

State Board of Agricultural Research and Education

May 3, 2018

MINUTES

The State Board of Agricultural Research and Education met for a regular meeting in the Auditorium of the Northern Crops Institute located on the campus of North Dakota State University in Fargo, ND on May 3, 2018, starting at 9:00 a.m. Board members in attendance were Mike Beltz, Mark Birdsall, Tracy Boe, Chris Boerboom, Ken Grafton, Lance Gulleston, Larry Hoffmann, Jerry Klein, Brian Leier, Sarah Lovas, Keith Peltier, Richard Roland, Dean Wehri and Tom Bodine for Doug Goehring. Members Absent: Dean Bresciani and JoAnn Rodenbiker.

Chairman Keith Peltier called meeting to order at 9:00 a.m. and welcomed members and guests. Members agreed to minor adjustments to agenda. A motion was made by Mike Beltz to approve the *amended* February 8, 2018 meeting minutes, seconded by Sarah Lovas. Motion carried. A motion was made by Larry Hoffman to approve the March 16, 2018 meeting minutes, seconded by Dean Wehri. Motion carried.

Administrative Update for the ND Agricultural Experiment Station (AES):

Dr. Ken Grafton shared that Dr. Charles Mode, an alumni of NDSU, recently committed \$1.5 million dollars to establish an Endowed Professorship in Genomics. Mode's background in plant pathology, diseases, math and statistics lead to him developing groundbreaking models for estimating the spread of the AIDS disease. His most recent publication focuses on genomics and big data. Dr. Robert Brueggeman, NDSU Professor in Plant Pathology, is to be named the first holder of this endowed professorship. Grafton noted that his most recent NSF grant work is based upon Mode's mathematical models in genetics, and his models are being confirmed in this sequencing research data.

AES and Extension were invited by the Governor's office and the Office of Management and Budget for a strategic review meeting on May 17.

Administrative Update for the NDSU Extension Service (EXT):

Dr. Chris Boerboom listed several position updates. Current searches include the Extension beef specialist and weed science specialist positions. There is an offer out for a livestock specialist, based at the Central Grasslands REC. County agent recruitments include Grand Forks and Williams County; vacancies in McKenzie and Adams counties are being discussed with counties to determine the best way to fill these. Applications for the Interim Director are due May 8.

The farm bill changes potentially affecting NDSU Extension relate to the nutrition programs for families (SNAP). Funding for this passes to Extension which delivers the educational component of this program. Changes would pool SNAP and EFNEP program funds; overall dollars are not reduced but the distribution would change. The program budget would shrink by 30%, resulting in the loss of 3 to 4 positions, adversely impacting rural North Dakotans in need of this support.

Extension announced their new name as "NDSU Extension." A newly established 15-member citizen council has met; SBARE member JoAnn Rodenbiker has agreed to serve on the council.

Extension agents will meet with county commissioners this summer to provide updates and discuss educational efforts taking place in their communities, including programs, funding, agency collaborations, and the restructuring process.

Request for Information from Governor's Office

AES and EXT recently received a packet from the Governor's office and Office of Management and Budget (OMB) with a number of questions requesting information on a wide variety of program information, including agency purpose, key metrics, hiring stats, attrition rate, and more. The Agronomy Seed Farm and Northern Crops Institute were also asked to report. AES and EXT will focus on their role in solving problems for ND farmers and agribusinesses, and show how funds are leveraged to partner with private industry. AES partnerships with the State Seed department, NCI, the Department of Agriculture, and NDSU are some examples.

Governor's Budget Guidelines Discussion

Guidelines denote a 10% cut, with a contingency cut of an additional 3% to be outlined as well. The AES total reduction would be \$8.9 million; in the last round AES suffered a reduction of \$10 million causing a loss of 42 FTEs; a similar

result could be expected again. Extension's budget cut would be over \$3 million; FTE predictions are harder to work out depending on the adjusted cost share figures that come out of the newly negotiated base policy. Estimates of this level of reduction indicate a potential for complete closure of entire swaths of Extension programs and the removal of a substantial number of Extension personnel.

AES Programmatic Initiatives Discussion and Vote

The AES programmatic initiatives were listed as of the last round of voting. 1) The 'agribiome initiative' will focus on plant and animal microbiome interactions; this request would modestly build on what is currently in place in AES research programs. AES is constantly being contacted for their information; recently Microsoft approached AES to get involved in developing a Smart Farm, which could possibly be located on or near the Agronomy Seed Farm. It would incorporate aspects of not only crops but also involve animal science aspects related to feedlot, grazing systems, and other research being done at AES facilities nearby. 2) The 'precision ag research initiative' will not only expand AES precision agriculture work but ideally would mesh well with cooperative efforts that the Smart Farm/Microsoft partnership could garner. 3) The 'enhancing research capacity initiative' is not a request to restore the budget; it addresses the inflationary costs that occurred 2017 to present, and anticipates those coming through 2020. Numerous commodity groups are interested in more engagement with the agribiome efforts.

Birdsall made a motion to form a Chair-appointed subcommittee to address educational efforts and form promotional material with a message about SBARE and the initiatives they are bringing forward, seconded by Lovas. Discussion included ideas such as visiting with stakeholders and legislators about the SBARE priorities and the stakeholder input, as well as the need to share information on the impact of these programs, starting with commodity groups. Motion carried.

All voting members received ballots containing the initiatives, and the Chair instructed them to vote in order of importance, from one to three, one being the highest priority. Ballots were collected and tallied.

Extension Programmatic Initiatives Discussion and Vote

The programmatic initiatives on which SBARE previously voted were briefly reviewed again. 1) Extension operational support, 2) farm safety education, 3) mobile crop protection lab and 4) precision ag education program. Voting members received ballots and voted in order of importance. Ballots were collected and tallied.

Extension's One-time request

SBARE members agreed to bring Extension's need for increasing their capacity for web and digital delivery forward as a one-time opportunity to restructure, because existing staff would be able to maintain a new system so no new positions would be required. Bringing in new high tech and high touch deliveries will be a part of this revamping.

Capital Projects & One-Time Requests Discussion

The previous version of the capital list was shared. Grafton noted that historically the deferred maintenance and CREC land base would have been on the one-time request list, so they should not be on the capital list.

Since SBARE's last vote, a great deal of interest has been generated surrounding the concept of an 'ag products development center' that would include a meat science lab and processing area, along with research facilities. Co-locating these programs has many advantages, bringing together sensory evaluation testing lab areas with food products research labs. All refrigeration needs for these programs would be centrally located and horticulture researchers could potentially benefit from this arrangement. Since this space would fall under University domain, it will be placed on NDSU's request list and would not be appropriate to involve AES funding. Additionally, the Foundation will seek authorization to begin fundraising efforts and seek pledges to support this venture to at least 10% of the initial costs. To minimize confusion, members agreed this item should be removed from the SBARE priority list.

Birdsall made a motion, seconded by Roland, to formally remove the meat science lab, the deferred maintenance, and the Carrington REC land base items from list, as discussed. Motion carried. Dean Wehri made a motion, seconded by Mike Beltz, that the SBARE would provide a letter of support to NDSU and President Bresciani in support of the ag products development center initiative.

The agronomic, pathology, and soils field lab facility becomes the top item with the equipment storage sheds, and then the precision ag/ABEN facility following. Birdsall shared that he received feedback that some people were displeased with the WREC seed cleaning plant dropping lower in rank after being a high priority recently. There is a good track record

with the other RECs using their funds wisely. Williston has the oldest seed cleaning plant; a recent increase in seed production means they are able to become a primary seed source in their region of NW North Dakota and NE Montana.

Peltier indicated the board should vote on all remaining items. Ballots were collected and tallied.

AES Programmatic Initiatives Finalization

Voting results did not change the order of rank for the AES initiatives as previously discussed. Dollar figures related to the AES programmatic initiatives were explained. The total amount of current base support is \$66 million, so the totals on this list work out to roughly 3%. Discussion followed on salaries and support for staffing. Beltz made a motion to approve the list with number figures as presented, seconded by Birdsall. Motion carried.

Ext Programmatic Initiatives Finalization

Voting results in order of rank were as follows: Item #1 was 'Extension web and digital delivery' and it would be \$345,000, to include a two-year project manager, consulting work, software development work for one year, and operating of \$25,000. The #2 item was 'Extension operational support' totaling \$870,000, comprised of \$670,000 for county programs and \$200,000 for state programming. Item #3 was a 'precision ag specialist' at \$300,000 per biennium which includes \$240,000 salary and \$60,000 operating. Item #4 was a 'farm safety specialist' at \$300,000 per biennium which includes \$240,000 salary and \$60,000 operating. Item #5 was the 'mobile pesticide application lab,' which would require an FTE in an MS-level staffer plus operating expenses at a total cost of \$220,000 per biennium. Other needed resources beyond that level would have to come from industry support.

The top 4 items total \$1.6 Million, about 6% of Extension's budget; this is likely beyond the scope of what can be supported in the next state budget and members considered various scenarios and concerns. Birdsall noted that the one-time request should be eliminated from these percentages as it is a stand-alone item. Removing this, remaining items total about 3%. Birdsall made a motion, seconded by Lovas, for the 'Extension web and digital delivery' package to be specified as a one-time request, moving forward with the 'Extension operational support' as the singular Extension programmatic initiative. Members noted the operational support item is not seeking a restoration of budget but merely to stabilize areas of Extension for which constituents have strongly indicated are critical to their communities. Further discussion ensued regarding the economic impact to communities and producers if additional programs are cut. Peltier called for a vote on the motion. Motion carried.

Capitol Initiatives Finalization

Voting results showed the agronomic, path, soils field lab building remained on top, and estimates put this facility at \$60-65 Million. The second item was the Williston Seed Cleaning facility, at \$750,000; third was the equipment storage sheds at \$2.4 million to include one for each REC. Fourth is the precision ag/ABEN facility and estimates could be roughly \$6 million. Board members discussed how many of the 13 items on the list should be brought forward. Lovas made a motion, seconded by Hoffman, to keep the top four items on the list. Motion Carried.

Formation of a new Subcommittee

Peltier requested that the board discuss the formation and direction of a new subcommittee, asking first for volunteers to serve. Sarah Lovas, Brian Leier, Larry Hoffmann and Lance Gulleson volunteered. Discussion included ideas on various funding sources and potential processes for advancing agricultural efforts, and the need to address the lack of understanding of agriculture; efforts of this committee would most likely be educational and marketing in nature.

This work could be a multi-year effort, and short-term goals could include meeting commodity groups and explaining the SBARE priorities. The next meeting may include members of the Ag Coalition to discuss together how to rally support for agricultural causes moving into the next legislative session. Gulleson urged the committee to tie in information on economic impacts. Familiarity with the SBARE process may be lacking in the wider constituency so assistance from additional ag partners will be important. Boerboom urged the new committee to think of this work broadly and include 4-H and Youth Development as well as other populations, advocating for causes that overlap with urban populations, too. Members noted that since the Appropriations committee makes funding decisions, educational efforts should include them as soon as possible. Next steps will include reaching out to the agricultural organizations as well as the budget committees in the Senate and House.

Peltier adjourned the meeting at 3:12 p.m.

Respectfully submitted by Lorie Herbel.