

SUBJECT: Transferring the Office of Rural Affairs to the Department of Agriculture

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 8 ayes — Walker, Crabb, F. Brown, Geren, Krusee, Mowery, Truitt, B. Turner
0 nays
1 absent — Howard

WITNESSES: For — Billy Howe, Texas Farm Bureau
Against — None

BACKGROUND: In 1997, the 75th Legislature created the Office of Rural Affairs (ORA) within the Texas Department of Economic Development (TDED). ORA's charge is to provide information on economic development in rural areas, identify potential business opportunities, maintain an economic development database, and submit a report to the Legislature each even-numbered year. ORA has two staff members, a director and a program coordinator.

DIGEST: HB 819 would transfer ORA from TDED to the Texas Department of Agriculture (TDA).

The bill would take effect September 1, 2001. The transfer of personnel, powers, duties, rights, obligations, assets, and appropriations would have to be completed by January 1, 2002. The TDED board would continue to oversee ORA operations until they were transferred and could decide whether to transfer any assets used by ORA and other divisions of TDED and any personnel who performed duties for either ORA or TDED.

SUPPORTERS SAY: Moving ORA to TDA would fit into the comprehensive effort of the 77th Legislature to help rural Texas help itself and to rebuild rural communities and their economies. TDA manages several programs that foster the growth and retention of agriculture and agricultural-related businesses and industries in Texas. ORA already links its efforts with TDA in promoting non-

agricultural economic development in rural areas, and it would be logical to place ORA into TDA's organizational structure.

While TDED has had responsibility for rural economic development since 1989, the state has seen little return on its investment. Since TDED has been unable to integrate rural development into its programs, ORA should be moved to an agency where it would be more effective.

OPPONENTS
SAY:

Non-agricultural economic development programs could be out of step with TDA's traditional focus on improving agriculture. It would be better to keep ORA within TDED or to transfer it to the proposed Office of Rural Community Affairs to maintain ORA's emphasis on non-agricultural economic development in rural areas. Keeping ORA separate from TDA would not preclude cooperation with TDA programs and would provide a needed system of checks and balances for rural economic development policy.

NOTES:

An identical bill in the 76th Legislature, HB 3417 by Counts, was reported favorably by the House Agriculture and Livestock Committee but died in the House Calendars Committee.