 01-01-05 – ETHANOL/BIODIESEL PROGRAM:

Output Measures:

01-01-05.01 Total Grant Dollars Provided Ethanol/ Biodiesel

01-01-05.02 Number of Ethanol/Biodiesel Plants in Operation

GOAL B—ENFORCE STANDARDS

TO PROTECT CONSUMERS BY ESTABLISHING AND ENFORCING STANDARDS FOR AGRICULTURAL COMMODITIES

Objective 01 – Reduce the number of sales of agricultural commodities identified as violating standards

Outcome Measures:

02-01.01 Percent of inspected seed samples found in full compliance with standards

02-01.02 Percent of nursery/floral producers and establishments inspected found to be in full compliance

02-01.03 Percent of egg inspections in full compliance with standards

02-01.04 Percent of commodity grain inspections in full compliance

STRATEGY 02-01-01 – SURVEILLANCE/BIOSECURITY EFFORTS:

Implement Surveillance and Biosecurity Efforts for Pests/Diseases

Outputs:

02-01-01.01 Number of nursery and floral certificates issued

02-01-01.02 Number of nursery/floral establishments inspections conducted

02-01-01.03 Number of state/federal quarantine inspections conducted

02-01-01.04 Number of acres inspected/surveyed for the presence of pests and diseases

02-01-01.05 Number of traps monitored for gypsy moth/potato weevil/Japanese beetle

02-01-01.06 Number of hours spent inspecting plants coming into Texas.

02-01-01.07 Number of export certificates issued

02-01-01.08 Number of stop sales, and enforcement reports issued

Efficiency Measures:

02-01-01.01 Average cost per nursery/floral certificate issued

02-01-01.02 Average cost per nursery/floral establishment inspected

STRATEGY 02-01-02 – VERIFY SEED QUALITY

Verify that farmers, ranchers and home gardeners receive the quality and type of seeds desired

Output Measures:

02-01-02.01 Number of seed samples analyzed

02-01-02.02 Number of seed law infringements found on official samples

Efficiency Measure:

02-01-02.01 Average cost per seed sample analyzed

STRATEGY 02-01-03 – AGRICULTURAL COMMODITY:

Regulate agricultural commodities through verification, licensing, inspection and enforcement of state standards for eggs, grain warehouses, perishables and other agricultural commodities

Output Measures:

02-01-03.01 Number of egg inspections conducted

02-01-03.02 Number of stop sales and notices of non-compliance issued

02-01-03.03 Number of grain warehouse inspections, reinspections, and audits conducted.

02-01-03.04 Number of license verification inspections conducted

02-01-03.05 Number of grain warehouse licenses/ permits/registrations issued

02-01-03.06 Number of licenses/permits/registrations issued to buyers/sellers

Efficiency Measures:

02-01-03.01 Average cost per egg producer, dealer-wholesaler and retailer inspection

02-01-03.02 Average cost per commodity warehouse inspection

02-01-03.03 Average cost per verification inspection

GOAL C—ENSURE PROPER MEASUREMENT

TO INCREASE THE LIKELIHOOD THAT GOODS OFFERED FOR SALE TO TEXAS CONSUMERS ARE PROPERLY MEASURED, PRICED AND MARKETED

Objective 01- Reduce the number of violations of weights and measures laws

Outcome Measures:

03-01.01 Percent of weights and measures inspections conducted resulting in finding of full compliance

03-01.02 Percent of octane samples tested resulting in full compliance

STRATEGY 03-01-01 INSPECT MEASURING DEVICES

Inspect weighing and measuring devices and remove inaccurately measured, priced or marketed goods from sale

Output Measures:

03-01-01.01 Number of weights and measures inspections conducted

03-01-01.02 Number of calibrations performed

03-01-01.03 Number of stop sales and enforcement reports issued

03-01-01.04 Number of fuel samples obtained for octane testing

Efficiency Measure:

03-01-01.01 Average cost per weighing and measuring inspection

GOAL D – FOOD AND NUTRITION

PROVIDE FUNDING AND ASSISTANCE ON FOOD AND NUTRITION PROGRAMS.

Objective 01 – Provide assistance to schools.

Outcome Measure:

04-01.01 Percent of School Districts in Compliance with Nutrition Regulations

STRATEGY 04-01-01 – MARKETING RESOURCES: Support child nutrition programs in schools by promoting healthy food choices and administering the National School Lunch (NSLP) and School Breakfast (SBP) Programs, including providing special marketing projects and procurement assistance to promote more nutritious eating habits, conducting on-site compliance monitoring and coordination of training through the 20 regional Education Service Centers.

Output Measures:

04-01-01.01 Number of school district reviews conducted

04-01-01.02 Number of school district staff trained.

GOAL E—FOOD AND FIBER COMMISSION

SUPPORT AND COORDINATE FIBERS AND FOOD PROTEIN RESEARCH.

Objective 01- Increase the dollar volume of research and development projects.

Outcome Measures: -

05-01.01 Leverage ratio of general revenue to other research funds.

STRATEGY 05-01-01 - RESEARCH AND DEVELOPMENT:

Review, coordinate, and fund research and development programs that expand the use and improve the quality of Texas cotton, wool, mohair, oilseeds, and food proteins.

Output Measures:

05-01-01.01 Number of research and development projects.

05-01-01.02 Number of formal published research reports.

Efficiency Measure:

05-01-01.01 Cumulative accrual of supporting research funds.

Explanatory Measures:

05-01-01.01 Percent of Texas-grown cotton processed in Texas.

05-01-01.02 Percent of Texas-raised mohair processed in Texas.

05-01-01.03 Percent of Texas-raised wool processed in Texas.

05-01-01.04 Percent of Texas-grown oil seed crops processed in Texas.

APPENDICES

APPENDIX A – AGENCY PLANNING PROCESS DESCRIPTION

This strategic plan reflects TDA's ongoing commitment to making Texas the nation's leader in agriculture, while promoting excellence in children's nutrition, rural economic development and providing efficient and extraordinary service

This strategic plan shares with all Texans the strategies and goals of TDA for the next five years. To prepare this strategic plan, TDA enlisted the talents and expertise of a broad group of individuals including the Commissioner, senior and middle management and rank-and-file employees. Each division actively participated in the development of this strategic plan.

This strategic plan represents a detailed examination of the challenges and opportunities for Texas agriculture and TDA. This plan includes extensive information about specific strategies, goals and resource needs of TDA. While this plan is meant to inform, rather than overwhelm, it does include a series of appendixes and other material that may be of interest to readers who require a greater level of detail on certain topics.

The Human Resources section identified and summarized the TDA workforce, agency efforts, in recruiting, selecting and retaining a diverse workforce that is representative of the state's labor force.

The agency's Historically Underutilized Business (HUB) coordinator amended this section of the strategic plan to include more information about the number of HUB bids received, contracts awarded and amounts spent. This section now also includes TDA's strategies for achieving HUB goals and objectives.

The Chief Facilities Officer developed the Facility Infrastructure section, which describes TDA's physical assets both in Austin and throughout the state. This section also describes the agency's needs and uses for vehicles and a brief discussion of needed capital improvements in the future.

The Assistant Commissioners for Marketing and Promotion; Finance; and Rural Economic Development; worked with their staffs to revise the Generating Markets section of the strategic plan to reflect updated statistics and their new and/or expanded duties as a result of legislation passed by the 79th Legislature.

The Pesticide Programs Division updated the Regulate Pesticide Use section of the strategic plan to reflect state and federal laws and regulations concerning the registration, distribution and use of pesticides in Texas. The Regulate Agriculture Commodities and Measuring Devices section was changed to reflect TDA's continuing role to ensure the quality of consumer products before they are sold and preventing the movement of harmful pests into Texas.

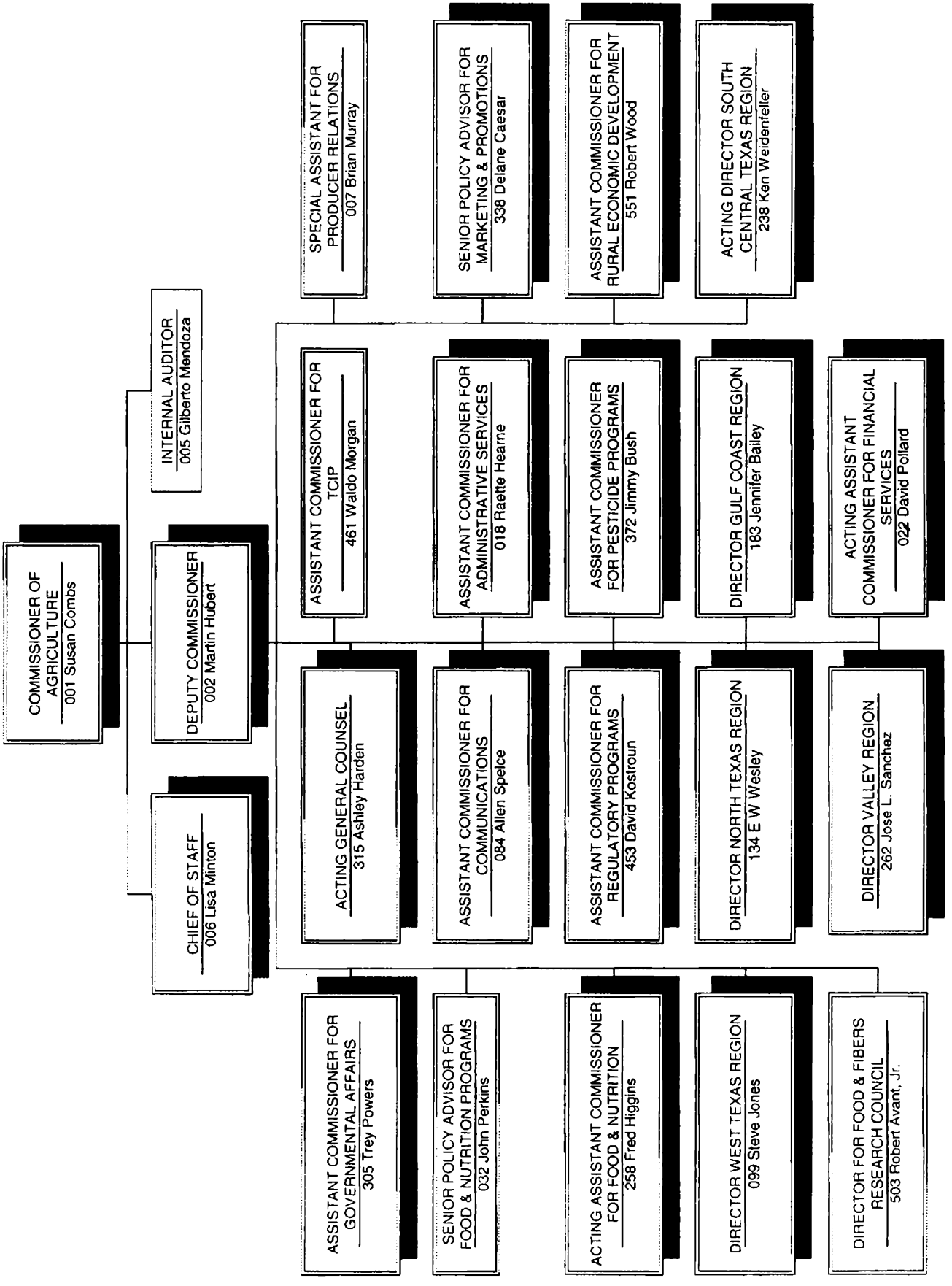
The Governmental Affairs Division produced two sections of the strategic plan. The first, *Serving the Border Regions* describes TDA efforts to work with agricultural producers, economic development officials, small business owners and local governments in the border regions to promote agriculture and agribusinesses. The *Significant Legislation, 79th Legislature* section identifies and summarizes those bills passed during the last legislative session that will have the greatest effect upon the agency.

The Food and Nutrition Division updated the roles of TDA in providing nutritious meals to the public school students in Texas. The Food and Nutrition Division ensures all state and federal regulations are applied to the Child Nutrition programs administered by TDA while providing the highest level of customer service to our stakeholders.

The strategic plan was also amended to reflect the additional responsibilities required by HB 373, 78th Texas Legislature, which transfers the programs of the Texas Food and Fibers Commission to TDA, establishes the Food and Fibers Research Council, and requires administration of the Food and Fibers Research Grant Program effective January 1, 2006.

This plan also provides a list of phone numbers and addresses in the *Contacting the TDA* section. This section provides mailing address, phone number and fax number for the main headquarters and regional offices. Also included in this section are the web address for the Texas Department of Agriculture and the e-mail addresses for the Regional Directors.

APPENDIX B – CURRENT ORGANIZATIONAL CHART



APPENDIX C – FIVE YEAR PROJECTION FOR OUTCOMES

FISCAL HEARS 2007-2011

OUTCOME	2007	2008	2009	2010	2011
Percent increase from the previous biennium in the number of marketing opportunities for individuals enrolled in TDA marketing programs.	3.0%	3.0%	3.0%	3.0%	3.0%
Percent of total technical assists to rural communities	55.0%	55.0%	55.0%	55.0%	55.0%
Percent of businesses developed as expansion and recruitment prospects.	15.0%	15.0%	15.0%	15.0%	15.0%
Percentage of Texas farmers, ranchers and agribusinesses inspected found to be in full compliance with pesticide laws.	97.0%	97.0%	97.0%	97.0%	97.0%
Percent reduction in the number of pesticide related violations.	7.0%	7.0%	7.0%	7.0%	7.0%
Percent of worker protection inspections in full compliance.	98.0%	98.0%	98.0%	98.0%	98.0%
Percent of cotton acreage in pest management zones found in compliance.	95.0%	95.0%	95.0%	95.0%	95.0%
Percent increase from prior year in organic program participation.	3.0%	3.0%	3.0%	3.0%	3.0%
Percent of nursery/floral producers of establishments found in full compliance.	99.0%	99.0%	99.0%	99.0%	99.0%
Percent of seed samples found to be in full compliance with state and federal standards.	97.0%	97.0%	97.0%	97.0%	97.0%
Percent of egg producer/dealer/wholesaler/retailer samples inspected found to be in full compliance with federal and state standards.	97.0%	97.0%	97.0%	97.0%	97.0%
Percent of commodity grain inspections found in full compliance.	95.0%	95.0%	95.0%	95.0%	95.0%
Percent of total weights and measures inspections conducted that are found to be in full compliance with state and federal standards.	96.0%	96.0%	96.0%	96.0%	96.0%
Percent of octane samples tested resulting in full compliance.	90.0%	90.0%	90.0%	90.0%	90.0%
Percent of school districts in compliance with nutrition regulations.	85.0%	85.0%	85.0%	85.0%	85.0%
Leverage ratio of general revenue to other research funds.	2.75%	2.75%	2.75%	2.75%	2.75%

APPENDIX D – LIST OF MEASURE DEFINITIONS

MARKETS AND PUBLIC HEALTH

01-01.01 Outcome Measure: Percent increase from the previous biennium in the number of marketing opportunities for individuals enrolled in TDA marketing programs (Texas farmers, ranchers, and agribusinesses), where the marketing opportunities are business referrals and sales reported as a result of TDA marketing efforts.

- ***Short Definition:*** The percent increase from the previous biennium in the number of marketing opportunities within the current fiscal year including agriculturally related sales and referrals.
- ***Purpose/Importance:*** Accumulative annual increases in sales and referrals of Texas agriculture products resulting from increased opportunities to expand Texas markets for Texas producers, processors and retailers.
- ***Source/Collection of Data:*** Sales and referrals are reported by regional and divisional marketing staff utilizing the information and program participation by members (paid and exempt) enrolled in TDA's marketing and promotion programs.
- ***Method of Calculation:*** The increase from the previous biennium's marketing opportunities in annual (fiscal year) sales and referrals.
- ***Data Limitations:*** The percent increase is directly related to the limitations of reporting sales and referrals.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No
- ***Desired Performance:*** Higher than target. To exceed the number of sales and referrals in order to annually increase the number of marketing opportunities for Texas agriculture products.

01-01.02 Outcome Measure: Percent of Texas farmers, ranchers and agribusinesses inspected found in full compliance with pesticide laws.

- ***Short Definition:*** This number represents the percentage of farmers, ranchers and agribusinesses in compliance with pesticide laws and regulations.
- ***Purpose/Importance:*** The department reviews this number in assessing the success of the inspection process.
- ***Source/Collection of Data:*** The data used for this calculation uses the number of dealer, marketplace, applicator, applicator business, producer establishment, use observation and worker protection inspections conducted that is captured using the PIER (Performing Inspections Enforcement and Recruiting) system for counts of inspections, plus manual counts in the regional offices of worker protection, right-to-know and use observation inspections.
- ***Method of Calculation:*** The number of dealer, marketplace, applicator, applicator business, producer establishment, use observation and worker protection routine inspections conducted; subtracting the number of inspections that indicated any area of noncompliance with the pesticide laws or regulations indicated using the PIER (Performing Inspections Enforcement and Recruiting) system for a count of inspections plus manual counts in the regional offices of worker protection, right-to-know and use observation inspections; then dividing the remainder by the total number of inspections conducted.
- ***Data Limitations:*** Inspection work plans are established for the department at the beginning of the fiscal year and distributed to the regional offices as guidelines. The number and type of inspections conducted is dependent on several factors. The number of pesticide complaints investigated may cause an increase in the number of inspections resulting in violations. New federal and state laws or regulations may also influence the number of inspections conducted.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No, changed to reflect the manner in which the information is gathered and reported.
- ***Desired Performance:*** Higher than projected.

01-01.03 Outcome Measure: Percent reduction from the last year of the previous biennium in the number of pesticide-related violations

- ***Short Definition:*** This number is a comparison between the number of formal and informal enforcement actions taken in the current fiscal year and the number of formal and informal enforcement actions taken in the last year of the previous biennium. See method of calculation for more specific description of how number is obtained.
- ***Purpose/Importance:*** To determine the percentage of increase/decrease in pesticide enforcement actions between the present fiscal year and the last year of the previous biennium, which may reflect the increase/decrease in the level of compliance with pesticide laws and regulations.
- ***Source/Collection of Data:*** The department's computerized BRIDGE.
- ***Method of Calculation:*** This number is derived from adding the total number of informal and formal enforcement actions taken for pesticide-related violations for the current fiscal year found in Strategy 01-01-02 (Pesticides), Output Measures 07 and 08 and subtracting it from the total number of

enforcement actions taken in the last year of the previous biennium. The difference is then divided by the total number of enforcement actions taken for the last year of the previous biennium.

- *Data Limitations:* N/A
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Lower than target. The target reflects a desired decrease in the number of pesticide enforcement actions from the last year of the previous biennium to the present fiscal year, which may reflect a greater compliance with pesticide laws and regulations.

01-01.04 Outcome Measure: Percent of worker protection inspections found in full compliance

- *Short Definition:* This is the percentage of worker protection inspections conducted at applicators, applicator businesses, producer establishments, dealers, marketplaces and potential Right-to-Know establishments in compliance with federal and state laws and regulations.
- *Purpose/Importance:* This measure assists the department in monitoring compliance with state and federal laws and regulations. The department also uses the numbers generated for this report in allocating resources and inspection needs.
- *Source/Collection of Data:* The data used for this calculation uses the number of worker protection inspections conducted at dealer, marketplace, applicator, applicators businesses, producer establishment, use observation and worker protection inspections conducted that is captured using the PIER (Performing Inspections Enforcement and Recruiting) systems of counts of inspections, plus manual counts in the regional offices of worker protection, right-to-know and use observation inspections.
- *Method of Calculation:* This measure is obtained by totaling the number of worker protection inspections conducted at applicator, applicators businesses, producer establishments, dealers, marketplaces and potential Right-to-Know (RTK) establishments and subtracting the number of inspections that indicated any area of noncompliance with WPS or RTK. This information is gathered from inspection reports generated by using the PIER (Performing Inspections Enforcement and Recruiting) system for counts of inspections, plus manual counts in the regional offices of worker protection, right-to-know and use observation inspections.
- *Data Limitations:* WPS training sessions conducted by the department, a greater public awareness of WPS laws and regulations, enforcement actions taken by the department and inspections conducted by the department all contribute to the percentage of WPS establishments in compliance with state and federal laws and regulations.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than projected.

01-01.05 Outcome Measure: Percent of communities assisted by TDA

- *Short Definition:* The percentage of total technical assists to rural communities or communities that serve as economic hubs for rural communities by the agency compared to the total number of rural communities and rural economic hubs.
- *Purpose/Importance:* This measure is an indicator of the scope of the agency's outreach efforts.
- *Source/Collection of Data:* Information is maintained on a database and excel spreadsheet maintained at Texas Department of Agriculture using data from BRIDGE (Bringing Resource Integration And Data Together For Greater Efficiency).
- *Method of Calculation:* The number of communities assisted divided by the total number of communities as identified by recent US Census data.
- *Data Limitations:* The denominator, the total number or rural communities and rural economic hubs is taken from the most recent US Census data. TDA is dependent on this source for the denominator.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher than target.

01-01.06 Outcome Measure: Percent of businesses developed as expansion and recruitment prospects that successfully expand or relocate in Texas rural communities.

- *Short Definition:* The percentage of businesses, including agribusinesses that are developed as expansion, recruitment or retention prospects that are assisted by TDA to expand employment or investment in rural Texas.
- *Purpose/Importance:* To provide assistance through economic development efforts to increase and retain business activity.
- *Source/Collection of Data:* Information is maintained on a database and excel spreadsheet maintained at the Texas Department of Agriculture using data from

BRIDGE (Bringing Resource Integration And Data Together For Greater Efficiency).
- *Method of Calculation:* Events and activities are recorded as they occur in the database.
- *Data Limitations:* As defined, businesses must provide project specific information to be counted. In many cases, businesses are assisted at their request by the dissemination of information on available programs. If a business does not provide sufficient information, that business assistance effort is not included in the calculation.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect better how data is maintained.
- *Desired Performance:* Higher than target.

01-01.07 Outcome Measure: Percent of cotton acres planted in pest management zones found in compliance with cotton pest control laws.
- *Short Definition:* Number of acres found in compliance with cotton pest control laws (cotton stalk destruction) requirements.
- *Purpose/Importance:* To monitor compliance with stalk destruction requirements which reduces pest buildup for following year.
- *Source/Collection of Data:* PATHS (Purchasing Accounting Travel Human Resource System).
- *Method of Calculation:* Number of cotton acres planted in pest management zones (from the FSA cotton report) minus the number of cotton acres found out of compliance during inspection divided by the total number of cotton acres in pest management zones.
- *Data Limitations:* Timeliness of FSA report and the ability of inspectors to find all cotton that is out of compliance.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect how information is gathered.
- *Desired Performance:* Higher than target.

01-01.08 Outcome Measure: Percent increase from prior year in organic program participation.
- *Short Definition:* Increase in the number of producers, processors, distributors and retailers certified by the Organic Certification Program, expressed as a percentage of the number certified the previous year.
- *Purpose/Importance:* Organic products represent a growing sector in the agricultural economy. An increase in program participation represents increased market opportunities for Texas agribusinesses as well as increased use of integrated pest management practices.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Number of certified businesses in current year minus number certified in previous year, divided by number certified in previous year.
- *Data Limitations:* Timing of request for the total number certified may affect the accuracy of the percent increase. Measure could be distorted for the 3-6 months after renewal, due to late responses.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

STRATEGY 01-01-01 – GENERATE MARKETS

01-01-01.01 Output Measure: Number of companies enrolled in TDA marketing programs.
- *Short Definition:* Number of paid companies enrolled in TDA's marketing programs.
- *Purpose/Importance:* The number of companies enrolled either through voluntary membership or recruitment by TDA marketing staff establishes the basis for generating sales and referrals of Texas agriculture products produced or processed in Texas.
- *Source/Collection of Data:* Member applications are received, approved and then recorded by the Marketing and Promotion Division. Member's information including business information, contacts and types of agriculture products are entered into an Excel spreadsheet.
- *Method of Calculation:* Number of paid companies qualified for membership.
- *Data Limitations:* Only includes paid (producers and processors) members enrolled in TDA's marketing programs.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to reflect how data is submitted.
- *Desired Performance:* To exceed the target numbers by generating new members and retaining annual program membership.

01-01-01.02 Output Measure: Number of agriculturally-related sales facilitated
- *Short Definition:* The number of sales which is any transaction that occurs between a Texas seller and buyer that a TDA employee facilitates.
- *Purpose/Importance:* The number of sales generated

for member companies increases the number of opportunities to expand the markets of Texas-produced and-processed agriculture products.
- *Source/Collection of Data:* Sales are reported by regional marketing staff and division marketing staff when a transaction between a buyer and seller (program paid or exempt member) is verified and entered into the "Success Sheet" section of an Excel spreadsheet.
- *Method of Calculation:* The number of sales reported for all marketing programs.
- *Data Limitations:* Reports of number of sales depends upon the willingness of the buyer and/or seller to provide the necessary information and the ability of the staff to obtain verifiable confirmation of such a transaction.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to reflect how data is submitted.
- Desired *Performance:* To exceed the target numbers in order to increase sales and expand markets for Texas agricultural products.

01-01-01.03 Output Measure: Number of agriculturally-related business referrals made
- *Short Definition:* The number of referrals, which is any activity by TDA staff to provide information to a buyer about possible companies that can supply particular products or types of products to a potential buyer and/or seller.
- *Purpose/Importance:* The number of referrals generated for member companies increases the number of opportunities to create sales and to expand the markets of Texas produced and processed agriculture products.
- *Source/Collection of Data:* Referrals are reported by regional marketing staff and division marketing staff when a referral is provided to a potential buyer or consumer to a seller (paid or exempt member) into the "Success Sheet" section of an Excel spreadsheet.
- *Method of Calculation:* The number of referrals reported for all marketing programs.
- *Data Limitations:* The number of referrals depends upon the ability of staff to document the number of and methods (both written and verbal) which provide the required information necessary to generate a potential purchase.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to reflect how data is submitted.
- Desired *Performance:* To exceed the target numbers in order to increase referrals in order to generate sales and expand markets for Texas agricultural products.

01-01-01.04 Output Measure: Number of acres inspected for seed certification
- *Short Definition:* Number of acres inspected for seed certification.
- *Purpose/Importance:* Generate marketing opportunities for Texas producers through inspections of seed crops to ensure seed certification standards are met.
- *Source/Collection of Data:* Seed Quality Activity Report maintained by Seed Quality Program.
- *Method of Calculation:* Total acres inspected for seed certification.
- *Data Limitations:* Voluntary program, the number of acres is limited to program participation.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

01-01-01.05 Output Measure: Number of rural communities assisted by TDA
- *Short Definition:* The number of distinct rural community projects in which TDA provides in-depth technical assistance to rural communities or communities that serve as economic hubs for rural communities.
- *Purpose/Importance:* Many rural communities are in need of education and technical assistance regarding programs to assist in rural development efforts.
- *Source/Collection of Data:* Information is maintained on a database and an Excel spreadsheet at TDA using data from BRIDGE.
- *Method of Calculation:* Assistance efforts to Communities assists are recorded as they occur in the database.
- *Data Limitations:* Community assists sometimes occur at workshops or similar events. The number of communities who register their attendance and participation at events limits an accurate accounting of the number of communities assisted.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher number indicates increased performance.

01-01-01.06 Output Measure: Rural development activities and events held by TDA

- *Short Definition:* The total number of economic development activities and events where TDA had a presence to assist businesses located in rural communities in accessing information and other economic development assistance.
- *Purpose/Importance:* Many rural areas are in need of education and technical assistance regarding programs to assist in rural development efforts.
- *Source/Collection of Data:* Information is maintained on a database and an Excel spreadsheet at TDA using data from BRIDGE.
- *Method of Calculation:* Events and activities are recorded as they occur in the shared database.
- *Data Limitations:* As defined, a business must provide project specific information to be counted. In many cases, businesses are assisted at their request, by the dissemination of information on available programs. If the business does not provide sufficient information, that business assistance effort is not included in the calculation.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher number indicates increased performance. Events are scheduled and designed to provide maximum benefits to rural communities.

01-01-01.07 **Output Measure:** Businesses assisted with expansion and recruitment prospects in rural Texas.

- *Short Definition:* The number of businesses, including agribusinesses, that are assisted with expansion, recruitment or projects to expand employment or investment in rural Texas.
- *Purpose/Importance:* Rural areas are in need of assistance in economic development efforts to increase and retain business activity.
- *Source/Collection of Data:* Information is maintained on a database and an Excel spreadsheet at TDA using data from BRIDGE.
- *Method of Calculation:* Events and activities are recorded as they occur in the database.
- *Data Limitations:* As defined, a business must provide project specific information to be counted. In many cases, businesses are assisted at their request, by the dissemination of information on available programs. If the business does not provide sufficient information to either agency, that business assistance effort is not included in the calculation.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher number indicates increased performance.

01-01-01.08 **Output Measure:** Rural communities assisted by TDA with state and federal programs.

- *Short Definition:* The number of communities that received funding from state or federal sources as a result of TDA assistance.
- *Purpose/Importance:* To determine the effectiveness of TDA in helping communities to successfully receive funding for local community or economic development projects.
- **Source/Collection of Data:** Information is maintained on a database and excel spreadsheet using data from BRIDGE.
- *Method of Calculation:* The number of communities that received funding from TDA directly and the number of communities that receive funding from other state and federal sources as a result of TDA assistance.
- *Data Limitations:* Community assists sometimes occur at workshops or similar events. The number of communities who register their attendance and participation at events limits an accurate accounting of the number of communities assisted.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher than target.

01-01-01.01 **Efficiency Measure:** Average cost per acre inspected for seed certification

- *Short Definition:* Average cost per acre inspected for seed certification.
- *Purpose/Importance:* Expand agricultural markets. Generate marketing opportunities for Texas agriculture.
- *Source/Collection of Data:* Microstrategy report and Output measure 01-01-01.04
- *Method of Calculation:* All costs for seed and plant certification staff divided by total acres inspected.
- *Data Limitations:* Data is nonspecific to crop and program activity.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

01-01-01.02 **Efficiency Measure:** Average cost per rural community assisted.

- *Short Definition:* Average cost per rural community assisted.

- *Purpose/Importance:* Many rural communities are in need of education and technical assistance regarding programs to assist in rural development efforts.
- *Source/Collection of Data:* Information is maintained on a Microstrategy Report and Output measure 01-01-01.05
- *Method of Calculation:* Total program cost (program code 3312) for Org. 1010, divided by the total number of rural communities assisted.
- *Data Limitations:* Community assists sometimes occur at workshops or similar events. The number of communities who register their attendance and participation at events limits an accurate accounting of the number of communities assisted.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

01-01-01.01 Explanatory Measure: Number of commodity producer boards assisted.

- *Short Definition:* This measure reflects the actual number of commodity producer boards assisted by TDA staff.
- *Purpose/Importance:* Statute requires the agency to oversee commodity boards and ensure they conform to rules stipulated by the law. The agency reviews and approves annual budgets, board member election plans and posts agendas as part of our oversight responsibilities.
- *Source/Collection of Data:* The official list of commodity producer boards assisted by TDA is maintained by the Special Assistant for Producer Relations in the office of the Deputy Commissioner.
- *Method of Calculation:* Using the list of commodity producer boards, count the number of boards assisted. Each board is counted only once (in the first quarter in which it is assisted).
- *Data Limitations:* This measure is driven by how active each commodity board is. If the Board is inactive, TDA cannot assist.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Meets target.

01-01-01.02 Explanatory Measure: Average financial assistance grant amount.

- *Short Definition:* Total dollar amount of grants awarded to non-profit entities under the Texas-Israel Exchange (TIE) Program.
- *Purpose/Importance:* To know the number of grants awarded under the TIE program and their dollar amount.
- *Source/Collection of Data:* Dollar amount and grants awarded are maintained by the Governmental Affairs Division.
- *Method of Calculation:* Total dollar amount of grants awarded divided by the number of grants awarded.
- *Data Limitations:* There are no data limitations. The average grant amount is dependent on the number of grant applications received.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Lower than target.

STRATEGY 01-01-02 – REGULATE PESTICIDE USE

01-01-02.01 Output Measure: Number of licenses and certificates issued to pesticide applicators.

- *Short Definition:* This is the total number of pesticide applicator licenses and certificates that are issued in a given time period.
- *Purpose/Importance:* This measure is used to tabulate the number of applicators who license with the department and assists the department in serving those applicators.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency)
- *Method of Calculation:* The total numbers of new and renewal pesticide applicators license/certificates are added together from the report generated by BRIDGE (BRINGING RESOURCE INTEGRATION AND DATA TOGETHER FOR GREATER EFFICIENCY)
- *Data Limitations:* There are several factors that affect the number of applicators who obtain new licenses or renewals every year. Certified private applicators are required to meet their re-certification requirements every five years, therefore causing an increase in the number of renewals in those years. Other factors that affect the number are drought (fewer licenses issued in a dry year), pest infestations, changes to federal and state laws and regulations regarding pesticide use, and the need to control pests with state-limited-use or federally restricted-use pesticides.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how data is maintained.
- *Desired Performance:* Higher than projected.

01-01-02.02 Output Measure: Number of dealer, marketplace, applicator, applicator business, producer and use observation inspections made.

- *Short Definition:* This measure is obtained by totaling

the number of dealer, marketplace, applicator, applicator business, producer establishment, worker protection and use observation inspections conducted through routine inspection or complaint investigation activities.

- *Purpose/Importance:* This measure assists the department in monitoring compliance with state and federal laws and regulations. The department also uses the numbers generated for this report in allocating resources and inspection needs.
- *Source/Collection of Data:* This number is tabulated from information produced by the regional offices manually counting the inspections and reporting to Austin.
- *Method of Calculation:* This number is tabulated from information produced by the regional offices manually counting the inspections and reporting to Austin.
- *Data Limitations:* Inspection work plans are established for the department at the beginning of the fiscal year and distributed to the regional offices as guidelines. The number and type of inspections conducted is dependent on several factors. The number of pesticide complaints investigated, as well as follow up inspections at facilities where violations were found (in both the current and previous fiscal year), may cause an increase in the number of inspections conducted. New federal and state laws or regulations may also influence the number of inspections conducted.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

01-01-02.03 Output Measure: Number of pesticide complaint investigations conducted.

- *Short Definition:* This number reflects the number of pesticide-related complaints received by the department during a fiscal year and entered in BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Purpose/Importance:* This measure captures the number of pesticide-related complaints, and therefore may reflect the level of compliance with pesticide laws and regulations.
- *Source/Collection of Data:* The department's computerized BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* This number is determined by totaling the number of complaints received by the department during a fiscal year and entered into BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Data Limitations:* N/A
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* The desired performance would be a decrease in the number of formal pesticide enforcement actions, which may reflect a greater compliance with pesticide laws and regulations.

01-01-02.04: Output Measure: Number of pesticide analyses performed on samples received at the TDA pesticide laboratory.

- *Short Definition:* This measure is obtained by totaling the number of pesticide analyses performed on residue (complaint, use observation, and organic certification) samples, Pesticide Data Program (PDP) samples and formulation (producer, marketplace and use observation) samples received at the TDA pesticide laboratory.
- *Purpose/Importance:* Results of analysis performed is used by the department and the Structural Pest control Board (SPCB) to provide supporting data on violations and compliance with federal and state laws or regulations. It is also used by Regulatory in determining organic certification and by USDA's Pesticide Data Program (PDP) in tabulating reports of residues found in fruits and vegetables. It is also used by Regulatory in determining organic certification and imported fire ant treatment compliance.
- *Source/Collection of Data:* This number is tabulated from information produced by the laboratory sampling databases.
- *Method of Calculation:* This number is tabulated from information produced by the laboratory sampling databases. The lab keeps database information for all samples collected as well as the number of analyses performed on samples. Each sample may have more than one analysis performed. An analysis is defined as a set of analysis procedures targeted at a specific chemical or chemical list.
- *Data Limitations:* More than one analysis may be performed on each sample and is dependent on several factors. Inspectors may request several analyses performed on a single sample depending on other factors they discovered during pesticide complaint investigations. Fewer pesticide complaint investigations may result in fewer samples collected and will also affect this measure. The USDA may change the number and type of samples analyzed for the PDP.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to clarify that SPCB also uses information provided by lab analysis to support compliance with the law.
- *Desired Performance:* Higher than projected.

01-01-02.05 Output Measure: Number of formal enforcement actions taken for pesticide-related violations.

- *Short Definition:* This measure reflects the total number of pesticide-related "formal enforcement actions" taken within a fiscal year. Formal enforcement actions include administrative penalties, deferred adjudications, license suspensions, license revocations, and license modifications/probations assessed against a respondent, and referrals to other agencies, such as the Office of the Attorney General or a district attorney's office, for civil or criminal action, in a fiscal year, regardless of when the complaint was initiated. This number does not include on-going investigations or enforcement actions.
- *Purpose/Importance:* This measure captures the number of formal pesticide enforcement actions, and therefore may reflect the level of compliance with pesticide laws and regulations.
- *Source/Collection of Data:* The department's computerized BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency)
- *Method of Calculation:* This number is determined by totaling the number of administrative penalties, license suspensions, license revocations, and license modifications/probations assessed against a respondent, and the number of referrals to other agencies, such as the Office of the Attorney General or a district attorney's office, for civil or criminal action, in a fiscal year, regardless of when the complaint was initiated. A formal enforcement action is completed upon the signing of a final order by the Commissioner or her designee, or the referral of a complaint to another agency.
- *Data Limitations:* N/A
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* The desired performance would be a decrease in the number of formal pesticide enforcement actions, which may reflect a greater compliance with pesticide laws and regulations.

01-01-02.06 Output Measure: Number of informal enforcement actions taken for pesticide-related violations.

- *Short Definition:* This measure reflects the number of notice of non-compliance letters issued against respondents in a fiscal year. An informal enforcement action is completed when the notice of non-compliance letter is sent.
- *Purpose/Importance:* This measure captures the number of informal pesticide enforcement actions, and therefore may reflect the level of compliance with pesticide laws and regulations.
- *Source/Collection of Data:* The department's computerized BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* This number is determined by totaling the number of notices of non-compliance issued minus those issued to an individual who was also sent a Notice of Violation (formal enforcement action) during a fiscal year, regardless of when the complaint was initiated.
- *Data Limitations:* N/A
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* The desired performance would be a decrease in the number of informal pesticide enforcement actions, which may reflect a greater compliance with pesticide laws and regulations.

01-01-02.07 Output Measure: Number of worker protection training sessions conducted.

- *Short Definition:* This measure includes any pesticide safety training sessions for workers, handlers or Train-the-Trainer sessions conducted by the department.
- *Purpose/Importance:* The department conducts training sessions because of training requirements under the federal Worker Protection Standard and the state Right-to-Know law. Texas laws require the department to conduct training in specific counties within the state. Additionally, the department schedules training when requested and targets certain areas of the state that have a high number of farm workers.
- *Source/Collection of Data:* Data is produced from the number of sessions and is counted manually from documents from these sessions.
- *Method of Calculation:* The number of training sessions is counted from the training sign-in sheets received in Austin.
- *Data Limitations*: Texas laws require the department to conduct training in specific counties within the state. The federal Worker Protection Standard (WPS) requires farm producers to conduct WPS training.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to further clarify that the department measures the importance of the measure and how trainings are scheduled.
- *Desired Performance:* Higher than projected.

01-01-02.08 Output Measure: Number of pesticides registered in Texas annually.

- *Short Definition:* This measure is defined as the number of products renewing registration and the number of new products registered during the TDA fiscal year.
- *Purpose/Importance:* State law requires the registration of all pesticides offered for sale in the state. This measure assists the department in determining the service population of pesticide products offered for sale in the state. As part of the registration process producers are required to provide a copy of the pesticide label. All labels are reviewed as part of the registration process to make sure that they are consistent with the label EPA approved. Some labels are extensively reviewed for content specifically required by law.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* The total number of new and renewed pesticide registrations are added together from the report generated by BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency)
- *Data Limitations:* Several forces can affect the number of pesticides registered. A company may register a product produced by another company under their company name. A company may buy out another company and need to register the products under the new company name. Companies may change the name of their product to address a specific market area. These factors can all increase the number of products registered by the department.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than projected.

01-01-02.09 Output Measure: Number of pesticide special registrations formally submitted to the Environmental Protection Agency (EPA).

- *Short Definition:* This is the total number of Section 18 specific, quarantine and public health and emergency exemption; crisis exemption; 24(c) special local need; and 2ee registration requests received in a quarter.
- *Purpose/Importance:* Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended, authorizes the U.S. Environmental Protection Agency (EPA) to exempt state and federal agencies from any provision of the act, if it is determined that emergency conditions exist which require an exemption. Section 24(c) of FIFRA provides a state authority to issue a registration for additional uses of a federally registered pesticide formulated for distribution and use within that state to meet local needs. Section 2 (ee) of FIFRA allows a company to recommend use of a product that is labeled for use on a particular crop, animal or site in a manner not permitted by the labeling, as long as it is not prohibited on the label.
- *Source/Collection of Data:* Information regarding special registrations is kept in a computer database and other information is filed according to product name.
- *Method of Calculation:* This number is obtained by manually counting and totaling the number of special registration requests received and reviewed in a reporting quarter. The number of requests for all types of special registrations is added together.
- *Data Limitations:* Requests for special registrations are received by the department and are dependent on several factors. Unexpected emergency pest outbreaks and special infestations in specific geographic areas may occur without the availability of a registered pesticide to address the problem, which influences the number of special registration requests.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to more accurately reflect how the measure is calculated.
- *Desired Performance:* Lower than projected. Fewer special registration requests indicate fewer pest problems that can be controlled with currently registered products.

01-01-02.01 Efficiency Measure: Average cost per pesticide inspection.

- *Short Definition:* This is the total pesticide inspection cost incurred by Field Operations divided by the number of inspections.
- *Purpose/Importance:* This number assists the department in identifying inspection budget needs and allocations for Field Operations.
- *Source/Collection of Data:* The output measure 01-01-02.02 for the number of dealer, marketplace, applicator, applicator business, producer, use observation, and worker protection inspections conducted, generated by BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and the agency's Automated Budgeted Program Expenditure Report are used to calculate this cost.
- *Method of Calculation:* This number is calculated by dividing the total dollar amount spent for all pesticide inspection program codes for Field Operations, in a given quarter, by the number of inspections conducted.

- *Data Limitations:* Inspection work plans are established for the department at the beginning of the fiscal year and distributed to the regional offices as guidelines. The number and type of inspections conducted is dependent on several factors. The number of pesticide complaints investigated may cause an increase in the number of inspections conducted. New federal and state laws or regulations may also influence the number of inspections conducted. In addition the costs incurred will also depend on extensive inspection needs, inspection equipment, as well as distance traveled to conduct inspections.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Lower than projected.

01-01-02.02 Efficiency Measure: Average cost per pesticide registered.

- *Short Definition:* Average cost per pesticide product registered. Total expenditures incurred in registering a pesticide product (pesticide registration program expenses plus licensing expenses for pesticide product registration) divided by the total number of pesticide products registered.
- *Purpose/Importance:* This measure assists the department in determining the administrative costs and setting the appropriate fee for registering a pesticide product.
- *Source/Collection of Data:* The output measure for the number of products registered is divided into total applicable expenditures to register a pesticide product. Expenditure data is captured in a Microstrategy Report 01-01-02.08 which utilizes the data of PATHS (PURCHASING ACCOUNTING TRAVEL HUMAN RESOURCES SYSTEM) and BRIDGE (BRINGING RESOURCE INTEGRATION AND DATA TOGETHER FOR GREATER EFFICIENCY).
- *Method of Calculation:* Total expenditures incurred in registering a pesticide product (pesticide registration program expenses plus licensing expenses for pesticide product registration) divided by the total number of pesticide products registered.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Lower than projected.

01-01-02.03 Efficiency Measure: Percent of pesticide complaint investigations for which a formal action is taken within 180 days.

- *Short Definition:* This number is measure of the rates at which actionable pesticide cases are reviewed and acted on by the Enforcement Division.
- *Purpose/Importance:* To encourage efficient and timely review and action on actionable pesticide complaint investigations and compliance with Federal requirements.
- *Source/Collection of Data:* Microstrategy Reports and Output Measure.
- *Method of Calculation:* This number is derived using the total number of actionable pesticide complaint investigations forwarded to TDA as a divisor for the total number of actionable pesticide complaint investigations for which an enforcement action is taken within 180 days. The result is multiplied by 100 to obtain a percentage value. An actionable pesticide complaint investigation is a complaint that has been determined to involve allegations regarding noncompliance with state or federal laws concerning the application, storage, disposal, or distribution of pesticides, whether or not the allegations of noncompliance are eventually determined to have merit or not. For example, complaints about aircraft operations (flying too low, etc.) and activities that are determined to involve chemicals other than pesticides (fertilizers, etc.) are not counted.
- *Data Limitations:* N/A.
- *Type:* Non-cumulative.
- *New Measure:* No, changed to reflect the current accounting system.
- *Desired Performance:* Lower than projected.

01-01-02.01 Explanatory Measure: Total dollar amount of fines and penalties collected for pesticide-related violations.

- *Short Definition:* This measure reflects the dollar amount of fines and penalties collected by the department during the fiscal year for pesticide-related violations and therefore may reflect the level of compliance with pesticide laws and regulations.
- *Purpose/Importance:* This measure captures the dollar amount of fines and penalties collected by the department for pesticide-related violations, and therefore may reflect the level of compliance with pesticide laws and regulations.
- *Source/Collection of Data:* This number is derived from the department's General Ledger, (Program Code 2414, GL Code 42-450).
- *Method of Calculation:* This number is obtained by totaling the dollar amount of pesticide-related fines and penalties as entered into the department's General Ledger, (Program Code 2414, GL Code 42-450).

- *Data Limitations:* N/A.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* The desired performance would be a decrease in the dollar amount of fines and penalties collected by the department for pesticide-related violations, which may reflect a greater compliance with pesticide laws and regulations.

STRATEGY 01-01-03—INTEGRATED PEST MANAGEMENT

01-01-03.01 Output Measure: Hours spent for compliance with cotton stalk destruction deadlines.

- *Short Definition:* The number of hours spent by Field staff and Regulatory staff to coordinate cotton pest control program, provide education about requirements, conduct inspections, and process violations.
- *Purpose/Importance:* Maintain control of cotton pest infestations from year-to-year to reduce costs to producers.
- *Source/Collection of Data:* PATHS/TDA accounting system.
- *Method of Calculation:* Add total hours on program codes 4751, 4752, 4753 for Field and Regulatory.
- *Data Limitations:* Number of hours spent can be affected by adverse weather.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

01-01-03.02 Output Measure: Number of inspections for organic and other crop production certification programs.

- *Short Definition:* The number of compliance inspections for organic or other crop certification programs.
- *Purpose/Importance:* Reduce pesticide use through integrated pest management practices.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Total the number of on-site inspections and re-inspections of organic producers, processors, distributors and retailers conducted to verify compliance.
- *Data Limitations:* Data entry delays could result in undercounting.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed the collection of data because currently BRIDGE does not have the functionality to provide data for this measure.
- *Desired Performance:* Higher than target.

01-01-03.03 Output Measure: Number of traps inspected to detect Mediterranean and Mexican fruit flies.

- *Short Definition:* Number of traps inspected to determine infestation of fruit flies.
- *Purpose/Importance:* Monitor fruit fly infestation to allow citrus to be shipped out of Texas without cost of fumigation.
- *Source/Collection of Data:* PATHS

Method of Calculation: Using PATHS, the number of traps is totaled.

- *Data Limitations:* Data entry delays could result in undercounting.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

01-01-03.01 Efficiency Measure: Average cost per organic or other crop production certification inspection.

- *Short Definition:* Average cost per organic or other crop certification inspection.
- *Purpose/Importance:* To determine and monitor average inspection cost and ensure that inspections are conducted in the most efficient manner.
- *Source/Collection of Data:* The agency's automated PATHS and the Microstrategy Report and Output Measure
- *Method of Calculation:* The Field Operations program cost for (Program code 4740) divided by the number of inspections and re-inspections (01-01-03.02).
- *Data Limitations:* Time required for inspection varies considerably (1-5 hours) depending on the type of business, so the average cost could be affected by the relative proportion of different business types certified.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Lower than target.

STRATEGY 01-01-04 –CERTIFY PRODUCE

01-01-04.01 Output Measure: Number of pounds of fruits, vegetables, peanuts and nuts inspected.

- *Short Definition:* The Texas Cooperative Inspection Program (TCIP) employees inspect shipments of fresh

produce commodities providing quality grading under US Department of Agriculture standards and certify necessary grade requirements before commodities are offered for sale.

- *Purpose/Importance:* Inspections are performed to certify the quality of fresh produce commodities prior to shipment or sale to ensure that neither the buyer nor seller sells or receives a product of undesirable or misrepresented quality.
- *Source/Collection of Data:* The number of pounds inspected are recorded on inspection reports and entered into the TCIP database.
- *Method of Calculation:* The TCIP Administrative Office enters the number of pounds inspected from each certificate issued and the cumulative total for the quarter is reported.
- *Data Limitations:* The number of pounds of fresh produce commodities inspected can be significantly affected by market price, weather conditions, and number of acres in production.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

01-01-04.02 Output Measure: Number of lots of citrus fruit tested for quality standards.

- *Short Definition:* Citrus lots are inspected by TDA inspectors to test for sugar and juice content to determine if the fruit meets Texas maturity standards at the time of shipment.
- *Purpose/Importance:* Fruit is tested to ensure that immature fruit is not marketed to Texas retailers and consumers.
- *Source/Collection of Data:* A master log is maintained to record the number of tests performed on fruit grown in Texas. Inspection reports are filed with the Regulatory Division on out of state fruit tested.
- *Method of Calculation:* The number of maturity tests performed on fruit grown in Texas and the number of tests of out of state fruit are totaled and the number is reported.
- *Data Limitations:* Market price and weather can affect the amount of fruit offered for sale and cause fluctuations in the number of tests.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

01-01-04.03 Output Measure: Number of fruit, vegetable, peanut and nut shipment certificates issued.

- *Short Definition:* The Texas Cooperative Inspection Program (TCIP) employees inspect shipments of fresh produce commodities providing quality grading under US Department of Agriculture standards and certify necessary grade requirements before commodities are offered for sale.
- *Purpose/Importance:* Inspections are performed to certify the quality of fresh produce commodities prior to shipment or sale to ensure that neither the buyer nor seller sells or receives a product of undesirable or misrepresented quality.
- *Source/Collection of Data:* The TCIP regional offices enter the number of each issued USDA certificate into a log and the total number is reported quarterly.
- *Method of Calculation:* The number of certificates issued are totaled by each TCIP regional office and sent to headquarters, totaled, and reported.
- *Data Limitations:* Certificates are not issued based on uniform sized lots but instead are issued for produce shipments of greatly varying sizes. The number of certificates issued does not directly correlate to the number of pounds inspected.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

01-01-04.01 Efficiency Measure: Average cost per citrus maturity inspection.

- *Short Definition:* Total citrus maturity inspection costs incurred divided by the total number of inspections.
- *Purpose/Importance:* To ensure that citrus sold in the state meets maturity standards, and is properly graded and sized.
- *Source/Collection of Data:* The agency's Microstrategy Report and Output Measure 01-01-04.02.
- *Method of Calculation:* Program cost for program (4762) divided by the number of citrus maturity inspections (Output measure 2).
- *Data Limitations:* Market price and weather can affect the amount of fruit offered for sale and cause fluctuations in the average cost.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect the current accounting system.
- *Desired Performance:* Lower than target.

STRATEGY 01-01-05 – ETHANOL/BIODIESEL

01-01-05.01 Output Measure: Total Grant Dollars Provided Ethanol /Biodiesel

- *Short Definition:* This measure reflects the total number of grant dollars paid to registered biodiesel and ethanol plants within the year.
- *Purpose/Importance:* This measure captures the total dollars paid to registered plants during the reporting period.
- *Source/Collection of Data:* The data source is the Department's microstrategy reporting system.
- *Method of Calculation:* The Department as required by SB275 in the 78th Legislature, Regular Session may approve payments of $.20 per each gallon produced (up to 18,000,000 gallons per year for the first 10 years the plant is in production) based on a request from the registered plant. The total incentive is the total gallons produced and approved by the Department multiplied by $.20 per gallon incentive. Each registered plant must pay $.032 fee for each gallon produced (up to 18,000,000 gallons per year for the first 10 years the plant is in production) to the state in order to be eligible for the $.20 incentive.
- *Data Limitations:* The amount requested may not reflect the amount estimated for the biennium due to unknown variables such as the production volume of a registered plant and number of plants registered during the fiscal year.
- *Calculation Type:* Cumulative.
- *New Measure:* Yes
- *Desired Performance:* Higher than target.

01-01-05.02 Output Measure: Number of Ethanol/ Biodiesel Plants in Operation

- *Short Definition:* This measure reflects the total number of biodiesel and ethanol plants registered to receive incentive funding within the fiscal year.
- *Purpose/Importance:* This measure tracks the total number of biodiesel and ethanol plants registered to receive funding from the incentive program.
- *Source/Collection of Data:* The department's computerized report from BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* The total number of biodiesel and ethanol plants approved to receive the incentive funding.
- *Data Limitations:* None
- *Calculation Type:* Cumulative.
- *New Measure:* Yes
- *Desired Performance:* Higher than target.

ENFORCE STANDARDS

02-01.01 Outcome Measure: Percent of seed samples found in full compliance with state and federal standards.

- *Short Definition:* Percentage of Official seed samples analyzed by seed laboratories that are found to be in compliance with both state and federal standards.
- *Purpose/Importance:* Protect consumers, establish and enforce standards for vegetable and agricultural seed. Reduce the number of vegetable and agricultural seed samples identified as violating standards.
- *Source/Collection of Data:* Seed Quality Activity Report maintained by the Seed Quality Program.
- *Method of Calculation:* Number of official seed samples drawn minus the number of official samples found out of compliance divided by the total number of official samples drawn.
- *Data Limitations:* Limited by the number of official seed samples drawn. Availability of seed has decreased over past years.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

02-01.02 Outcome Measure: Percent of nursery/floral producers/establishments inspected that are found in full compliance with state and federal standards.

- *Short Definition:* Percentage of the Nursery/Floral establishments that are in full compliance with state and federal regulatory standards.
- *Purpose/Importance:* Reflects the department's efforts to protect consumers and industry from the sale of pest infested plants as well as ensuring that licensing requirements are met.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Total number of Nursery and Floral inspections minus number of inspections found out of compliance divided by total inspections.
- *Data Limitations:* Ability of inspectors to find all locations that are out of compliance, timeliness of data entry into BRIDGE.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01.03 Outcome Measure: Percent of egg packer, dealer, wholesaler and retailer samples inspected and found in full compliance with state and federal standards.

- *Short Definition:* Percent of egg samples inspected and found to be in full compliance with standards.
- *Purpose/Importance:* To ensure that consumers purchase eggs that meet quality standards for labeling and grade.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* The number of egg samples inspected minus the number of egg samples that are found out of compliance divided by the total number of egg samples inspected.
- *Data Limitation:* Ability of inspectors to find all locations that are out of compliance and timeliness of entry of inspections into BRIDGE.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01.04 Outcome Measure: Percent of grain warehouse inspections found in full compliance with state standards.

- *Short Definition:* The number of inspected grain warehouses found in full compliance with standards.
- *Purpose/Importance:* Reduce the number of facilities found out of compliance with grain warehouse laws and ensure that producers' grain deposits are warehoused in accordance with standards thus protecting them from loss.
- *Source/Collection of Data:* PATHS (Purchasing Accounting Travel Human Resource System) and Excel spreadsheet with data collected from the Enforcement tracking log.
- *Method of Calculation:* The number of grain warehouse inspections conducted minus number of grain warehouse inspections found out of compliance divided by the total number of inspections conducted.
- *Data Limitation:* Ability of inspectors to find all locations that are out of compliance and timeliness of entry of inspections into BRIDGE.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

STRATEGY 02-01-01 – IMPLEMENT SURVEILLANCE AND BIOSECURITY EFFORTS FOR PESTS/DISEASES

02-01-01.01 Output Measure: Number of nursery and floral certificates issued.

- *Short Definition:* Number of Nursery and Floral Certificates Issued.
- *Purpose/Importance:* Reduce the spread of regulated pests and diseases by registering Nursery/Floral facilities selling or distributing plant commodities.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Using BRIDGE for source of data, the number of nursery and floral certificates issued are recorded.
- *Data Limitations:* Timeliness of data entry into BRIDGE.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01-01.02 Output Measure: Number of nursery/floral establishment inspections conducted.

- *Short Definition:* Number of nursery/floral Establishment Inspections conducted.
- *Purpose/Importance:* Using a risk-based approach, inspect nursery/floral establishments to ensure they are selling pest free products.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Number of inspections performed at nursery or floral facilities recorded.
- *Data Limitations:* N/A.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01-01.03 Output Measure: Number of state/federal quarantine inspections conducted.

- *Short Definition:* Record the Number of State and Federal Quarantine Inspections conducted.
- *Purpose/Importance:* To inspect quarantined articles to ensure they meet State and Federal requirements.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Recorded number of quarantine inspections, such as for the imported fire ant, sweet potato weevil, vegetable, nematodes, phytosanitary, European corn borer, and other quarantined pests, conducted to verify compliance.
- *Data Limitations:* N/A.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

02-01-01.04 Output Measure: Number of acres inspected or surveyed for the presence of pests and diseases.

- *Short Definition:* Number of Acres Inspected or Surveyed for the presence of pests and diseases.
- *Purpose/Importance:* To inspect and survey for pests and diseases of horticultural concern.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Using PATHS, total the number of acres inspected and surveyed for pests and diseases, such as imported fire ants, and other nursery pests.
- *Data Limitations:* Pest surveys under the terms of cooperative agreements with USDA may be impacted as funding increases/decreases.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

02-01-01.05 Output Measure: Number of insect traps monitored for Gypsy Moth, Sweet Potato Weevil and Japanese Beetle.

- *Short Definition:* Insect Traps Monitored for Gypsy Moth, Sweet Potato Weevil, Japanese Beetle and other pests.
- *Purpose/Importance:* To set and inspect traps for the detection of pests.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Using PATHS, total the number of inspections of survey traps set and monitored for gypsy moth, sweet potato weevil, Japanese beetle, or other pests.
- *Data Limitations:* Number of traps set and inspected may be affected by the number of pests detected and numbers of locations they are detected.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

02-01-01.06 Output Measure: Number of hours spent inspecting plants coming into Texas.

- *Short Definition:* Number of hours spent at road stations conducting inspections of plant shipments and other regulated articles.
- *Purpose/Importance:* To enforce quarantine standards by inspecting plant products, cotton harvesting equipment and other regulated equipment, and commercial citrus shipments at road station inspection sites.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Recorded number of work hours spent by field staff at road station inspection sites, established to intercept shipments quarantined articles associated with plant products, cotton harvesting equipment and other regulated equipment, and commercial citrus.
- *Data Limitations:* None.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how TDA conducts inspections.
- *Desired Performance:* Higher than target.

02-01-01.07 Output Measure: Number of export certificates issued.

- *Short Definition:* Number of Phytosanitary Export Certificates Issued
- *Purpose/Importance:* To issue an export certificate verifying that the import requirements have been met.
- *Source/Collection of Data:* PATHS
- *Method of Calculation:* Using the PATHS, total the number of state and federal phytosanitary certificates issued for shipping quarantined products.
- *Data Limitations:* None
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

02-01-01.08 Output Measure: Number of stop-sales and enforcement reports issued.

- *Short Definition:* Number of stop-sales and enforcement actions issued to nursery and floral businesses
- *Purpose/Importance:* Reflects the department efforts in enforcing nursery and floral requirements.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* BRIDGE and an excel spreadsheet with data collected from the enforcement tracking log.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because TDA no longer issues enforcement reports.
- *Desired Performance:* Lower than target.

02-01-01.01 Efficiency Measure: Average cost per nursery/floral certificate issued.

- *Short Definition:* Average Cost per Nursery/Floral

Certificate Issued. Total licensing costs to issue a nursery/floral certificate divided by the total number of certificates issued.

- *Purpose/Importance:* To determine and monitor the cost to issue a nursery/floral certificate and ensure they are being issued in the most efficient manner.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and PATHS (PURCHASING ACCOUNTING TRAVEL HUMAN RESOURCE SYSTEM)
- *Method of Calculation:* Total licensing costs applicable to issue a nursery/floral certificate divided by the total number of certificates issued (Output Measure 02-01-01.01).
- *Data Limitations: N/A*
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to clarify the calculation of the average costs.
- *Desired Performance:* Lower than target.

02-01-01.02 **Efficiency Measure:** Average cost per nursery/floral establishment inspected.

- *Short Definition:* Calculate Average Cost per Nursery/Floral Establishment Inspected
- *Purpose/Importance:* To determine and monitor the cost to inspect a nursery/floral establishment.
- *Source/Collection of Data:* Microstrategy Report and Output Measure.
- *Method of Calculation:* Cost of the Program (Program code 2110) divided by Number of Inspections conducted. (Output Measure 02-01-01.02).
- *Data Limitations:* There are fixed costs that affect the average inspection cost.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

STRATEGY 02-01-02 – VERIFY SEED QUALITY

02-01-02.01 **Output Measure:** Number of seed samples analyzed.

- *Short Definition:* Total number of official service, ergot, and referee seed samples analyzed.
- *Purpose/Importance:* Protect consumers, establish and enforce standards for seed commodities. Verify the quality and type of seed desired. Reduce the number of seed commodities violating standards.
- *Source/Collection of Data:* Seed Quality Activity Report maintained by Seed Quality Program.
- *Method of Calculation:* Total number of official service, ergot, and referee seed samples analyzed.
- *Data Limitations:* Limited to the number of service samples submitted for testing and number of Official samples drawn by inspectors.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01-02.02 **Output Measure:** Number of seed law infringements found on official samples.

- *Short Definition:* Number of seed law infringements found on official seed samples. Includes official seed samples sent to enforcement, apparent violations and stop sales.
- *Purpose/Importance:* Protect consumers, establish and enforce standards for seed commodities. Verify the quality and type of seed desired. Reduce the number of seed commodities violating standards.
- *Source/Collection of Data:* Seed Quality Activity Report maintained by Seed Quality Program.
- *Method of Calculation:* Total number of seed samples sent to enforcement, apparent violations, and stop sales.
- *Data Limitations:* Limited to the number of Official seed samples drawn and the number of Seed Law infringements.
- *Calculation Type:* Cumulative.
- *New Measure:* No
- *Desired Performance:* Lower than target.

02-01-02.01 **Efficiency Measure:** Average cost per seed sample analyzed

- *Short Definition:* Average cost per seed sample analyzed.
- *Purpose/Importance:* To determine and monitor the average cost of analyzing seed samples to ensure they are being analyzed in the most efficient manner.
- *Source/Collection of Data:* Microstrategy Report and Output Measure 02-01-02.01
- *Method of Calculation:* The cost of seed samples analyzed divided by total number of samples received.
- *Data Limitations:* Limited by the number of Official, Service, Ergot and Referee samples received.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

STRATEGY 02-01-03 – AGRICULTURAL COMMODITY

02-01-03.01 Output Measure: Number of egg inspections conducted.

- *Short Definition:* Number of egg packer, dealer, wholesales and retailer inspections conducted.
- *Purpose/Importance:* To inspect eggs to determine if they are in compliance with state and federal standards.
- *Source/Collection of Data:* BRIDGE
- *Method of Calculation:* The total number of inspections conducted by agency inspectors at dealer, wholesaler, and retail.
- *Data Limitations:* Timeliness of data entry.
- *Calculation Type:* Cumulative.
- *New Measure:* No, MIS is being replaced by BRIDGE. Also to change calculation to cumulative.
- *Desired Performance:* Higher than target.

02-01-03.02 Output Measure: Number of stop-sales and notices of non-compliance issued.

- *Short Definition:* Stop-sales and notices of non-compliance issued.
- *Purpose/Importance:* Reflects the department efforts in enforcing egg law requirements.
- *Source/Collection of Data* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and an Excel spreadsheet with data collected from the Enforcement Tracking log.
- *Method of Calculation:* Total number of stop-sales and non-compliance notices issued are added together.
- *Data Limitation:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed to better reflect how the data is collected.
- *Desired Performance:* Higher than target.

02-01-03.03 Output Measure: Number of grain warehouse inspections, re-inspections and audits conducted.

- *Short Definition:* The number of all grain inspections conducted.
- *Purpose/Importance:* To inspect grain warehouses to ensure that producers' grain deposits are warehoused in accordance with standards thus protecting them from loss.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Total number of audits, inspections, re-inspections and complaint investigations of warehouses conducted.
- *Data Limitations:* Timeliness of data entry of inspections into BRIDGE.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

02-01-03.04 Output Measure: Number of license verification inspections.

- *Short Definition:* Inspect companies to verify license compliance.
- *Purpose/Importance:* To inspect handlers of perishable commodities to ensure that they are properly licensed and that the producers they deal with are properly protected from loss.
- *Source/Collection of Data:* BRIDGE
- *Method of Calculation:* Total number of license verification inspections conducted
- *Data Limitations:* Timeliness of data entry and ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by BRIDGE
- *Desired Performance:* Higher than target.

02-01-03.05 Output Measure: Number of grain warehouse licenses, permits and registrations issued.

- *Short Definition:* Number of licenses issued to grain warehouses.
- *Purpose/Importance:* Reflects the department's efforts in enforcing grain warehouse program requirements.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Total number of licenses issued to grain warehouses are recorded.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type: Cumulative.*
- *New Measure:* No
- *Desired Performance:* Higher than target.

02-01-03.06 Output Measure: Number of licenses, permits and registrations issued to buyers and sellers.

- *Short Definition:* Number of licenses issued to buyers and sellers of perishable commodities.
- *Purpose/Importance:* Reflects the department's efforts in enforcing perishable commodities program requirements.

- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency)
- *Method of Calculation:* Total number of license issues to grain warehouses are recorded.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

02-01-03.01 Efficiency Measure: Average cost per egg producer, dealer-wholesaler, retailer inspection.

- *Short Definition:* Average cost per inspection.
- *Purpose/Importance:* To determine and monitor the cost to inspect an egg establishment.
- *Source/Collection of Data:* Microstrategy Report and Output Measure 02-01-03.01.
- *Method of Calculation:* Field Operation program costs divided by the number of inspections conducted.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

02-01-03.02 Efficiency Measure: Average cost per commodity warehouse inspection

- *Short Definition:* Average cost per inspection/re-inspection of grain warehouse establishment.
- *Purpose/Importance:* To determine and monitor the cost to inspect a grain warehouse establishment.
- *Source/Collection of Data:* PATHS and the Microstrategy Report and Output Measure 02-01-03.03
- *Method of Calculation:* Field operations program cost (4210) divided by the number of inspections (output measure 03).
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS
- *Desired Performance:* Lower than target.

02-01-03.03 Efficiency Measure: Average cost per verification inspection.

- *Short Definition:* Average cost of inspection of a perishable commodity handler.
- *Purpose/Importance:* To determine and monitor the cost to inspect a perishable commodity handler.
- *Source/Collection of Data:* Microstrategy Report and Output Measure 02-01-03.04
- *Method of Calculation:* Field Operation program costs divided by the number of inspections conducted.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than target.

ENSURE PROPER MEASUREMENT

03-01.01 Outcome Measure: Percent of total weights and measures inspections found in full compliance with state and federal standards.

- *Short Definition:* The total number of inspections found in full compliance with standards.
- *Purpose/Importance:* To reduce the number of inspections found out of compliance with weights and measures laws and to ensure that consumers are receiving the correct weight or measure of the product they are purchasing.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency).
- *Method of Calculation:* Using the BDIGE as a source of data, the total number of weights and measures inspections minus the number of inspections found out of compliance divided by the total number of inspections.
- *Data Limitations:* Timeliness of data entered into BRIDGE and ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No, changed to simplify the definition.
- *Desired Performance:* Higher than target.

03-01.02 Outcome Measure: Percent of octane samples tested found in full compliance with state and federal standards.

- *Short Definition:* The total number of gas samples tested and found to be in full compliance with standards.
- *Purpose/Importance:* Reduce the number of samples

found to be out of compliance with octane laws and to ensure that consumers purchase gas with the correct octane rating.
- *Source/Collection of Data:* External laboratory report and database maintained by TDA program staff.
- *Method of Calculation:* Using reports submitted by external testing laboratories during the reporting period, the number of octane samples found in compliance divided by the total number of samples tested.
- *Data Limitations:* No.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

STRATEGY 03-01-01 – INSPECT MEASURING DEVICES

03-01-01.01 Output Measure: Number of weights and measures inspections conducted.
- *Short Definition:* The number of inspections of devices, UPC scanners, and packages. Devices include pumps, scales, and LPG meters. Scanners are inspected by location. Packages are sold by weight, measure or count and are inspected by lot.
- *Purpose/Importance:* To reduce the number of inspections found out of compliance with weights and measures laws and to ensure that consumers are receiving the correct weight or measure of the product they are purchasing.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and PATHS.
- *Method of Calculation:* Using BRIDGE as a source of data, the number of inspections of devices, UPC scanners, and packages are recorded.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because MIS is being replaced by PATHS.
- *Desired Performance:* Higher than target.

03-01-01.02 Output Measure: Number of calibrations performed.
- *Short Definition:* The number of precision, tolerance, and volumetric calibrations of weighing and measuring standards conducted.
- *Purpose/Importance:* To ensure uniformity among all weighing and measuring standards used throughout the state.
- *Source/Collection of Data:* Metrology program database.
- *Method of Calculation:* Using the agency's automated Metrology program database, the number of precision calibrations, tolerance and volumetric testing of weighing and measuring standards are recorded.
- *Data Limitations:* Timeliness of data entry.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

03-01-01.03 Output Measure: Number of stop-sales and enforcement reports issued.
- *Short Definition:* The number of stop-sales and enforcement actions for weights and measures.
- *Purpose/Importance:* Reflects the department's efforts in enforcing weights and measures requirements.
- *Source/Collection of Data:* BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and the Enforcement tracking log.
- *Method of Calculation:* Using BRIDGE and Enforcement tracking log as a source of data, the number of out-of-order tags, notices of noncompliance, notices of violations, and stop-sales are recorded and compared to the total number of inspections.
- *Data Limitations:* Timeliness of data entry, ability of inspectors to find all locations that are out of compliance.
- *Calculation Type:* Cumulative.
- *New Measure:* No, changed because TDA no longer issues enforcement reports.
- *Desired Performance:* Lower than target.

03-01-01.04 Output Measure: Number of fuel samples obtained for octane testing.
- *Short Definition:* The number of samples tested for octane.
- *Purpose/Importance:* To monitor compliance with octane posting requirements, and to ensure that consumers are purchasing the proper octane in their gasoline.
- *Source/Collection of Data:* External laboratory report and program database maintained by TDA staff.
- *Method of Calculation:* The number of fuel samples obtained for analyzing the octane rating is recorded.
- *Data Limitations:* Timeliness of data entry.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target.

03-01-01.01 Efficiency Measure: Average cost per weighing and measuring inspection.

- *Short Definition:* The average cost of weighing and measuring device inspection.
- *Purpose/Importance:* To determine and monitor the cost to conduct a weights and measures inspection.
- *Source/Collection of Data:* Microstrategy Report and output measure 03-01-01.01
- *Method of Calculation:* Using BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency) and the Budget Program Expenditure Report as a source of data, the Weights and Measures program cost (Program 2310) divided by the number of inspections (Output measure 01).
- *Data Limitations:* Data entry delays could result in undercounting.
- *Calculation Type:* Non-Cumulative.
- *New Measure:* No, changed to reflect current accounting system.
- *Desired Performance:* Lower than projected target.

FOOD AND NUTRITION

04-01.01 Outcome Measure: Percent of school districts in compliance with nutrition regulations

- *Short Definition:* This measure is defined as the number of school districts found to be in compliance with counting and claiming and/or reimbursable meal component
- *Purpose/Importance:* To report the number of school districts found to be in compliance.
- *Source/Collection of Data:* Data is produced from the monitoring compliance reports and is counted manually. In the future, this process will be automated.
- *Method of Calculation:* This is calculated by dividing the total number of school districts found to be in compliance with counting and claiming and/or the reimbursable meal component by the total number of school districts reviewed. Only the first three quarters of the fiscal year are used in determining annual performance since, for the most part, schools are not in operation during the summer (fourth quarter) and use of the summer data skews annual data significantly.
- *Data Limitations:* The number of monitoring visits may vary quarter by quarter.
- *Calculation Type:* Non-cumulative.
- *New Measure:* No.
- *Desired Performance:* Higher than target

04-01-01.01 Output Measure: Number of school district reviews conducted.

- *Short Definition:* This measure is defined as the number of Child Nutrition Program Compliance Reviews completed during the applicable reporting period. These reviews refer to the initial comprehensive on-site evaluation of all school food authorities participating in the National School Lunch/Breakfast program.
- *Purpose/Importance:* To report the number of completed school district CREs performed during the reporting period.
- *Source/Collection of Data:* The data is manually calculated from the CRE reports. In the future, the data will be automated.
- *Method of Calculation:* The number of reviews is manually calculated. In the future, the data will be automated.
- *Data Limitations:* The number of completed CREs will vary considerably from quarter to quarter with very little, if any, activity in the summer.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* High.

04-01-01.02 Output Measure: Number of school district staff trained.

- *Short Definition:* This measure is defined as the number of school district employees trained in Child Nutrition Program (CNP) regulations and policies.
- *Purpose/Importance:* To report the number of school districts trained which will improve compliance with CNP regulations and overall food service operations efficiency.
- *Source/Collection of Data:* The Food and Nutrition Division (FND) contracts with regional Education Service Centers (ESC) to provide training to local staff who submit quarterly reports of participants. The reports are supported by individual class rosters and evaluations.
- *Method of Calculation:* The FND combines the twenty ESC quarterly training reports to obtain statewide totals. Training totals for the first three quarters will be minimal since 75 percent of the training sessions are conducted in the summer.
- *Data Limitations:* None.
- *Calculation Type:* Cumulative.
- *New Measure:* No.
- *Desired Performance:* Provide training to 25 percent of the food service staff each year.

FOOD AND FIBER

05-01.01 Outcome Measure: Support and coordinate cooperative research relating to the production, use, and quality of Texas natural fibers and food protein products at Texas universities.

- ***Short Definition:*** The amount of outside contributions received by the four participating universities for research related to TFFC projects is totaled and compared to the TFFC General Revenue research funds to calculate the ratio of GR to Other Project Funds.
- ***Purpose/Importance:*** The measure is an indicator of external commitment to projects.
- ***Source/Collection of Data:*** The universities are required to account for and document other project funds and provide this information to the TFFC each quarter in their performance measures reports.
- ***Method of Calculation:*** The leverage ratio is calculated by totaling all supporting funds from the performance measures reports and totaling all TFFC General Revenue research funds. The totaled supporting funds are divided by the totaled TFFC research funds to determine the leverage ratio.
- ***Data Limitations:*** Supporting funds committed to the projects may change from the time proposals are submitted to the time funds are received.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.01 Output Measure: Number of research and development projects

- ***Short Definition:*** Each biennium, proposals are received from the four universities and are evaluated by the Industry Advisory Committee. Priority projects are identified and recommended for approval.
- ***Purpose/Importance:*** This measure is an indicator of program activity and the level or priority research needs of the food and fibers industry.
- ***Source/Collection of Data:*** The number of projects is obtained by totaling the number of proposals approved by the commissioners.
- ***Method of Calculation:*** The number of projects approved by cooperative agreement for the current biennium with the four universities is tabulated.
- ***Data Limitations:*** None
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.02 Output Measure: Number of formal published research reports

- ***Short Definition:*** Each year, researchers produce formal reports on the progress and accomplishments of their approved TFFC projects that are published in journals and/or presented at various conferences throughout the US and internationally.
- ***Purpose/Importance:*** This measure is a result indicator of individual project activity.
- ***Source/Collection of Data:*** Each researcher provides a quarterly performance measures report to the TFFC on the number of reports produced during the pervious quarter.
- ***Method of Calculation:*** The number of research reports is obtained by totaling the number of documented reports submitted to the TFFC by the cooperating universities in their performance measures reports.
- ***Data Limitations:*** Estimated reports for projects are submitted in the spring of even numbered years before LAR submission. Actual number of reports published may change once the projects are underway 18 months later.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.01 Efficiency Measure: Cumulative accrual of supporting research funds

- ***Short Definition:*** The amount of outside contributions received by the four participating universities for research related to TFFC projects is totaled.
- ***Purpose/Importance:*** This measure is an indicator of industry support for the research being conducted by TFFC.
- ***Source/Collection of Data:*** Each approved project is required to submit quarterly performance measures reports detailing the amount and source of outside contributions to TFFC.
- ***Method of Calculation:*** Supporting funds related to TFFC projects and reported by the four cooperating universities in their performance measures reports are totaled each quarter.
- ***Data Limitations:*** Supporting fund estimated by the researchers at the time the proposals are submitted to TFFC may change by the time funds are actually received from the supporting sources.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.01 Explanatory Measure: Percent of Texas-grown cotton processed in Texas

- ***Short Definition:*** This measure estimates the percentage of Texas-grown cotton that is processed in Texas. This measure is for information only and is not auditable because the data is received by polling industry sources.
- ***Purpose/Importance:*** This measure gives an indication of value-added processing of cotton fiber in Texas.
- ***Source/Collection of Data:*** Cotton industry trade groups are contacted for the consensus amount of cotton processed in Texas. Total cotton production is obtained from the Texas Agricultural Statistics Service.
- ***Method of Calculation:*** The consensus processed amount is divided by the total cotton production from the previous production year.
- ***Data Limitations:*** Data is received by polling industry sources.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.02 Explanatory Measure: Percent of Texas-raised mohair processed in Texas

- ***Short Definition***: This measure estimates the percentage of Texas-raised mohair that is processed in Texas. This measure is for information only and is not auditable because the data is received by polling industry sources.
- ***Purpose/Importance:*** This measure gives an indication of value-added processing of mohair in Texas.
- ***Source/Collection of Data:*** Industry groups are contacted to obtain a consensus on the amount of mohair processed in Texas. Total mohair production is obtained from the Texas Agricultural Statistics Service.
- ***Method of Calculation:*** The consensus processed amount is divided by the total mohair production for the previous production year.
- ***Data Limitations:*** Data is received by polling industry sources.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.03 Explanatory Measure: Percent of Texas-raised wool processed in Texas

- ***Short Definition:*** This measure estimates the percentage of Texas-raised wool that is processed in Texas. This measure is for information only and is not auditable because the data is received by polling industry sources.
- ***Purpose/Importance:*** This measure gives an indication of value-added processing of wool in Texas.
- ***Source/Collection of Data:*** Wool industry trade groups are contacted for the consensus amount of wool processed in Texas. Total wool production is obtained from the Texas Agricultural Statistics Service.
- ***Method of Calculation:*** The consensus processed amount is divided by the total wool production for the previous production year.
- ***Data Limitations:*** Data is received by polling industry sources.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

05-01-01.04 Explanatory Measure: Percent of Texas-grown oil seed crops processed in Texas

- ***Short Definition:*** This measure estimates the percentage of Texas-grown oil seed crops that is processed in Texas. This measure is for information only and is not auditable because the data is received by polling industry sources.
- ***Purpose/Importance***: This measure gives an indication of value-added processing of oilseed crops in Texas.
- ***Source/Collection of Data:*** Oilseed industry trade groups are contacted for the consensus amount of oilseed crops processed in Texas. Total oilseed crop production is obtained from the Texas Agricultural Statistics Service.
- ***Method of Calculation:*** The consensus processed amount is divided by the total oilseed crop production for the previous production year.
- ***Data Limitations:*** Data is received by polling industry sources.
- ***Calculation Type:*** Non-cumulative.
- ***New Measure:*** No.
- ***Desired Performance:*** Higher than target

APPENDIX E – WORKFORCE PLAN

The Texas Department of Agriculture was created in 1887 as a part of the Department of Agriculture, Statistics and History. In 1907, the department became a separate state agency charged with "promoting Texas agriculture interests through organizing farmer's institutes over the state." Since 1907, the Texas Department of Agriculture has been mandated by the Legislature to be a full-service agency, involved with all phases of modern agriculture, agricultural businesses and consumer protection. Today its vital functions include regulatory activities, marketing, producer outreach, agricultural resource protection, agricultural research, economic analysis and promoting excellence in children's nutrition.

Whether it's finding new markets for value-added products, protecting the public and the environment or enforcing laws that maintain consumer confidence in the marketplace, these duties are carried out through a number of programs implemented primarily by TDA's Regulatory Programs, Marketing and Promotion, Pesticide Programs, Rural Economic Development, Food and Nutrition, and Field Operations.

The agency is organized into Executive Administration, including Internal Audit, Legislative Affairs, Producer Relations and TCIP (Texas Cooperative Inspection Program), six program areas (Regulatory, Marketing and Promotion, Pesticide, Food and Nutrition and Rural Economic Development), five regional offices (Lubbock, Dallas, Houston, San Antonio, San Juan), seven sub-offices and labs (Tyler, Stephenville, Giddings, Amarillo, Corpus Christi, El Paso and College Station), Administrative Services, Communications and General Counsel.

Texas Department of Agriculture's workforce plan describes each major program of the agency and its associated workforce planning.

OVERVIEW OF OPERATIONS

Administrative Services is composed of five sections: Human Resources, Support Services, Information Resources and Licensing.

Administrative Services' mission is to provide necessary and appropriate services in a timely manner to ensure the efficient and effective operation of TDA. Administrative Services is committed to providing high-quality, timely, cost efficient and professional services to its customers through communication, cooperation in action, customer service and common courtesy, teamwork, innovation and continuous improvement.

Human Resources' responsibilities include overseeing all personnel matters including benefits administration, state classification plan, compensation, payroll, leave accounting, employment, managerial and other training. Human Resources also ensures that TDA personnel practices are in compliance with state and federal regulations. Human Resources serves as a strategic partner with Executive management and also consults and advises managerial staff regarding human resource matters.

Support Services' responsibilities include the management of all agency resources, such as capital, supplies, office space, telephone services and the agency's vehicles. This office manages records and coordinates the storage and/or disposal of agency records according to the Records Retention schedule established for the agency. Also under the umbrella of Support Services is the agency mailroom, which is responsible for receiving and sending all mail, including express mail and freight services. This office also manages the warehouse, where surplus material is stored for intermittent use. Employees work directly with Texas farmers and ranchers through special projects, such as the State Fair, the Family Land Heritage program, producer programs and livestock shows.

The Risk Management and Safety programs also fall under the supervision of the Support Services Chief Facilities Officer. The Risk Manager/Safety officer conducts employee safety training; provides safety training materials for field offices for regional in-house training; maintains training records for EEO/Sexual Harassment, and Hazardous Communications; schedules and maintains records regarding alcohol and drug testing; investigates/maintains records and studies trends regarding on-the-job accidents, injuries and workplace hazards in order to reduce and/or eliminate said hazards and mitigate the financial and personal impact of accidents and injuries. The Risk Manager/Safety officer is responsible for employee photo ID badges, electronic building entry cards, fire safety, Worker's Compensation, the agency Wellness Program, annual safety inspections of all agency facilities and recommended corrective actions needed, criminal/background/driving records checks on all employment applicants, serves as the agency

representative on the State Emergency Management and Drought Preparedness councils, and works closely with the State Office of Risk Management to ensure the agency's compliance with established guidelines and standards.

Information Resources' responsibilities include two sections. The first section, Applications Development, includes requirements gathering, analysis, design and programming of new systems, as well as maintenance and support for existing Web sites and database systems. The second section, Operations, provides design, implementation, security, maintenance, and user support for internal and external information systems and the technical infrastructure on which the information systems reside.

Licensing responsibilities include processing all license applications and renewals, ensuring the quality of data in BRIDGE, maintaining data entry procedures for BRIDGE, assisting customers with licensing related questions, and receiving and sending correspondence to customers.

Financial Services consists of the functions of accounting, budget and planning and purchasing. Accounting staff process payments in accordance with state and federal statutes, perform encumbrance accounting, issue annual 1099s to vendors and handle all billing inquiries. In addition, accounting staff manage the general ledger, deposit revenue, manage the cash flow of the agencies appropriations and prepare the Annual Financial Report. Budget and planning staff develop and oversee the agency's operating budget, monitor expenditures and provide financial reporting of grant funds. They also prepare the Legislative Appropriations Request and the Strategic Plan. Lastly, Purchasing handles all purchasing efforts ensuring that all state and federal requirements for procurement are met as well as HUB requirements.

Communications Division ensures information about TDA and its programs is communicated to the public and members of the news media in a timely, professional and cogent manner. The division supports communication and promotional efforts for Texas agriculture through special events, such as Agriculture Awareness Week; agriculture education and literacy activities; and other related activities. The division provides design, printing and publication support.

Broadcast Services' responsibilities include delivering daily radio stories and PSA campaigns designed to promote agricultural issues and department programs.

Executive Administration provides the leadership and management of the agency. Field Operations, Internal Audit, Governmental Affairs, Producer Relations, TCIP, Food and Nutrition Policy Development, General Counsel, Enforcement and Food and Fibers Research Grant Program are included in the executive branch.

Field Operations provides for the management of TDA in various parts of Texas. To increase accessibility, TDA has decentralized the agency and many of its programs, moving them out of Austin and into the regional offices and sub-offices where they will be available to more people. Field Operations consist of five regional offices and four sub-offices. Each regional office is headed by a director and has a senior marketing specialist and senior/chief inspectors to coordinate better service to our constituents.

Internal Audit is charged with the responsibility to minimize risk and fraud in all agency functions, policies, procedures and initiatives. It is responsible for reviewing day-to-day operational processes of the department to assist managers in identifying inefficiencies and potential problem areas. This office also serves as the liaison between the department and external auditors.

Governmental Affairs monitors and analyzes federal and state legislative and regulatory activities that affect the department, consumers and producers of Texas agricultural products. Other responsibilities include maintaining and strengthening relations with federal, state and local governments. This office provides assistance as requested on interagency regulatory permitting problems. They obtain federal, state and private funding for the department, and agricultural-related state and private entities. In addition, the division administers grants for various programs including the Texas-Israel Exchange program.

Producer Relations has oversight management for various commodity boards and the Texas Boll Weevil Eradication Foundation and interacts with various commodity groups and organizations throughout the state. The oversight is statutorily mandated.

Texas Cooperative Inspection Program (TCIP) is responsible for the implementation of the cooperative agreement with USDA for inspection of fresh fruits, vegetables, nuts and peanuts.

The *Food and Nutrition Policy Development* section advises the Commissioner and the state on nutrition policy and issues impacting the nutritional health of all Texans.

General Counsel Division is responsible for providing legal services and counsel to all departmental programs

and divisions. Counsel is also responsible for administrative enforcement of the department's regulatory functions, including prosecutions and settlements and is the liaison with the state's attorney general.

Enforcement Section investigates administrative violations of state and federal pesticide, herbicide and Right-to-Know laws and regulations. In addition, Enforcement investigates administrative violations of consumer laws and programs, including plant quality, seed quality, weights and measures, commodity warehouses, egg quality and the Agricultural Protective Act.

Food and Fibers Research Grant Program leverages funding for research related to cotton, cottonseed oil or other related oilseed products, wool, mohair and other related textile products. The program facilitates research opportunities among Texas institutions and natural fibers and oilseed producers, processors, manufacturers and consumers.

Regulatory Program Division involves a wide variety of responsibilities aimed at enforcing statutory requirements and providing services to agricultural entities and consumers. *Regulatory* duties run the gamut from inspecting gasoline pumps and grocery-store scales to ensuring egg quality and nursery/floral compliance.

The *Handling and Marketing of Perishable Commodities (HMPC)* law provides for the licensing and regulation of persons who handle, sell or deal in Texas-grown vegetables and citrus fruit. The HMPC program provides producers who sell produce on credit a means of recovery when purchasers refuse or are unable to pay.

The *Piece Rate* program conducts surveys and observations of hand-harvested crops to ensure that workers receive an equivalent to minimum wage.

The *Cooperative Marketing Program* licenses cooperative marketing associations, which promote and encourage the intelligent and orderly production, cultivation and care of citrus groves and marketing of agriculture products.

The *Citrus Maturity* program verifies that out-of-state citrus meets quality standards.

Egg Quality enforces standards of egg quality by licensing egg packers, wholesalers and distributors.

The *Aquaculture Program* licenses businesses that produce and sell cultured species raised in aquaculture facilities.

The Grain Warehouse Program licenses grain elevators, conducts audits and inspections of facilities to protect grain producers from grain loss.

The Organics Program certifies producers, processors, distributors and retailers who handle organic food and fiber.

Pest Management oversees a variety of programs designed to manage insect pests and diseases affecting crop production, including cotton stalk destruction, citrus budwood certification, the Mexican fruit fly program, biotechnology review and Integrated Pest Management programs.

Plant Quality oversees the regulation and inspection of Texas nursery and floral operations to protect against plant pests and diseases. It also administers state and federal standards for shipping products into and out of Texas.

Weights and Measures protects consumers and businesses by ensuring that weighing and measuring devices perform within acceptable tolerances and that packages are properly labeled prior to sale. The program adopts regulations and performs inspections to ensure consumer protection while providing a standard for industry. Responsibilities also include price verification (which includes electronic checkout scanners) and monitoring the accuracy of fuel pumps, scales, LPG meters and the accuracy of package labeling. The program also licenses Public Weighers.

The *Octane Program* protects consumers by ensuring that fuel devices are dispensing fuel with the correct octane rating.

Metrology Lab provides inspectors with calibrated test equipment for weights and measures to enforce and conduct calibration and testing of weights used in the private sector.

Seed Quality ensures successful production of food and fiber by sampling and testing seeds. It enforces labeling laws designed to ensure consumers receive the quality and type of seed they purchase, seeds will germinate as stated on the label, seeds will produce the variety promised, and seeds are not contaminated with large amounts of noxious weed seed.

Seed and Plant Certification enforces strict genetic quality standards on any certified seed production. The Texas Seed and Plant Certification Act requires that any person producing certified seed in Texas must be a Texas certified seed grower.

TDA's **Marketing and Promotion Division** works to

increase the sales of both raw and processed agricultural commodities by promoting Texas food, fiber, wine, livestock, horticulture and forestry products under the GO TEXAN campaign, a comprehensive initiative launched in 1999 by Agriculture Commissioner Susan Combs. In 2003 the program was expanded by the Legislature to include all Texas-made products. GO TEXAN encourages consumers across the state and the world to seek and purchase Texas products first and always. TDA also conducts focused promotional programs for Texas shrimp and Texas wine.

In 2003, Commissioner Combs launched the Texas Yes! program to market and promote rural Texas. TDA's Marketing and Promotion Division works with this program to spotlight rural Texas communities and support and encourage economic opportunities such as rural tourism. In addition, the division works with the Food and Nutrition Division to lead the promotion of children's nutrition, working closely with schools, teachers, parents and administrators.

The Marketing and Promotion Division also includes Market News, the Texas Agricultural Statistics Service and management of the livestock export pen facilities, which are located in Brownsville, Laredo, Eagle Pass, Houston, El Paso and Del Rio.

Pesticide Program Division is comprised of the Pesticide Policy and Compliance Program, Pesticide Education and Outreach Program and Laboratory Services. Working with the United States Environmental Protection Agency, TDA is the state's lead agency for pesticide regulation.

Pesticide Education and Outreach Program responsibilities include developing materials and training TDA personnel to certify pesticide applicators who use restricted-use and state-limited-use pesticides and regulated herbicides in agriculture-related categories. The program also oversees administration of the Predator Control Program for special training using M-44 sodium cyanide and Compound 1080 Livestock Protection Collars (LPC).

The program is also responsible for evaluating health effects and conducting ecological and environmental pesticide assessments. The program addresses water quality issues related to pesticides, agriculture and state management plans. Staff obtains information from local sources to develop recommendations for pesticide use that minimizes negative impacts to agriculture and endangered species. Responsibilities also include promoting voluntary compliance with new pesticide limitations to protect endangered species in specifically designated areas of the state and participates in activities associated with wildlife and environmental issues related to agriculture.

Pesticide Policy and Compliance Program responsibilities include monitoring all pesticide inspection activities, conducting training, formulating policies and providing guidelines for pesticide programs and technical expertise on pesticide related issues to agency staff.

The program also coordinates the registration activities of approximately 14,000 pesticide products annually, while re-evaluating registrations as new data become available. TDA sometimes has to ban or limit a pesticide's use. The program also coordinates all activities to assure the accurate, thorough review and approval of non-approved pesticides for emergency conditions (Section 18), special local needs registrations (24(c)), experimental use permits (Section 5) and 2(ee) recommendations. These requests and registrations are made only after TDA has determined that the chemical is needed and effective and will not have adverse health or environmental effects.

Pesticide Laboratory provides support functions, which include pesticide residue analysis and pesticide product formulation analysis by chemists to monitor product labeling and to assist in the department's enforcement of pesticide law violations. The lab is located in College Station, Texas.

The Rural Economic Development Division has several programs to assist rural communities and businesses to create and retain jobs through business development and community assistance. In addition, the rural and agribusiness specialist staff located throughout the state provide assistance, and work closely with other agencies and organizations.

The *Texas Capital Fund* is a grant program that is open to non-entitlement communities and provides assistance to qualifying communities for infrastructure, real estate development, Main Street improvements and Downtown Revitalization projects. The division also administers several finance programs to assist Texas producers, processors, marketers and entrepreneurs in diversifying agricultural production and in expanding or creating value-added agricultural businesses. These programs include the Rural Municipal Finance Program, the

Linked Deposit Program and the Young Farmer Loan Guarantee Program.

Food and Nutrition Division administers the National School Lunch (NSLP) and School Breakfast Programs (SBP) in Texas public and charter schools. Responsibilities include providing guidance in nutrition education, dietary guidelines, menu analysis and programs. Another division responsibility is processing school districts' reimbursement claims for federal funds. About 93 percent of the state's 1,264 school districts choose to participate in the meal programs and receive cash subsidies from the U.S. Department of Agriculture through TDA. With approximately 1 million students enjoying a school breakfast and 2.3 million students consuming a school lunch, the annual payments to school districts now top $1 billion. The division also ensures that districts participating in the school meal programs are financially accountable and in compliance with the federal and state regulations. Staff members conduct on-site monitoring in approximately 240 school districts annually. The process includes reviewing program records, observing cafeteria serving lines and checking rosters, applications and other participation records. The division is also responsible for informing and training the approximately 40,000 school food service workers throughout Texas about new and revised, as well as existing program regulations and requirements.

CURRENT WORKFORCE PROFILE

Information from the State Auditor's Office (SAO) Human Resources Analysis System annual headcount report shows a total of 473 employees during fiscal year 2005 in the following categories: 1 elected official, 81 administrative support, 23 officials and administrators, 17 paraprofessionals, 288 professionals, 4 service and maintenance employees, 1 skilled craft worker, and 58 technicians.

Of the 473 headcount, 208 employees are female and 265 are male.

The SAO Human Resources Analysis System Age Report states the average age during fiscal year 2005 is 43.0. The youngest employee is 21; the oldest is 68.9.

Texas Department of Agriculture's (TDA) longevity report verifies the average tenure of agency staff is 12 years.

Data provided by the Employees Retirement System indicates Texas Department of Agriculture projected retirement eligibility counts as of Fiscal Year 2004 at 18 percent and Fiscal Year 2005 at 11 percent.

The agency's turnover rate is 13.5 percent during fiscal year 2005.

FUTURE WORKFORCE PROFILE

In addressing future workforce needs, it should be remembered that detailed replacement charts are overly rigid when positions change rapidly; retention is directly related to perceived upward mobility and individual division systematic plans may discover unknown, yet excellent candidates for future management.

The ultimate goal is to ensure continuity of task performance in each division and program at the Texas Department of Agriculture. Every senior manager should develop a succession plan. We must have a dynamic structure and a process for identifying, developing and placing individuals in leadership positions.

Texas Department of Agriculture changes in the overall workforce are driven by factors such as goals, strategies, performance measures, technology, work, workloads and work processes.

The knowledge, skills and abilities necessary to perform specific functions and tasks within the agency will require a more educated staff that has extensive information technology, project management, managerial and professional training. Written and verbal proficiency is essential in all agency positions. Individual skill development will also need to be accommodated to recruit, retain, train and motivate workers. It is critical that TDA recognize the value in hiring new employees with potential until the new hires reach a high level of proficiency and are ready to be promoted into managerial positions.

Projected future workforce knowledge that will be needed include: the creation of individual division business plans; project management plans; market research and the implementation of marketing initiatives; tracking and responding to customer inquiries and complaints; and the continuation of forums across the state to provide constituents the opportunity to provide feedback on agency issues. Other skills necessary for certain positions will include the knowledge of legislative processes, knowledge of state procurement operations, facility management,

telecommunications, policy development, strong managerial skills, knowledge of various industries, economic development, specialized training, and on the job training.

The strategic vision for the next few years assumes with the new technological changes at hand, because of BRIDGE (Bringing Resource Integration and Data Together for Greater Efficiency), work will be processed faster and more accurately which will allow for more career enhancement to ensure smooth transitions during staff changes or additions. We also foresee more electronic document exchange, an increase in the number of regulated areas, a possible increase in the privatization of some governmental functions with more accountability and more reporting requirements. We also project an increase in involvement in areas other than what is typically thought of as "agriculture" (such as water related issues and nutrition) which will somewhat dictate the type of positions we will hire.

It is also recognized that additional future changes to strategies and goals are predicated on legislative activities, new initiatives defined by the Commissioner and changes in state and federal laws. Factors relating to the stability and viability of the information technology industry will greatly affect our ability to recruit and retain staff. The Commissioner or their designee would direct changes to the scope and responsibility of any position.

GAP ANALYSIS

Overall, if the economy picks up, the agency may face difficulty in finding staff to work in all programs and divisions given the salary levels we can afford to pay. The projected retirement or loss of employees in technical and professional areas has the potential to create a shortage of expertise in various areas.

The solutions to these specific issues are numerous. Documentation of processes and procedures must be done to provide historical information and to provide resource material. Mentoring, coaching and cross training must take on greater importance. Monthly Supervisors' Dialogue is scheduled to address pertinent management issues and policies. Computer training has been identified as very necessary with TDA's recent technological advances. The world of high technology requires lifetime learning for all employees.

TDA practices upward mobility, and efforts are underway to identify, mentor and train potential regional directors. In specialized technical positions (e.g., Hydrologist, Entomologist, Agronomist, Metrologist, Programmer, Systems Analyst, etc.), a plan will be compiled to address potential successors should those type positions become vacant.

STRATEGY DEVELOPMENT

Our strategies to address workforce competency gaps agency wide should include: adequate salary (within the constraints of the budget); regular increases for merit/performance; rewards for performance; flex time and/or telecommute opportunities; career, leadership and professional development; cross training, outsourcing and contract workers and increased participation in agency programs. Consideration should be given for a mentoring process whereby replacement employees would be hired up to a month before the current employee retires, contingent upon salary caps and FTE issues.

A continual review of the agency's Workforce Plan should be conducted at a minimum on a semi-annual basis.

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