

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Goodwin, González of Dallas

H.B. No. 3323

A BILL TO BE ENTITLED

AN ACT

relating to food system security and resiliency planning.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 2, Agriculture Code, is amended by adding Chapter 23 to read as follows:

CHAPTER 23. FOOD SYSTEM SECURITY

Sec. 23.001. DEFINITIONS. In this chapter:

(1) "Council" means the Texas food system security and resiliency planning council.

(2) "Office" means:

(A) the office of food system security and resiliency if that office is established as a division within the department by an Act of the 88th Legislature, Regular Session, 2023; or

(B) the food and nutrition division of the department if the office of food system security and resiliency is not established as a division within the department by an Act of the 88th Legislature, Regular Session, 2023.

Sec. 23.002. TEXAS FOOD SYSTEM SECURITY AND RESILIENCY PLANNING COUNCIL. (a) The office shall establish the Texas food system security and resiliency planning council. The council is composed of the following members:

(1) three members appointed by the governor;

(2) three members appointed by the lieutenant

1 governor;

2 (3) three members appointed by the speaker of the  
3 house of representatives;

4 (4) one member of the Texas Animal Health Commission  
5 appointed by the governor;

6 (5) one member appointed by the commissioner to  
7 represent food banks;

8 (6) one member appointed by the commissioner to  
9 represent nonprofit organizations that provide home delivered  
10 meals;

11 (7) two members appointed by the commissioner to  
12 represent agricultural producer organizations, marketing  
13 associations organized under Chapter 52, or farmers' cooperative  
14 societies incorporated under Chapter 51;

15 (8) the assistant commissioner of agriculture for the  
16 food and nutrition division as a nonvoting member;

17 (9) the director of the Texas A&M AgriLife Extension  
18 Service as a nonvoting member; and

19 (10) one nonvoting member appointed by the executive  
20 commissioner of the Health and Human Services Commission to  
21 represent the supplemental nutrition assistance program, the  
22 federal special supplemental nutrition program for women, infants,  
23 and children, and the supplemental nutrition assistance  
24 program-education.

25 (b) A person appointed under Subsection (a) must have  
26 experience in an industry or economic sector involving food  
27 production or food sales or in a related industry or economic

1 sector.

2 (c) For the purpose of Subsection (a)(7), the Texas Farm  
3 Bureau is considered an agricultural producer organization.

4 (d) A council member serves at the pleasure of the  
5 appointing authority.

6 (e) The governor shall designate a chair of the council from  
7 the members the governor appoints. The lieutenant governor shall  
8 designate a vice chair of the council from the members the  
9 lieutenant governor appoints.

10 (f) The council shall meet at least once quarterly or more  
11 frequently at the call of the chair.

12 (g) A member of the council is not entitled to compensation  
13 or reimbursement for expenses incurred in performing council  
14 duties.

15 (h) The council shall:

16 (1) give guidance to the office; and

17 (2) review the state food system security plan  
18 developed under Section 23.003.

19 Sec. 23.003. STATE FOOD SYSTEM SECURITY PLAN. (a) The  
20 office shall develop a state food system security plan. The plan  
21 must:

22 (1) provide for the orderly development and management  
23 of food system security throughout this state, including ensuring  
24 sufficient food is available at a reasonable cost to:

25 (A) ensure public health, safety, and welfare;

26 (B) further economic development; and

27 (C) protect the agricultural and natural

1 resources of this state;

2 (2) account for times of severe drought conditions,  
3 natural disasters, man-made disasters, or other calamities; and

4 (3) include legislative recommendations that are  
5 needed or desirable to facilitate the resilience and availability  
6 of food in this state.

7 (b) In developing the plan, the office shall seek the advice  
8 of:

9 (1) the Department of State Health Services; and

10 (2) the Parks and Wildlife Department.

11 (c) The office shall:

12 (1) review and revise as necessary the plan developed  
13 under Subsection (a) at least once every five years; and

14 (2) deliver the plan to the governor, the lieutenant  
15 governor, the speaker of the house of representatives, and the  
16 chair of the appropriate committees in each house of the  
17 legislature.

18 Sec. 23.004. FOOD SYSTEM SECURITY PLANNING FUND. (a) In  
19 this section, "planning fund" means the food system security  
20 planning fund.

21 (b) The planning fund is a dedicated account in the general  
22 revenue fund and consists of:

23 (1) appropriations of money to the planning fund by  
24 the legislature;

25 (2) gifts, grants, including federal grants, and other  
26 donations received for the planning fund; and

27 (3) interest earned on the investment of money in the

1 planning fund.

2 (c) The planning fund may be used only to administer the  
3 council under Section 23.002.

4 (d) The office may accept gifts, grants, or donations from  
5 any source that are made for the purposes of this section. Money  
6 received under this subsection shall be deposited in the planning  
7 fund.

8 Sec. 23.005. TEXAS FOOD SYSTEM SECURITY AND RESILIENCY  
9 GRANT PROGRAM. (a) In this section:

10 (1) "Eligible recipient" means:

11 (A) a municipality;

12 (B) a county;

13 (C) a council of government;

14 (D) a regional planning council;

15 (E) an economic development corporation;

16 (F) a transit authority;

17 (G) a nonprofit or similar organization;

18 (H) a farm or agricultural product or service  
19 cooperative;

20 (I) a nonprofit farmers' market or grocery store;

21 or

22 (J) a micro-business as defined by Section  
23 2006.001, Government Code.

24 (2) "Grant fund" means the Texas food system security  
25 and resiliency projects fund.

26 (b) The grant fund is a dedicated account in the general  
27 revenue fund and consists of:

1           (1) appropriations of money to the grant fund by the  
2 legislature;

3           (2) gifts, grants, including federal grants, and other  
4 donations received for the grant fund; and

5           (3) interest earned on the investment of money in the  
6 grant fund.

7           (c) The office shall award grants to eligible recipients to  
8 increase food system security or resiliency in this state. To be  
9 eligible for a grant, a project must be related to food production,  
10 food system security, or food supply resiliency and have the  
11 ability to impact either an individual community or the production  
12 of a specific agricultural commodity. The department shall award  
13 grants to a variety of eligible recipients across this state.

14           (d) The grant fund may be used by the office only to:

15                   (1) award grants under this section; and

16                   (2) administer the grant program under this section.

17           (e) The amount of a grant awarded under this section may not  
18 be less than \$10,000 or more than \$250,000. The total amount of  
19 grants awarded under this section may not exceed \$10 million.

20           (f) This section expires August 31, 2025.

21           Sec. 23.006. BIENNIAL REPORT. (a) The department shall  
22 report to the legislature biennially on the activities of the  
23 office and council. The report must contain a description of:

24                   (1) the activities of the council under this chapter;  
25 and

26                   (2) grants awarded under Section 23.005.

27           (b) This section expires January 14, 2025.

1       Sec. 23.007. RULES. The department shall adopt rules  
2 necessary to administer this chapter.

3       SECTION 2. (a) As soon as practicable after the effective  
4 date of this Act, the Department of Agriculture shall adopt rules  
5 and procedures as required to implement Chapter 23, Agriculture  
6 Code, as added by this Act.

7       (b) As soon as practicable after the adoption of rules and  
8 procedures under Subsection (a) of this section, the governor,  
9 lieutenant governor, speaker of the house of representatives,  
10 executive commissioner of the Health and Human Services Commission,  
11 and commissioner of agriculture shall appoint the initial members  
12 of the Texas food system security and resiliency planning council  
13 under Section 23.002, Agriculture Code, as added by this Act.

14       SECTION 3. Not later than September 1, 2025, the office, as  
15 that term is defined by Section 23.001, Agriculture Code, as added  
16 by this Act, shall deliver the initial state food system security  
17 plan as required by Section 23.003(c), Agriculture Code, as added  
18 by this Act.

19       SECTION 4. (a) In this section, "office" has the meaning  
20 assigned by Section 23.001, Agriculture Code, as added by this Act.

21       (b) The office is not required to award a grant under  
22 Section 23.005, Agriculture Code, as added by this Act, unless the  
23 legislature appropriates money specifically for that purpose  
24 during the state fiscal biennium ending August 31, 2025.

25       SECTION 5. This Act takes effect immediately if it receives  
26 a vote of two-thirds of all the members elected to each house, as  
27 provided by Section 39, Article III, Texas Constitution. If this

H.B. No. 3323

1 Act does not receive the vote necessary for immediate effect, this  
2 Act takes effect September 1, 2023.



ADOPTED

MAY 19 2023

FLOOR AMENDMENT NO. 1

*Lately Law*  
Secretary of the Senate

BY:

*Roger W. N.*

Amend H.B. No. 3323 (senate committee report) as follows:

(1) In SECTION 1 of the bill, strike added Section 23.005, Agriculture Code (page 3, lines 1 through 40).

(2) In SECTION 1 of the bill, strike added Section 23.006(a), Agriculture Code (page 3, lines 41 through 46), and substitute the following:

(a) The department shall report to the legislature biannually on the activities of the office and council. The report must contain a description of the activities of the council under this chapter.

(3) Strike SECTION 4 of the bill (page 3, line 66, through page 4, line 2).

(4) Renumber the SECTIONS of the bill and the provisions of added Chapter 23, Agriculture Code, and conform any references to those provisions as appropriate.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 20, 2023**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3323** by Goodwin (Relating to food system security and resiliency planning.), **As Passed 2nd House**

The fiscal implications of the bill cannot be determined because the amounts and timing of appropriations, depository interest, and gifts, grants, or donations for the food system security planning fund that would be created by the bill is unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would amend the Agriculture Code by adding Chapter 23 regarding food system security and resiliency planning.

The bill would require the Texas Department of Agriculture (TDA) to establish the Texas food system security and resiliency planning council, comprised of 16 members, to provide guidance to the office of food system security and resiliency if that office is established as a division within TDA by an Act of the 88th Legislature, Regular Session, 2023, and to review the state food system security plan developed under Section 23.003 of the bill.

The bill would require TDA to create a state food system security plan. The bill would create the food system security planning fund as a dedicated account in the General Revenue Fund. The account would consist of legislative appropriations, gifts, grants, donations, and interest earnings. The account could only be used to administer the council. Based on information provided by the Department of Agriculture, coordinating the food system security and resiliency council and plan would require 1.0 FTE for a Program Specialist V position at a cost of \$70,662 in 2024 and \$70,662 in 2025 to administer the council programs. This analysis assumes the position would be funded using the newly created fund.

TDA would be required to adopt rules necessary to implement the provisions of the bill.

Based on information provided by the Comptroller of Public Accounts, with respect to the new dedicated account in General Revenue created by the legislation, the fiscal implications of the bill cannot be determined because the amounts and timing of any appropriations, depository interest, and gifts, grants, or donations for the new fund is unknown at this time.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 537 State Health Services, Department of, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 802 Parks and Wildlife Department

**LBB Staff:** JMc, CMA, MW, RSTE, SZ

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 11, 2023**

**TO:** Honorable Charles Perry, Chair, Senate Committee on Water, Agriculture & Rural Affairs

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3323** by Goodwin (Relating to food system security and resiliency planning.), **As Engrossed**

The fiscal implications of the bill cannot be determined because the amounts and timing of any grant distributions, appropriations, grant distributions, depository interest, and gifts, grants, or donations are unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill. The Department of Agriculture is required to award grants under the provisions of the bill only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Department of Agriculture may, but is not required to, award grants under the provisions of the bill using other appropriations available for that purpose.

The bill would amend the Agriculture Code by adding Chapter 23 regarding food system security and resiliency planning.

The bill would require the Texas Department of Agriculture (TDA) to establish the Texas food system security and resiliency planning council, comprised of 16 members, to provide guidance to the office of food system security and resiliency if that office is established as a division within the department by an Act of the 88th Legislature, Regular Session, 2023 and to review the state food system security plan developed under Section 23.003 of the bill.

The bill would require TDA to create a state food system security plan. The bill would create the food system security planning fund as a dedicated account in the General Revenue Fund. The account would consist of legislative appropriations, gifts, grants, donations, and interest earnings. The account could only be used to administer the council.

The bill would create the food system security and resiliency projects fund as a dedicated account in the General Revenue Fund. The account would consist of legislative appropriations, gifts, grants, donations, and interest earnings. The account could only be used to award grants or administer the grant program. TDA's office would be required to award grants to recipients who meet eligibility requirements to increase food system security or resiliency in Texas.

TDA would be required to adopt rules necessary to implement the provisions of the bill.

Based on information provided by the Comptroller of Public Accounts (CPA), with respect to both of the new dedicated accounts in General Revenue created by the legislation, the fiscal implications of the bill cannot be determined because the amounts and timing of any appropriations, grant distributions, depository interest, and gifts, grants, or donations for the new funds are unknown at this time.

Based on information provided by TDA, this analysis assumes that additional staff would be needed if funds were made available for the two new funds. It is assumed that TDA would need 2.0 FTEs to administer grant awards for the Texas food system security and resiliency grant program and coordinating the food system security and resiliency council and plan. Costs for these positions would include operating equipment and

expenses, professional services expenses and one-time rule making costs to implement the provisions of the bill. Personnel costs (Salary, benefits, and operating) for the FTEs are estimated to be \$201,077 in FY 2024 and \$188,533 in subsequent FYs 2025-2028. In addition, professional service costs would total \$100,000 in fiscal year 2024 and \$50,000 in subsequent fiscal years 2025-28 for TDA to work with a university or vendor to create and update the state food security plan as required by this legislation. This analysis assumes that the cost of making rules required by the bill could be accomplished using existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

#### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 537 State Health Services, Department of, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 802 Parks and Wildlife Department

**LBB Staff:** JMc, SZ, MW, RSTE

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 28, 2023

TO: Honorable Briscoe Cain, Chair, House Committee on Agriculture & Livestock

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB3323** by Goodwin (Relating to food system security and resiliency planning.), **As Introduced**

The fiscal implications of the bill cannot be determined because the amounts and timing of any grant distributions, appropriations, grant distributions, depository interest, and gifts, grants, or donations are unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

This bill would amend the Agriculture Code by adding Chapter 23 regarding food system security and resiliency planning.

The bill would require the Texas Department of Agriculture (TDA) to establish the Texas food system security and resiliency planning council, comprised of 24 members, to provide guidance to the office of food system security and resiliency if that office is established as a division within the department by an Act of the 88th Legislature, Regular Session, 2023 and to review the state food system security plan developed under Section 23.003 of the bill.

The bill would require TDA to create a state food system security plan. The bill would create the food system security planning fund as a dedicated account in the General Revenue Fund. The account would consist of legislative appropriations, gifts, grants, donations, and interest earnings. The account could only be used to administer the council.

The bill would create the food system security and resiliency projects fund as a dedicated account in the General Revenue Fund. The account would consist of legislative appropriations, gifts, grants, donations, and interest earnings. The account could only be used to award grants or administer the grant program. TDA's office would be required to award grants to recipients who meet eligibility requirements to increase food system security or resiliency in Texas.

TDA would be required to adopt rules necessary to implement the provisions of the bill.

Based on information provided by the Comptroller of Public Accounts (CPA), with respect to both of the new dedicated accounts in General Revenue created by the legislation, the fiscal implications of the bill cannot be determined because the amounts and timing of any appropriations, grant distributions, depository interest, and gifts, grants, or donations for the new funds are unknown at this time.

Based on information provided by TDA, this analysis assumes that additional staff would be needed if funds were made available for the two new funds. It is assumed that TDA would need 2.0 FTEs to administer grant awards for the Texas food system security and resiliency grant program and coordinating the food system security and resiliency council and plan. Costs for these positions would include operating equipment and expenses, professional services expenses and one-time rule making costs to implement the provisions of the bill. Personnel costs (Salary, benefits, and operating) for the FTEs are estimated to be \$201,077 in FY 2024 and \$188,533 in subsequent FYs 2025-2028. In addition, professional service costs would total \$100,000 in

fiscal year 2024 and \$50,000 in subsequent fiscal years 2025-28 for TDA to work with a university or vendor to create and update the state food security plan as required by this legislation. This analysis assumes that the cost of making rules required by the bill could be accomplished using existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 537 State Health Services, Department of, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 802 Parks and Wildlife Department

**LBB Staff:** JMc, SZ, MW, RSTE