

2024 ANNUAL REPORT

California's Rice Footprint Realized



California Rice
THE ENVIRONMENTAL CROP



California's Rice Footprint



Last year, we launched the big idea of **developing a rice footprint**—how many acres of rice we need to support our industry, communities and important habitats on working ricelands. After a full year of work, I can report that we have made great progress.

Our first objective was to work with UC Davis on a report that quantifies the number of rice acres we need in California. We assembled a great team of five professors covering agronomics, economics, fish, waterfowl and reptiles to explore the needs of our industry, communities, and habitat. The report is expected in early 2025.

We have also begun identifying opportunities for short-term easements (leases) and permanent easements on rice. Discussions with biologists, agencies, growers and water districts on what enhanced protection for the Giant Gartersnake might look like have also started. This species, closely tied to ricelands and the water infrastructure that serves our fields, is seen as a great opportunity to expand our portfolio of critically important habitat provided by rice.

Looking to 2025, we will use the report to launch a broad communications effort directed at legislators, regulators and key influencers in the state. Anticipation is already high, with many inquiries about when the report will be done and how big is the footprint!



TIM JOHNSON
President & CEO
California Rice Commission



REGULATORY COMPLIANCE

Crop Protection

The CRC continues to invest in working to support existing crop protection tools and collaborate with registrants to bring new active ingredients into the market.

Two new products were registered for use: Zembu,[®] a new product with unique mode-of-action chemistry for grass control, and Cliffhanger,[®] a liquid product for sedge weed control.

In addition, Loyant,[®] a group 4 herbicide, saw full release in 2024, though it was registered late in 2023.

The CRC continues to work with registrants to bring to the market new and emerging products such as Dodhylex,[®] Coragen,[®] ROXY[®] Rice Production System and others.





REGULATORY COMPLIANCE

Water Quality



Water Quality Continues to be a Top Focus for the Commission

In spring 2024 the CRC hosted a thiobencarb and pyrethroid outreach event, in collaboration with County Agricultural Commissioner's offices and registrants, to inform industry and address 2023 monitoring results. Growers also completed their Farm Evaluations and Nitrogen Management Plans in the spring, with good participation across the valley.

The 2024 monitoring results reported no detections above the performance goal in the Rice Pesticide Program and very few pesticide detections above the reporting limit in the Waste Discharge Program. Pyrethroids continue to be an additional constituent for monitoring with several detections above trigger limits in the upper Colusa Basin Drain. Pyrethroid monitoring and reporting will be conducted according to our Water Board-approved Surface Water Quality Management Plan. Groundwater monitoring results in 11 wells across ricelands generally reported stable or decreasing nitrate levels.



The CRC continues to participate with the Central Valley Salinity Alternatives for Long-Term Sustainability (CV-SALTS) coalition to address nitrates in groundwater and to model surface and groundwater salinity contribution from rice cultivation. We also continue to support growers in their obligation to test drinking water wells on rice parcels for potential nitrate impacts.





Rice Quality



Handlers, growers and breeders are now meeting to talk about the high quality of California varieties and discuss ways to keep the focus on our most significant competitive advantage.

Handler Quality Workshop

In June, handlers met to hear a comprehensive presentation from the Rice Experiment Station breeders on their programs, new varieties and extensive evaluation of quality throughout the variety development process. Handlers had a chance to discuss market trends and the high value placed on 'California Quality.' This meeting will continue annually as a roundtable discussion to align markets and breeding programs.

Grower Quality Workshop

With its origins from the handbook, the CRC hosted a Rice Quality workshop in conjunction with our UC Cooperative Extension partners in July. The sold-out event reviewed factors impacting quality from production to storage. The event will take place every other year. In the alternate years Extension will offer the Rice Production Workshop.





State & Federal Policy



The rice industry is well represented in the state Capitol and in Washington, D.C. by our advocates with great support of industry members who host tours and travel to put a face to California Rice.

State

The focus this past year has been working to secure ongoing funding for the winter flooding program under the CA Department of Fish and Wildlife. The California Winter Rice Habitat Incentive Program (CWRHIP) offers incentives for growers to provide important winter-flooded rice fields for waterfowl. Adjacent work has been ongoing with NCWA, Ducks Unlimited and CalTrout to raise the awareness and significant benefits of reconnecting the rivers to the floodplains. Practices like CalTrout's Fish Food program and CRC Salmon Project are key, along with improved spawning habitat and passage in the bypasses, to improving salmon survival.

Federal

The Farm Bill, passed every five years by Congress, continues to be the focus of our federal efforts. The House Ag Committee has developed a very strong safety net, and the Senate Ag Committee appears close to finalizing its own bill. Our focus has been on preserving crop insurance at current coverage levels and rates. USA Rice has focused on improved target prices. Together they comprise the foundation for supporting U.S. rice farmers. We will continue to press for a new farm bill or an extension of the current farm bill, until a new congress is seated in 2025.





Trade



Return to a Full Crop with an Eye Toward Sustained Export Recovery

Our “return to normal” production has supported the export of California medium grain in priority markets such as the Middle East, Korea, Japan, and Taiwan. We now have ample supply and competitive prices for sustained export recovery in 2025. Calrose shipments to the Middle East began to recover with a successful trade seminar in Amman, Jordan in August and a reverse trade mission with Turkish buyers in October. This culminated in the first sizeable Calrose shipment to Turkey since 2020.

In May 2024, USDA announced its allocation of \$300 million under the new Regional Agricultural Promotion Program (RAPP) to build demand for U.S. agricultural exports in high-potential markets. USA Rice received \$6.25 million. A second round of \$300 million in available RAPP funding was announced in the fall, from which USA Rice submitted additional proposals. These RAPP funds for USA Rice are in addition to previous 2024 Market Access Program (MAP) and Foreign Market Development (FMD) allocations of \$3.3 million and \$1.8 million, respectively, bringing the total amount of available funding to \$11.4 million. Building on the success of MAP and FMD funds, will continue to elevate Calrose in our priority markets.





Air Quality



Multi-year Efforts on a New Air Quality Regulation Achieves Regulatory Relief

As in recent years, CRC continued working, in partnership with a few other agricultural groups, to intensively focus on California's Zero Emission Vehicle (ZEV) regulation affecting forklifts. In the summer of 2024, the California Air Resources Board (CARB) formally adopted the regulation after multiple years of hard work to achieve solid regulatory relief for CRC members and all of California agriculture.

The new ZEV Forklift regulation will begin phasing out spark-ignited forklifts in 2029, three years later than non-agricultural units. The rolling phase-out schedule will proceed through 2038. Agricultural operators will also be able to use their spark-ignited forklifts for at least 13 years while non-agricultural forklifts will only be allowed a 10-year useful life. In addition, many agricultural units that can be designated as "In-field Forklifts" will qualify for an exemption from the



phase-out schedule. Finally, we successfully argued for CARB to include certain "offramps" from the compliance phase-out schedule if necessary on-site electrification improvements are not made by utility companies by the applicable compliance dates.

The information provided above is a very simplified summary of a highly detailed Regulatory Order by CARB. The complete document can be found at: <https://ww2.arb.ca.gov/our-work/programs/zero-emission-forklifts>.





WILDLIFE CONSERVATION

Waterbird Programs



CRC continued working with partners to implement important conservation programs in rice and wetlands that support our Rice Footprint Initiative and rice's unique contributions to wildlife conservation.

This involved the following programs:

California Winter Rice Habitat Incentive Program (CWRHIP): CA Department of Fish and Wildlife (CDFW) invited CRC to administer this program in 2021. This allows for more flexibility, which has helped increase participation — we held 136 contracts and dispersed more than \$2 million in funds last year. This work is important to maintaining post-harvest flooding, which is so critical to the Pacific Flyway.

NRCS's Regional Conservation Partnership Program (RCPP): This program provides valuable financial assistance to implement a diversity of conservation practices on ricelands, including flooding for habitat in winter and late summer and cover crops for nesting habitat. This program funded 40+ contracts with more than \$1.2 million in funds.

California Ricelands Waterbird Foundation (Bid4Birds): Our Foundation continues to expand and provide growers with opportunities to create critical habitat for waterbirds by implementing seasonal flooding and experimenting with cover crop methodologies.



Drought Relief Waterbird Program (DRWP):

CA Department of Water Resources (DWR) initiated this program in 2021 to help create flooded habitat on both rice fields and private wetlands during severe drought. Last year, DRWP continued to support habitat investments and science around drought-resilient incentive programs.





WILDLIFE CONSERVATION

Salmon Project



Challenges for our Ricelands Salmon Project

Last spring, the main objective of our multi-year project was to implement the management practice on multiple full-sized rice fields and quantify natural-origin salmon and other species using the selected Sutter Bypass rice fields after the floodwaters recede. As our farmers well know, the weather needs to cooperate for good outcomes on the landscape. The Sutter Bypass did eventually flood in early February, however, flow continued through mid-March which eliminated our window of time to deploy the management practice in that fieldwork season.

With this weather-related delay being realized, we worked closely with NRCS in the summer of 2024 to finalize the first one-year extension of the Salmon Project. As a result, we looked to the winter season of 2024-25 to continue this work, even considering that the regulatory agencies were questioning their ability to re-authorize our work in the Bypass because of historically small numbers of juvenile spring-run salmon (which are listed a “threatened”). At the time of this Annual Report writing, our prospects of doing our bypass fieldwork in the 2024-25 winter season was in question based on these concerns.



Finally, we want to thank our current project funders — USDA's Natural Resources Conservation Service, Grow West, Corteva—and many other supporting project sponsors listed on **Salmon.CalRice.org** for making this multi-year project possible.





WILDLIFE CONSERVATION

Grants

Expanded Focus on Accessing Grant Funds to Support Wildlife Programs

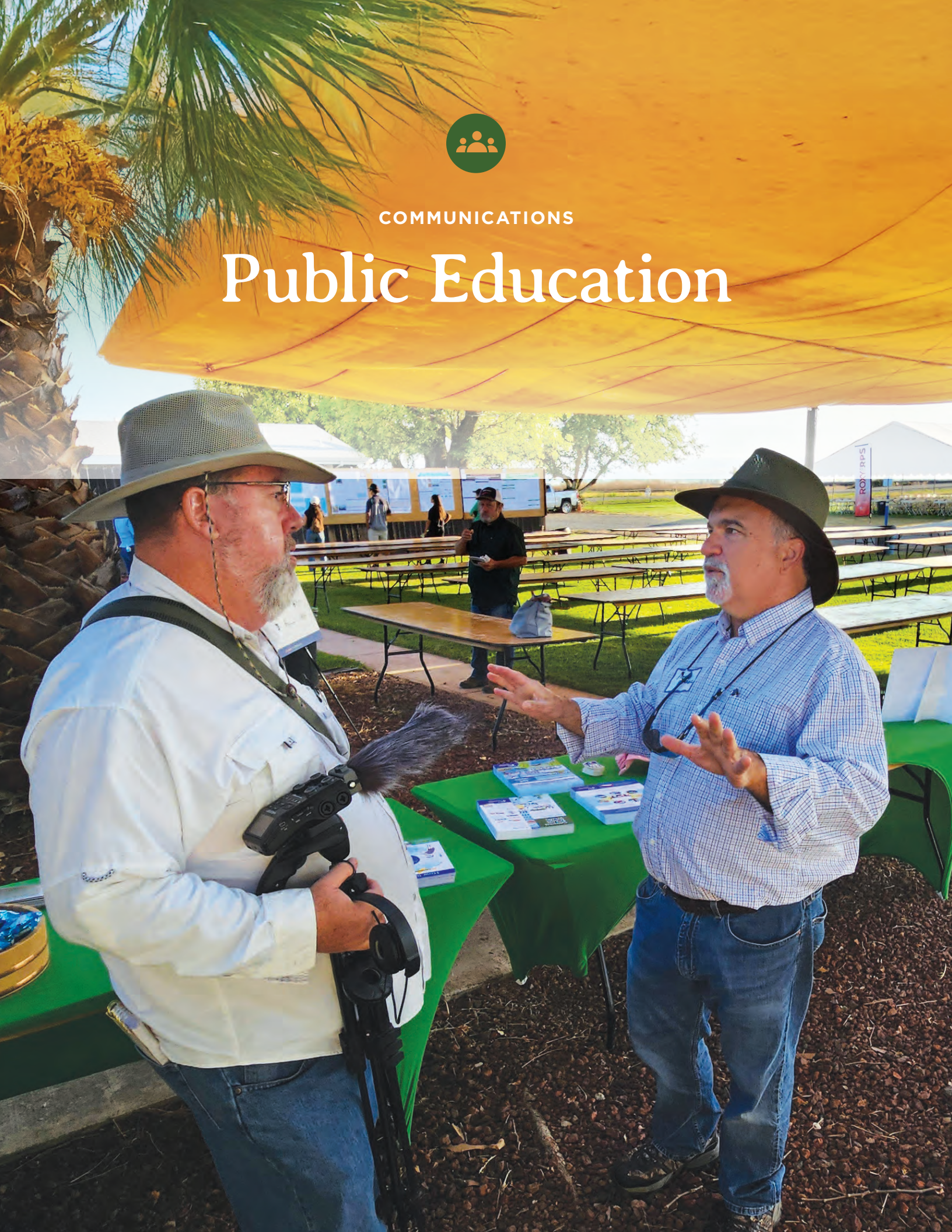
CRC successfully hired a new Grants Manager in March 2024. Much of her initial effort has been to work closely with the CRC team to improve and build new internal grant management systems so staff can manage grants more effectively and efficiently and enable program managers to spend more time working with our technical partners to deliver our conservation programs in the field.

Several grants totaling more than \$7,000,000 were submitted this year in hopes of continuing our wildlife programs to support waterfowl and shorebirds. In addition, the Salmon Project received an additional \$70,000 to continue the innovative pilot project for another year.



COMMUNICATIONS

Public Education

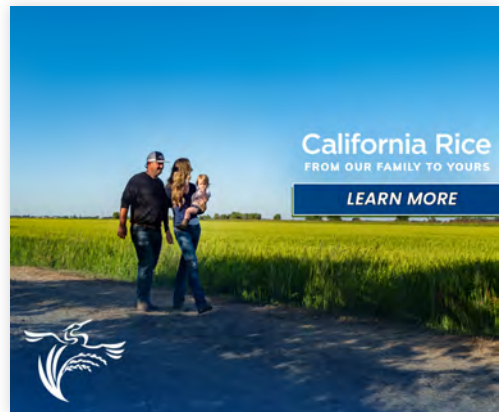


New brand and tagline

Between April 2023 and July 2024, we underwent a rebranding effort. We spoke with industry members, partners, and those on the legislative and policy side, all to hone in on what sets California rice apart. We developed a new brand and tagline — **California Rice: It's in our nature.** We are currently working on building a number of assets to complement these new elements, including a new logo, brand guide and **CalRice.org** website.

Targeted digital advertising

In January 2024, we launched dozens of highly-targeted digital ad campaigns aimed toward legislators, their closest sphere of influencers, the civically engaged, rice lovers, curious consumers, those interested in salmon recovery and even targeted people based on their location, including the state capitol and Sacramento International Airport. In eight months, we netted more than 63 Million impressions and 788 Thousand ad clicks, driving people directly to the **CalRice.org** website. That equals a 1,600% increase in web traffic compared to the year prior.



Social media influencers

Working with FeedFeed we utilized hand-selected social media influencers and chefs to create delicious California rice recipes and showcase the high-quality rice grown in the Sacramento Valley, wildlife habitat, conservation efforts and ecosystem benefits of planted rice fields. We garnered 16 Million in total reach, 720 Thousand engagements and 800 Thousand Instagram REEL views.

Media training session

Last summer, we held a group media training session designed to inform our industry of the current media landscape and trends, show how clicks drive content, break down how a story starts, provide best practices, tips and much more.

Sponsored content launched

Working with KTLA News in Los Angeles in the months leading up to the presidential election which traditionally means increased viewership, we successfully launched a series of digital and television news ads featuring positive California rice messages reaching 3.6 Million people.

81 Media inquiries

CalRice.org

855,000 page views



Instagram

4,831 followers

839,209 video views



X (formerly known as Twitter)

4,300 followers

68,000 impressions



Facebook

31,100 followers

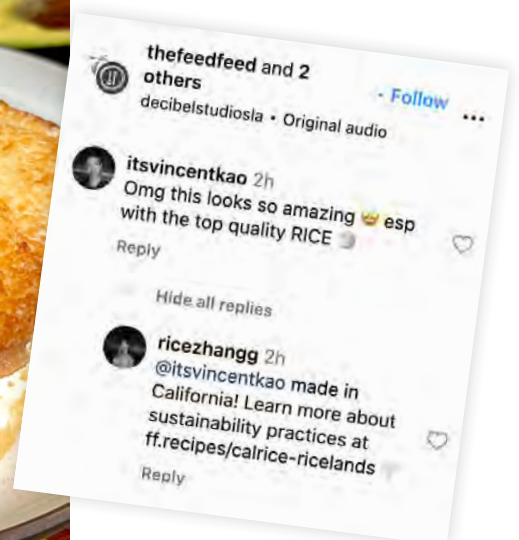
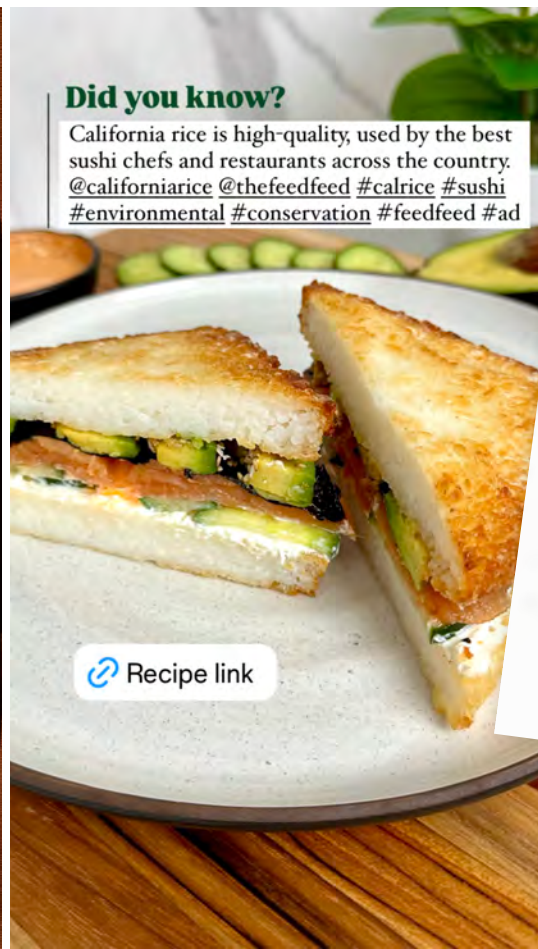
165,557 impressions



YouTube

1,720 subscribers

21,44 video views





COMMUNICATIONS

Industry



Utilizing the **CalRiceNews.org** website and eCommunications, our members are continually informed of the latest policy, regulatory, conservation news and more impacting them.

Total # of eComs — **88**

News — **54**

Conservation — **29**

WDR — **5**

Most read eCom: **CRC Digital
Annual Report Available Now**

Sign up for eComs at **CalRiceNews.org**



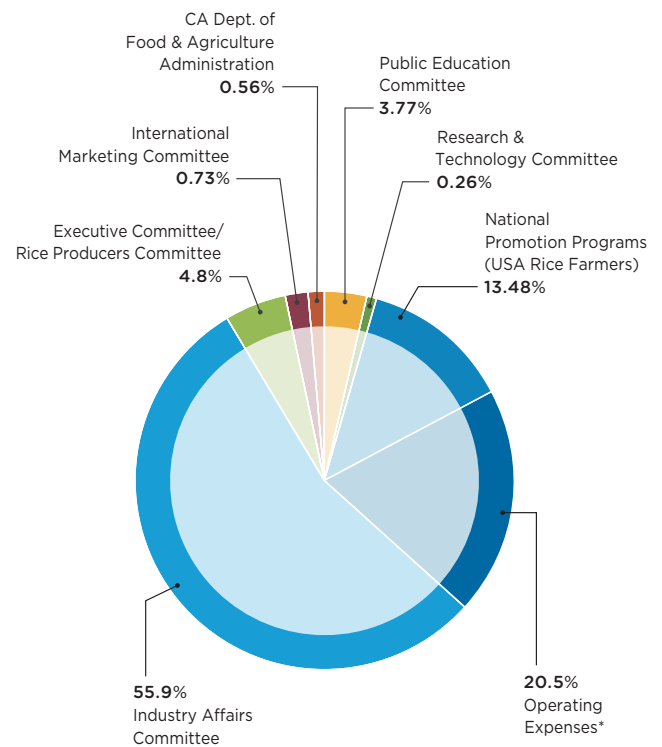
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2024

Financials

STATEMENT OF FINANCIAL POSITION

	2024	2023
ASSETS		
Cash & Investments	\$13,156,382	\$13,124,178
Receivables	911,525	958,988
Prepaid Expense	27,211	247,829
Equipment	88,384	14,545
Right-of-Use Asset	140,818	140,818
TOTAL ASSETS	\$14,324,320	\$14,486,358
LIABILITIES		
Accounts Payable	\$859,018	\$484,332
Contracts Payable	175,877	78,105
Accrued Vacation	66,933	50,361
Accrued Expenses	23,610	23,570
Lease Liability — Current Position	41,266	41,266
Deferred Revenue	270,539	4,341,629
Lease Liability — Net of Current Position	\$101,904	\$101,904
TOTAL LIABILITIES	\$ 1,539,147	\$5,121,167
Net Assets (without donor restrictions)	\$12,785,173	\$9,365,191
TOTAL LIABILITIES & NET ASSETS	\$14,324,320	\$14,486,358

FISCAL YEAR 2023/24



*NOTE: Chart represents direct spending by category; operating expense not allocated to programs. Audited financial statements available upon request.

"Draft" numbers as of 12/16/24, prior to financial audit completion.

The State of California engaged the services of the CRC to deploy, through contracts, flooded habitat programs to rice and wetland owners, and science on drought-resilient incentive programs with partners.

STATEMENT OF ACTIVITIES

	2024	2023
Revenue	\$13,714,547	\$14,831,383
Promotion & Regulatory Expense	8,171,879	11,996,964
Operating Expense	2,121,747	1,630,458
CDFA Departmental Expense	57,631	60,510
Unrestricted Net Assets		
Net Assets — <i>Beginning of Year</i>	\$9,365,191	\$8,221,740
Net Assets — <i>End of Year</i>	\$12,728,481	\$9,365,191

2023–2024 Committees

EXECUTIVE

Rick Rhody, CHAIR
Josh Sheppard, VICE CHAIR
Gregory Van Dyke, TREASURER
Logan Wilson, SECRETARY
Tom Butler
Sean Doherty
Stuart Hoetger
Jennifer Kalfsbeek

BUDGET & FINANCE

Gregory Van Dyke, CHAIR
Chris Crutchfield
Sean Doherty
Stuart Hoetger
Mark Kimmelshue
Ben Lewerenz
Dave Myers
Rick Rhody
Dan Squires
Steve Sutter
Logan Wilson

CALIFORNIA RICE PRODUCERS

Tom Butler, CHAIR
John Cecil
Mike DeWit
Sean Doherty
Seth Fiack
Kim Gallagher
Lisa Heuschkel
Imran Khan
Mark Kimmelshue
Leo LaGrande
Charley Mathews
Michael Rue
Josh Sheppard
Derek Sohnrey
Alex Struckmeyer
Gregory Van Dyke
Nicole Montna Van Vleck
Bill Wallace
Everett Willey
Kelly Hoppin (A)
Carissa Lee (A)
Alec Magenheimer (A)

INDUSTRY AFFAIRS

Kim Gallagher, CHAIR
Drew Becker
Joe Borrayo
Michael Bosworth
Tom Butler
Michael Denny
Mike DeWit
Lisa Heuschkel
Carl Hoff
Kelly Hoppin
Mark Kimmelshue
Brice Lauppe
Carissa Lee
Jon Munger
Damon Roush
Peter Rystrom
Josh Sheppard
Don Traynham
Everett Willey
Logan Wilson
Jessica Lundberg (A)

INTERNATIONAL MARKETING & PROMOTION

Michael Rue, CHAIR
Derek Alarcon
Kurt Barrett
Drew Becker
Chris Crutchfield
Lisa Heuschkel
Stuart Hoetger
Imran Khan
Mark Kimmelshue
David Lohman
Steven Michel
Rick Rhody
Robyn Rominger
Josh Sheppard
Alex Struckmeyer
Dan Squires
Steve Vargas
Jose Rodriguez (A)

PUBLIC EDUCATION

Chris Crutchfield, CHAIR
Michael Bosworth
Kelly Hoppin
Jessica Lundberg
Adam McCalister
Elise Nelson
Robyn Rominger
Alex Struckmeyer
Zach Urrutia
Kent Wiley
Logan Wilson

RESEARCH & TECHNOLOGY

Brice Lauppe, CHAIR
Adam Boles
Joe Borrayo
Matt Cox
Sean Doherty
Lisa Heuschkel
Mark Kimmelshue
Jessica Lundberg
Manuel Martinez
Alec Magenheimer
Jon Munger
Jose Rodriguez
Alex Struckmeyer
Christy Trimble
Bill Wallace
Gregory Van Dyke
Dustin Harrell (A)
Derek Sohnrey (A)
Lacey Stogsdill (A)

RICE CERTIFICATION

PRODUCERS

Charley Mathews, CHAIR
Brad McGeoghegan
Josh Sheppard
Michael Rue

RICE HANDLERS

Mark Kimmelshue
Dave Lohman
Bert Manuel
Steve Ross

**CALIFORNIA COOPERATIVE
CROP IMPROVEMENT ASSOCIATION**
Timothy Blank

**CALIFORNIA WAREHOUSE
ASSOCIATION**
Joe Tauscher

**CALIFORNIA COOPERATIVE
RICE EXPERIMENT STATION**
Dustin Harrell

BIOTECHNOLOGY EX-OFFICIO
George Gough

UNIVERSITY OF CALIFORNIA
Luis Espino



California Rice Commission

TIM JOHNSON
President & CEO

PAUL BUTTNER
Manager of
Environmental Affairs

KIM DEVINCENZI
Finance &
Administration Manager

KATIE CAHILL
Communications Manager

CRAIG RIDDLE
Industry Affairs Manager

KRISTIN SESSER
Wildlife Programs Manager

ADRIA ARKO
Grants Manager

SUMMER LANE
Office Administrator



1231 I Street, Suite 205, Sacramento, CA 95814-2933
916.387.2264

CalRice.org