State Board of Agricultural Research and Education
December 18, 2013
MINUTES

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The State Board of Agricultural Research and Education met at the Carrington Research Extension Center, Carrington, ND on December 18, 2013. Board members in attendance were Leland (Judge) Barth, Mike Beltz, Tracy Boe, Chris Boerboom, Dean Bresciani, Doug Goehring, Ken Grafton, Rodney Howe, Jerry Klein, Paul Langseth, Brian Leier, Keith Peltier, JoAnn Rodenbiker, Richard (Dick) Roland and Lyle Warner. Absent: Doyle Lentz.

Chairman Beltz called the meeting to order at 9:01 a.m., and noting a quorum, welcomed everyone to make introductions. No additions or corrections were made to the agenda, and it was unanimously approved. No additions or corrections were made to the minutes from the November 19-20 meeting, and were unanimously approved. Chairman Beltz said that the March date for the SBARE meeting has been changed to March 7, 2014. Please notify him if there are potential conflicts.

Administrative Report from President Bresciani

The president has been in discussions with leaders in North Dakota regarding the state's prosperity and looking at opportunities the state is currently facing. Included in this is reviewing what other states have done in the past.

Administrative Report from Dr. Grafton

Dr. Grafton stated that the land owned by the ND Agricultural Experiment Station in Mandan has been leased for the last several years. Any changes in land holdings would require legislative action.

Administrative Report from Dr. Boerboom

Dr. Boerboom noted that legislative reporting sessions were beginning around the state. County Extension offices conduct these sessions, and invite local legislators to hear updates on Extension programming and the impacts they have in our state.

Personnel updates: Carrington Research Extension Center hired a new researcher to fill a vacancy and this person starts in January. An area livestock position at Central Grasslands Research Extension Center may be filled soon, and the Extension sugar beet specialist position has an offer out as well. There is also still a vacancy in the Extension veterinary area and this position is being examined. At the county level there are several ongoing recruitments. The Bottineau position has been refilled. Grant County has an FCS position is open now. Other updates: A successful Crops Day was recently held with 75 attendees at the Carrington Research Extension Center. Reminder: the Devils Lake Roundup is coming up in January.

Seed Plant Report

Keith Peltier reported that he contacted additional equipment sellers, and awaits quotes from them. He has some figures now but waiting on others – may have figures for Carrington, Minot, Williston and others by mid-January. Details can be provided via email so please let Keith know if you wish to receive more information.

Ag Research Fund update

Judge Barth shared a handout showing the distribution of various funds such as mill and elevator funds, farm vehicle registrations, excise tax distributions, Bank of ND, etc. Members agreed that looking into various avenues is helpful. The Board considered ideas including the Bank of ND funds, as well as the ND Tax Credit, based on farm income schedule F (voluntary). Possible pros and cons for various ideas were discussed. Chairman Beltz directed Judge Barth to investigate the details for a possible voluntary ND Tax Credit on farm income (schedule F) and report back to the Board at the next meeting.

Century Code discussion

Dr. Grafton pointed out that in the Century Code for the North Dakota Agricultural Experiment Station all Research Extension Centers (RECs) are identified separately in ND Century Code. They have their own separate line-item budgets, which differs from the typical configuration in other states. The Vice President for Agricultural Affairs office oversees the RECs, but it is the Director in each location who has charge over the REC funds. Each REC has land associated with it and Century Code details where those lands are located. This is a key point to keep in mind when RECs consider relocation or land changes.

General discussion continued in regards to Century Code, and the fact that there are clear delineations dividing the funds that go to NDSU, the Extension Service, and the Agricultural Experiment Station; a separation of funds that doesn't exist

in most University systems. Other states without these separations have seen a weakening of their programs and budgets. Some members cautioned that there may be inaccurate perceptions among appropriators in North Dakota due to lack of understanding the North Dakota Century Code.
As a point of clarification related to land and the ND Agricultural Experiment Station, Dr. Grafton noted that the main NDSU campus map clearly delineates the new AES greenhouse and other AES facilities and plot lands. Land west of 18th is ND Agricultural Experiment Station property.

Agricultural Research Fund (ARF) discussion
Following a brief break, Chairman Beltz asked the Board to address their interest in the continuation of the ARF. Members agreed that when properly funded, it accomplishes what it was originally created to do. At this point, is there clarity on current objectives and priorities? Original creation of the ARF was to drive investment in research areas that ND producers wanted most, and to bring commodities into that process as well. Overall, the goal has been to accelerate research in agricultural issues critical for North Dakota. Discussion continued on various ideas for funding which included the creation of new fund sources as well as consideration of seeking dollars from previously existing funds. The merits of various ideas were considered. The value of the ARF compared to other sources of grant funds was also discussed. Identifying a goal for the size of the fund was discussed.
Rodney Howe made a motion for the State Board of Agricultural Research and Education to support a separate legislative item (not to be included on the priority list) to fund the Agricultural Research Fund at $1.5 million dollars annually. Keith Peltier seconded this motion. Chairman Beltz noted that it was moved and seconded; and asked if there was any discussion. Keith Peltier made a point of question regarding the exact wording of the motion on the floor. The motion was re-read to the board. Chairman Beltz asked that the Board vote on the motion. Majority affirmed. One opposed. Motion passed.
Discussion continued on the point of whether or not SBARE wishes to increase the ARF as it currently exists, or consider creating an entirely new fund with new percentage breakdowns for distributions. The current ARF statute is clearly defined so changes to it would require legislative action. Chairman Beltz stated that given that the Board has upcoming deadlines for addressing issues related to recent input sessions, he tasked Jerry Klein and Tracy Boe to investigate specific ideas related to enhancing the fund and give a report to the Board at the January meeting. Further discussion would be tabled until a report is heard.

Following a break for lunch, the meeting resumed at 1 PM.

Review and Discussion of constituent testimony
Drs. Grafton and Boerboom provided working draft summaries of testimony including a composite summary of all testimony provided to SBARE as of this time, without prioritization. In addition, the ND Agricultural Experiment Station summary and the Extension Service summary are each in alphabetic order by subject headings/topic groups, not as bundles. At this time, any errors can be corrected by contacting them. Chairman Beltz reminded the Board that the customary process is that eventually these will be packaged under headings with line items, and ranking is made on the line items. Headers are not ranked. Packages are created later. Going forward, Drs. Grafton and Boerboom will add brief descriptions to their summaries for the next meeting. Bundling will be done later.
For key information, Dr. Grafton shared copies of an article about epigenetics, which directly relates to one of the requested items. The article describes the key role of understanding genetic expression and inheritance (external influences affecting the genetics of an organism), helping us understand the impactful role of these scientists. At the request of Board members, additional scientific definitions were shared for the Board's benefit.

Discussion followed regarding capital improvement projects, updates needed for outdated lab facilities, how they are supported and why they are under the University. The most prominent example of note is the NDSU Veterinary Diagnostic Lab. The key to understanding why the lab is so important to our state and our producers is the fact that it's a service organization, with a responsibility to provide services back to the state. Fees for tests are not to be cost-recovery fees as this would make them too high and render services out of reach to the average producer. The University also has the ability to train and staff the lab, the equipment, and use it in service to the state as well as in enhancing the overall program and education offered in ND. Similar to this would be how the Extension Service runs the Plant Diagnostic Lab. There are fees, but they aren't cost-recovery fees. The location of a potential new Veterinary Diagnostic Lab was

discussed. Board members agreed that the ideal is to obtain sufficient facilities in North Dakota rather than sending critical lab testing out of state.

Constituent testimony was given by Mr. Mark and Mrs. Kristi Doll, representing Milk Producers of North Dakota, and the Holstein Association.

Chairman Beltz asked Dr. Boerboom to share an update on oil-patch salary differentials. After receiving a small amount of support from OMB some time ago, a second source of funds was identified through the Department of Trust Land; however the application was not included for consideration. At this point the oil patch conditions have not changed and there are no imminent avenues to increase support for state staff there. In the past, SBARE was the entity that helped resolve a similar difficult situation. Drs. Grafton and Boerboom request this issue be considered as a line item for SBARE's support next legislative session.

Chairman Beltz asked Dr. Grafton to share an update on ongoing capital improvements. He stated that completion of the greenhouse facility is imminent. One issue is that when the legislature asked for an exploration of geothermal wells to heat and cool entire facility, experts said 600 wells were needed to accomplish that, and the budget only allowed for 100 wells, which barely handles the head greenhouse. At some future point, expansion of wells will need to be addressed.

Dr. Grafton announced that they are developing the Global Institute for Food Security and International Agriculture. Dr. Kalidas Shetty, Associate Vice President for Global Outreach, was hired by the Office of the Provost to lead the way to boost NDSU's effectiveness in the food safety arenas and enhance campus programs. Dr. Shetty is developing a truly global network; about 30 memorandums of understanding with other countries are already in place. Here at the local level, some components of this program require a strong food safety program as well as programmatic areas in plant and food sciences as well as food security. We are looking for opportunities to explore this further. Julie Garden-Robinson, NDSU Extension Food and Nutrition Specialist, was called upon to speak about their program. She noted that they are short staffed and need more research and outreach in ND for entrepreneurs and producers. Dr. Charlene Wolf-Hall, head of the Veterinary and Microbiological Sciences Department and Dr. William Nganje, head of the Agribusiness and Applied Economics Department were involved in developing this interdisciplinary program. Discussion followed related to how economics are affected by food safety issues. Dr. Nganje was called upon to speak of how unintentional outbreaks affected certain sectors of agriculture as well as the potential for food terrorism threats (intentional harm through outbreaks). Members of the Board asked Chairman Beltz if they should consider this as another item of testimony, to which he agreed.

Chairman Beltz reminded the board of future meeting dates: January 10, 2014 (Mandan – USDA-ARS Northern Plains Research lab); members should also consider February 11 and March 7 as tentative meeting days.

Having no other business, Chairman Beltz asked for a motion to adjourn the meeting. Paul Langseth made a motion to adjourn the meeting and Tracy Boe seconded the motion. The meeting was adjourned at 3:01 p.m.

Respectfully submitted by Lorie Herbel.