

MEMO

TO: Judge Curtis Parrish

CC: Commissioner Mike Dalby, Precinct 1; Commissioner Jason Corley, Precinct 2; Commissioner Cary Shaw, Precinct 3; Commissioner Jordan Rackler, Precinct 4

FROM: D. Gene Valentini

DATE: July 1, 2026

RE: 07/13/26 Agenda Item: Consider approval of Form 424 and the Recertification letter for FY 2027 USDA Mediation Program

Final written guidance has not been received from USDA; however, verbal guidance was provided by the agency to begin the recertification process. We know they will need the recertification letter and Form 424, therefore these documents only have been submitted for approval.

Program Objective: To provide Alternative Dispute Resolution options to Rural Texans; specifically, mediation for a wide range of disputes authorized by federal law that may or may not involve the United States Department of Agriculture (USDA). The Office of Dispute Resolution has provided this service since 2000 when Senator Duncan requested and received Governor Bush's approval. Lubbock County was named the service provider and grant recipient in May 2004 by Governor Perry. Governor Abbott has also reaffirmed prior designations.

Purpose of Form 424: Officials in Washington, DC require a *pre-application* from each state requesting a Certified Mediation Program grant. These pre-applications are used to calculate the funding necessary to meet the needs of all states. Typically, federal funding is 60-70% of the pre-application amount to states so not to exceed the Congressional appropriations.

Amount Requested: The Certified Mediation Program grant allows for carry-over of unused funds from one year to the next. Due to the federal funding process, we plan to request that unused funds at the end of FY26 be carried over to FY27. This allows services to continue uninterrupted during the subsequent first and second quarters of the next fiscal year. Our FY27 request mirrors FY26, including funding for two specific outreach activities. These activities are the Annual John Huffaker Agricultural Law Course which we co-sponsor with the State Bar of Texas and outreach efforts for financial institutions. Our collaboration with the Texas Department of Agriculture will continue in FY27.

Match Sources: Form 424 requests a break-down of non-Federal funds expected to be incorporated into the program. The majority of these funds are in-kind match from organizations, such as the State Bar of Texas, and individuals with similar goals of making resources available to Rural Texans.

Mediations:

Over the years, mediations have focused on USDA programs such as FSA, RD, RMA, and NRCS. These agencies have encountered a reduction and closing of offices. This has caused most mediations to be audio or virtual sessions rather than face to face. About 95% of these cases are mediated virtually, as well cases sanctioned by the Texas Department of Agriculture.