

LOUISIANA RICE RESEARCH BOARD

Crowley, Louisiana
November 11, 2016

MEMBERS PRESENT: Jackie Loewer, Richard Fontenot, Donald Berken, Clarence Berken, Brian Wild, Fred Zaunbrecher, Dane Hebert, Damian Bollich, Ronnie Sonnier, Benjy Rayburn for LDAF Commissioner Mike Strain, Michael Fruge and Phillip Lamartiniere

MEMBERS ABSENT: Jude Doise, Sammy Noel and Jason Waller

OTHERS PRESENT: Steve Linscombe, Kyle McCann, Bruce Schultz, Michael Klein Rogers Leonard, Scott Soileau and Frankie Gould

The business meeting was held immediately following the research project reports. Chairman, Jackie Loewer called the business meeting to order. Chairman Loewer asked members to begin reviewing the agenda items. He indicated that the agenda order has been changed to accommodate presenter schedules.

ACTION #1 A motion was made by Dane Hebert, seconded by Ronnie Sonnier and carried, to approve the agenda.

The Board next considered the minutes of the previous meeting.

ACTION #2 A motion was made by Ronnie Sonnier, seconded by Clarence Berken and carried, to approve the minutes of the previous meeting.

Frankie Gould then reviewed the Board's annual report. She reviewed the draft content and timeline for the publication. The Board briefly discussed the various topics to be included and timeline.

The LDAF October 2016 assessment collections report was then presented by Kyle McCann. For the month of October assessment collections were \$ 90,654.85. The year to date assessment collections were \$310,615.77 and year to date refunds were \$18,875.20 or approximately 6% of total collections.

Scott Soileau then reviewed the previous year end June 30, 2016 financial operating report and the September 30, 2015 report. He reviewed each of the various fund balances and discussed the current financial position of the Board. The Board discussed their current financial position and the current fund balances.

ACTION #3 A motion was made by Clarence Berken, seconded by Donald Berken and carried, to receive and file the financial reports.

The next agenda item was a report on pending legal issues. Chairman Loewer indicated that matter was currently before the Louisiana Supreme Court and that it was unknown as to when they would decide on the matter.

The Intellectual Property committee report was then presented by Richard Fontenot. The LSU AgCenter royalty funds are not transferred to the Board but are allocated to projects recommended by the committee and approved by the Board under a MOU. The committee did not meet but did have a funding allocation recommendation for royalty funds totaling \$172,000. The recommendation was in support of funding the purchase of two 75 hp tractors, a rock plow and a ditcher to be used on the Rice Research Station. It was also reported that discussions are ongoing between BASF and the LSU AgCenter. Hopefully developments from this would be considered by the committee next year.

ACTION #4 A motion was made by Richard Fontenot, seconded by Donald Berken and carried to approve the recommendation on the allocation of \$172,000 and that the MOU with the LSU AgCenter be approved.

The Board then considered Col-Rice Fund Use committee funding recommendations. Chairman Loewer reported on the August meeting of Col-Rice and the auctions held year to date.

The Board was next updated on the effort to create an Endowed Chair for rice research using Col-Rice funds. The endowment is currently being considered by the Attorney General's (AG) office. Once approved by the AG, the Board will need to contract with the LSU Foundation through a cooperative endeavor agreement (CEA). The Board was presented a draft CEA and reviewed the various provisions. The draft CEA would be presented to the AG for consideration in their review of the matter. After some discussion the Board approved the draft CEA.

ACTION #5 A motion was made by Damion Bollich, seconded by Clarence Berken and carried to approve the draft CEA contract for review.

Clarence Berken then presented the COL-Rice committee report and funding recommendations. The Col-Rice and revenue estimates that the committee used were presented by Kyle McCann. The unencumbered balance as of 6/30/2017 was \$2,228,924.07. Steve Linscombe reviewed the 10 items that were considered by the committee for funding for 2017. Item 3 (data scientist) was removed from consideration since it may be considered by other states at a later time. Another research project from USA Rice was later added for consideration. The research project submitted by USA Rice was regarding a comprehensive market research project which was also being considered by other state rice research boards. Michael Klein with USA Rice then reviewed the market research project.

Clarence Berken then summarized the recommendations for TRQ funding. The nine items with LSU AgCenter totaled \$1,835,000 and the project with USA Rice was \$20,000 for a total of \$1,855,000. The Board discussed the recommendations. In consideration of reduced check off assessment income, the first two items recommended were a \$100,000 to supplement assessment income for currently funded projects and \$160,000 to provide for an increase of 10 percent over 2016 funding levels for continuing projects. The total TRQ recommended allocation for 2017 continuing projects was \$1,855,000.

ACTION #6 A motion was made by Clarence Berken, seconded and carried, that the Col-Rice committee recommendation be approved as amended and fund \$1,835,000 in continuing projects with LSU AgCenter and \$20,000 for a new research project with USA Rice from Col-Rice funds for 2017.

Kyle McCann then reviewed the assessment income for this year's crop, reserve balances as of 6/30/16 by fund type and the board's operational budget estimates for FY 2017. The estimates provided and future acreage trends were discussed. After some discussion and general agreement on income estimates and operating expenses, the Board began to discuss the proposed research projects and funding requests. Steve Linscombe answered questions regarding some of the projects. The Board discussed the continuing projects and overall funding levels. After some discussion the following motions were made.

ACTION #7 A motion was made by Richard Fontenot, seconded by Donald Berken, and carried to fund continuing projects at 2016 levels plus ten percent and that the \$260,000 in Col-Rice funds be allocated to the project entitled "Development of Superior Rice Varieties for Louisiana" by Steve Linscombe.

The Board then considered the new projects proposed for 2017. After reviewing each they agreed to support two new projects.

ACTION #8 A motion was made by Dane Hebert, seconded by Richard Fontenot and carried to fund \$30,000 in Col-Rice funds for the project entitled, "Development of an Encapsulation Protocol for Sodium Nitrite for Control of Feral Swine in Rice" by Glen Gentry.

ACTION #9 A motion was made by Donald Berken, seconded by Phillip Lamartiniere and carried to fund \$28,550 in Col-Rice funds for the project entitled "Effect of Water Management Practices on Nitrogen Use Efficiency and Yield of Drill-seeded, Delayed Flood Rice Production" by Manoch Kongchum.

The Board then reviewed the funding decisions, operating budget and the impact on projected reserves by fund type (attached).

ACTION A motion was made by Fred Zaunbrecher, seconded by Philip

#10 Lamartiniere and carried to approve the funding levels and budget for 2017.

After agreeing to the 2017 funding allocations and budget, the Board considered the renewal of the necessary contracts for 2017.

ACTION #11 A motion was made by Donald Berken, seconded by Ronnie Sonnier and carried to approve the necessary contracts for 2017 with organizations and individuals in the amounts agreed to in the approved operating budget and project allocations; LSU AgCenter research projects \$ 3,406,501, USA Rice up to \$16,000; USA Rice market research project \$20,000, USA Rice Foundation \$5,000; accounting with Dugas, Soileau and Breaux \$1,600; administrative with Kyle McCann \$2,000.

A brief southwest regional director report was presented. Steve Linscombe reported on the Rice Research Station activities and efforts regarding DRC 1339.

Chairman Loewer then reported on the USA Rice activities and the USA Rice Foundation efforts on research.

The long grain brand working group activities were reported on by Michael Fruge. The work is still ongoing and includes looking at grading factors and eventually setting parameters for each.

Kyle McCann then briefly reviewed the ethics training and reporting requirements for Board members. The online ethics training is an annual requirement to be fulfilled by the end of the year. Tier 2.1 reports have to be filed by May 15th each year. Members will receive reminder emails.

The public comment period was then conducted. None were presented.

Roger Leonard expressed the LSU AgCenter's appreciation to the Board for the support, input and advice on rice research.

There being no further business the meeting was adjourned.

Table 1. CHECKOFF REVENUE PROJECTIONS 11/8/2016

2016 CROP	ESTIMATES			COL-Rice TRQ Calendar Year 2016 YTD
	NASS		EU -TRQ Spring 2017	
ACRES	425,000			
YIELD	65			
TOTAL PRODUCTION	27,625,000			
CHECKOFF	\$ 0.05			
TOTAL COLLECTIONS	\$ 1,381,250.00			
REFEUNDS				
& SLIPPAGE (%) 10	\$ 138,125.00			
TRQ EU 2017			16,000	
COL-Rice 2016				1,740,509
REVENUE ESTIMATE	\$1,243,125		\$16,000	\$ 1,740,509

Table 2. Unencumbered Balances

UNENCUMBERED BALANCE 6/30/16	FUNDS			
	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
	282,318	\$ 2,573,549	62,986	2,228,245
TOTAL FUNDS	\$ 282,318		\$ 62,986	\$ 2,228,245

TABLE 3. PROJECTED BUDGET RICE RESEARCH BOARD 2016-2017.

	FUNDS			
	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
UNENCUMBERED BALANCE 6/30/16	282,318	\$2,573,549	62,986	2,228,245
ESTIMATED REVENUE	1,243,125		16,000	
INTEREST INCOME	1,000			2,400
COL- Rice TRQ 10/15 AUCTION EST.				
FUNDS AVAILABLE	\$ 1,526,443		\$ 78,986	\$ 2,230,645
EXPENSES				
LDAF	12,000			
OPERATING EXPENSES				
STATE AUDIT	1,500			
PROFESSIONAL FEES	3,600			
LEGAL EXPENSES	0			
PRINTING	2,500			
MISCELLANEOUS	1,000			
USA RICE FEDERATION	16,000			
USA RICE FOUNDATION	5,000			
TOTAL OPERATING EXP.	29,600			
TOTAL EXPENSES	41,600			
NET FUNDS AVAILABLE	1,484,843		78,986	2,230,645
TOTAL COMBINED FUNDS		\$3,794,474		

TABLE 4. RESERVE POLICY ADOPTED 11/4/14.

Reserve Established by Col-Rice TRQ Funds \$1,500,000

TABLE 5. LSU AGCTR 2017 PROJECT FUNDING AND PROJECTED YEAR-END RESERVES (6/30/17).

	CHECKOFF & VD	TOTAL	EU -TRQ	COL-Rice TRQ
TOTAL NET FUNDS AVAILABLE FOR 2017 PROJECTS	1,484,843	3,980,751	78,986	2,230,645
LSU AGCTR 2017 PROJECTS				
CONTINUING	1,480,362		32,588	260000
NEW	0	0		58550
TOTAL	1,480,362		32,588	318,550
COMBINED TOTAL		1,831,500		
TRQ RECOMMENDATIONS				
Project List LSU				1,575,000
Market Research proj.				20,000
USA RICE				
TOTAL	-			1,595,000
PROJECTED NET	4,481		46,399	317,095
TOTAL NET		\$367,975		
TRQ RESERVE				\$1,500,000
UNENCUMBERED RESERVES	4,481		46,399	\$1,817,095
(6/30/17)				

RICE RESEARCH PROJECTS FOR 2017			
Department/Proposal Title Principal Investigator	2017 Funding		
	Checkoff	TRQ-CoIRice	EU-TRQ
Continuing Projects			
Ag Economics & Agribusiness Economic Analysis of Rice Production and Farm Management In Louisiana Deliberto, Michael (Salassi)	\$44,000		
Dean Lee Research Station Development of UAV and Drone Technologies for Rice Production Field Use Price, Randy	\$45,650		
Entomology Integrated Management Strategies for Insect Pests of Rice in Louisiana Stout, Michael	\$105,435		
LSU Department of Biological Sciences Identifying Low-Arsenic Rice Varieties Smith, Aaron	\$21,197		
Northeast Research Station Yield Evaluation of Commercial-Advanced (CA) Testing Program in Northeast Louisiana Miller, Donnie	\$ 11,000		
Plant Pathology & Crop Physiology Characterization and Utilization of Genetic Traits for Resistance to Multiple Diseases of Rice Ham, Jong Hyun	\$52,338		
Development of Seed Treatment Methods to Enhance Rice Health Ham, Jong Hyun			\$ 32,588
H. Rouse Caffey Rice Research Station Rice Multidisciplinary Research Program Conducted at the Rice Research Station Linscombe, Steve			
Objectives Listed Below 1-12* (*New Objective)	Objective Allocation		
Objective 1 Integrating Molecular Breeding Approaches into Rice Variety Development Program Famoso, Adam	\$ 71,500		
Objective 2 Development of Disease Control Practices in Rice			

RICE RESEARCH PROJECTS FOR 2017			
Department/Proposal Title Principal Investigator	2017 Funding		
	Checkoff	TRQ-ColRice	EU-TRQ
Groth, Donald	\$75,350		
Objective 3 Rice Management Strategies for Efficient Utilization of Agronomic Inputs and Natural Resources Harrell, Dustin	\$144,375		
Objective 4 Rice Research Station Overall Support Linscombe, Steve	\$27,500		
Objective 5 Multiple Generation Rice Breeding Nursery Linscombe, Steve	\$82,500		
Objective 6 Enhancement of Rice Research and Extension Communications Linscombe, Steve	\$43,395		
Objective 7 Development of Superior Rice Varieties for LA Linscombe, Steve	\$296,600	\$260,000	
Objective 8 Development of Hybrid Rice and Sheath Blight-Resistant Germplasm for Louisiana Oard, James	\$127,710		
Objective 9 Marker-Assisted Breeding and Development of Molecular Markers for Important Traits in Louisiana Rice Production Utomo, Herry	\$31,763		
Objective 10 Rice Grain Quality Enhancement: Characterization of Elite High Protein Lines and Development of Herbicide-Resistant Rice Wenefrida, Ida	\$25,988		
Objective 11 Rice Research Station Infrastructure, Facilities Upgrade and Support			
	Research Associate (Famoso)	\$55,000	
	Greenhouse	\$250,000	
	Mill	\$150,000	
	Shop Facility	\$600,000	

RICE RESEARCH PROJECTS FOR 2017			
Department/Proposal Title Principal Investigator	2017 Funding		
	Checkoff	TRQ-ColRice	EU-TRQ
Addition to Equipment Storage		\$200,000	
Automatic Generator System for Station		\$170,000	
Graduate Student Office Facility		\$150,000	
Linscombe, Steve		\$1,575,000	
School of Plant, Environmental & Soil Sciences			
Development of Drought-Tolerant Rice for La with High Water Use Efficiency Under the Future Climate Change Scenario	\$22,000		
Baisakh, Niranjana			
Breeding Rice Varieties with Tolerance to Abiotic Stresses	\$69,443		
Subudi, Prasanta			
Weed Management in Herbicide- Resistant/Tolerant and Conventional Rice	\$159,519		
Webster, Eric			
Southwest Region			
Louisiana Rice Research Verification Program	\$23,100		
Harrell, Dustin			
Total Continuing Project Funding	\$1,480,363	\$ 1,835,000	\$32,588
Department/Proposal Title Principal Investigator			
New Projects			
Idlewild Research Station			
Development of an Encapsulation Protocol for Sodium Nitrite for Control of Feral Swine in Rice		\$30,000	
Gentry, Glen			
H. Rouse Caffey Rice Research Station			
Objective 12			
Effect of Water Management Practices on Nitrogen Use Efficiency and Yield of Drill-Seeded, Delayed Flood Rice Production		\$28,550	
Kongchum, Manoch			
Total New Project Funding	\$0	\$58,550	\$0
Total Funding for Continuing & New Projects by Fund Type	\$1,480,363	\$1,893,550	\$32,588
Overall Total Funding for 2017	\$3,406,501		