By: Cook of Colorado

H.R. No. 1079

RESOLUTION

1 WHEREAS, The Texas rice belt, stretching across the coastal 2 plain from San Antonio Bay to the Sabine River, has long been a 3 major component of this state's agricultural sector; Texas ranks 4 fourth in production nationally, and milling, processing, 5 shipping, and other activities create a combined Texas rice 6 industry impact of \$1 billion annually; and

7 WHEREAS, Production of this grain staple also yields 8 attendant environmental benefits; rice fields represent an 9 important habitat for many waterfowl, wading and shore birds, and 10 other wildlife and contribute as well a freshwater runoff to Texas 11 bays and estuaries that helps to nurture the state's fish and shrimp 12 populations; and

WHEREAS, Regrettably, Texas rice production and the total dollar value earned by growers are both declining; total crop output fell by a third between 1994 and 2000, a situation exacerbated by a concurrent drop of about 20 percent in the per-hundredweight price received by producers; and

18 WHEREAS, In November 2002 in Houston, the U.S. Department of 19 Agriculture held a listening session for rice farmers and other 20 interested parties to gauge what effect federal farm programs are 21 having on the economic viability of rice production and on other 22 parts of the rice industry and associated infrastructure; and

23 WHEREAS, Criticism focused on features of the 1996 and 2002 24 farm bills that reward, in common tenancy situations, not so much

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the farmer as the landlord; the misplaced federal incentives thus frequently pay for the idling of, rather than production from, Texas rice fields; and

WHEREAS, Discussions prompted by the Houston session have resulted in a proposal for a Texas pilot program to modify the 2002 farm legislation through an increase in the federal loan price, producing an offsetting diminution in the formula-based countercyclical payment; and

9 WHEREAS, A policy correction is imperative, given the current 10 situation in the Texas rice industry, and this chamber favors the 11 solution outlined above as the most feasible action to take that 12 will minimally impact the federal budget while bolstering the 13 state's rice farmers, its wildlife, and the livelihood of its 14 coastal rural communities; now, therefore, be it

RESOLVED, That the House of Representatives of the 78th Texas Legislature hereby express its support for an increase in the federal loan value for Texas rice in a pilot program that will maintain the state's rice industry while fostering wildlife habitat and other environmental and economic benefits along the Texas Gulf Coast.

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