

Minutes

LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

Louisiana Agricultural Commodities Commission

Veterans' Memorial Auditorium

5825 Florida Blvd.

Baton Rouge, LA 70806

February 21, 2013

9:30 a.m.

I. Call to Order

Mr. Robert Hanks called the meeting to order at 9:40 a.m.

II. Roll Call and Declaration of Quorum

Commission Members Present

Mr. Robert Hanks
Mr. Ryan Ellington
Mr. Donald Berken
Mr. Filmore Bordelon
Mr. Keith Hensgens
Mr. Donald Zaunbrecher
Mr. Stephen Logan
Mr. Lee Carter

Absent Members

Commissioner Strain
Mr. David Bollich

There was a quorum of eight (8) members present.

Staff Members Present

Assistant Commissioner, Office of Agro-Consumer Services, Benjy Rayburn
Director of the Louisiana Agricultural Commodities Commission,
Kyra Holden
Louisiana Department of Agriculture & Forestry Auditor, John Smith
Louisiana Department of Agriculture & Forestry Auditor, Jeff Fabre
Louisiana Department of Agriculture & Forestry Auditor, Royshard Rushing
Louisiana Department of Agriculture & Forestry Executive Counsel, Tabitha Gray
Administrative Assistant IV, Bridgette Ott

III. Public Comment

Mr. Robert Hanks asked if there was any public comment. There was none.

IV. Adoption of Minutes – September 28, 2012

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Donald Zaubrecher to approve the minutes. The motion carried unanimously.

V. Consideration of License Application for Approval: (New Applications)

- A. Grain Dealer
 - 1. Archer-Daniels Midland Company

- B. Cotton Merchants
 - 1. Broadway Cotton Company, LLC
 - 2. Dale Hitt Cotton Company, LLC

A motion was made by Mr. Donald Zaunbrecher and seconded by Mr. Stephen Logan to go into executive session. The motion carried unanimously.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Stephen Logan to come out of executive session. The motion carried unanimously.

A motion made by Mr. Filmore Bordelon and seconded by Mr. Stephen Logan to approve the grain dealer's license for Archer-Daniels Midland Company and the cotton merchant licenses for Broadway Cotton Company, LLC and Dale Hitt Cotton Company, LLC. The motion carried unanimously.

VI. Old Business

1. Ms. Tabitha Grey, Executive Counsel, addressed the LACC regarding a request made by the LACC asking for an Attorney General's opinion as to the legal effect of a contract that is entered into by a grain dealer licensed pursuant to R.S. 3:3411(D) and who subsequently loses his license. Ms. Grey, after receiving the opinion, addressed the LACC stating that according to the Louisiana Attorney General, "Your question does not seek an interpretation of the license law but instead seeks an opinion of the legal consequences that a loss of such a license would have on a specific contract entered into between two or more private parties. Specifically, you request an opinion as to whether the contract can still be enforced and the grain dealer continue to perform notwithstanding the loss of the required license." Ms. Grey also stated that the Attorney General's stance is that they "declined to issue an opinion on this matter based on the request being fact specific and that litigation of the matters that are subject of the opinion request are likely or imminent." In other words, Ms. Grey stated that the Attorney General's office considered this matter a contractual issue and not within the purview of the Attorney General's office.

2. Update on licensee's financial status:

A motion was made by Mr. Ryan Ellington and seconded Mr. Stephen Logan to go into executive session. The motion carried unanimously.

A motion was made by Mr. Keith Hensgens and seconded by Mr. Filmore Bordelon to come out of Executive Session. Motion carried unanimously.

3. Grain and Cotton Indemnity Fund Balance: Ms. Kyra Holden stated that the balance was \$1,846,810.00.
4. Update on Central Louisiana Grain Bankruptcy: Ms. Kyra Holden stated that there is a hearing scheduled for March 20, 2013 to determine the bond issue.
5. Update on Douglas Appeal: Ms. Kyra Holden stated that the oral arguments were heard on September 25, 2012, and that the LACC is awaiting the Judge's ruling as to whether Douglas has a claim on the Grain and Cotton Indemnity Fund.

VII. New Business

1. The applications for the 2013-2014 licensing period were to be mailed out by March 1, 2014. The LACC will be mailing approximately 84 applications.
2. Legislative Session 2013: The staff requested that the LACC approve the revision of R.S. 3:3403(J) "The commission shall meet at least once during each quarter, but may meet more frequently upon the call of the chairman. The revision would remove the quarterly requirement and instead state four meetings a year. The board agreed to the suggested revision.
3. Mr. Stephen Logan requested that the LACC staff look into possibly designing a handout or some other form of information packet in order to educate the public and grain and warehouse industry as to the requirement of being licensed if anyone plans on buying, contracting to buy or storing grain commodities. The staff stated that they would look into it and see what they could do in order to help educate the public and the grain and warehouse industry in Louisiana.

VIII. Public Comment

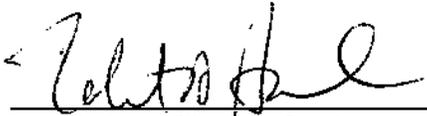
Mr. Robert Hanks asked if there was any public comment. There was none.

IX. Date for the Next Meeting

The date of the next meeting is scheduled for May 30, 2013 at 9:30 a.m.

X Adjournment

A motion was made by Mr. Ryan Ellington and seconded by Mr. Keith Hensgens to adjourn the meeting. The motion carried unanimously.

A handwritten signature in black ink, appearing to read "Robert Hanks", written over a horizontal line.

Mr. Robert Hanks, Chairman