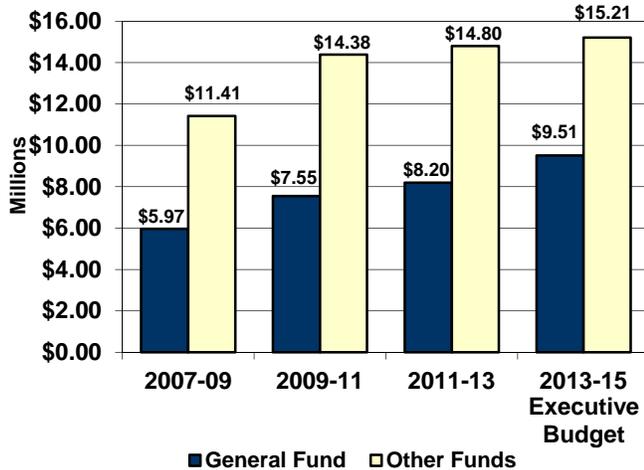


**Department 602 - Agriculture Commissioner  
 House Bill No. 1009**

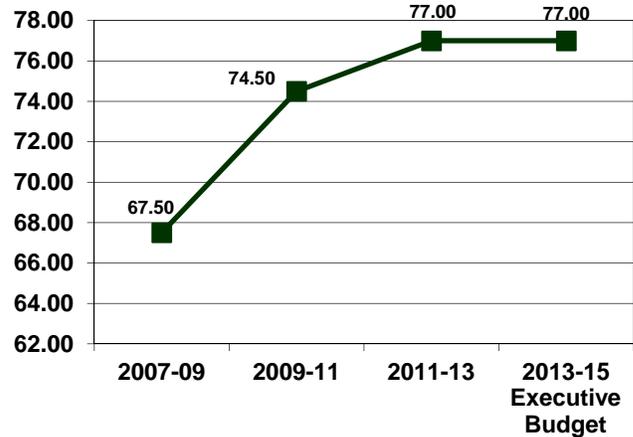
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	77.00	\$9,512,066	\$15,209,546	\$24,721,612
2011-13 Legislative Appropriations	77.00	8,196,746	14,801,251	22,997,997 <sup>1</sup>
Increase (Decrease)	0.00	\$1,315,320	\$408,295	\$1,723,615

<sup>1</sup>The 2011-13 appropriation amounts do not include \$36,000 of additional special funds authority resulting from Emergency Commission action during the 2011-13 biennium.

**Agency Funding**



**FTE Positions**



**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	\$9,512,066	\$0	\$9,512,066
2011-13 Legislative Appropriations	8,196,746	0	8,196,746
Increase (Decrease)	\$1,315,320	\$0	\$1,315,320

**First House Action**

Attached is a summary of the first house changes.

**Executive Budget Highlights  
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds funding to hire an emergency program specialist to fill an existing vacant FTE position	\$30,000		\$30,000
2. Adds funding to increase animal disease investigating and surveillance	\$30,000		\$30,000
3. Adds funding from the environment and rangeland protection fund to hire a new administrative assistant to assist in livestock development duties. An existing vacant FTE position will be used for this position.		\$20,000	\$20,000
4. Adds funding for energy development mediation services	\$50,000		\$50,000
5. Adds funding to provide a grant to the centennial farms program. <b>The House removed funding for the grant.</b>	\$80,000		\$80,000
6. Adds funding for information technology desktop support services	\$48,000		\$48,000
7. Replaces a portion of funding from the game and fish fund with funding from the general fund to provide total funding from the game and fish fund of \$968,796	\$100,000	(\$100,000)	

- |   |           |           |           |
|---|-----------|-----------|-----------|
| 8. Provides funding for state employee salary increases, of which \$557,276 relates to performance increases and \$281,131 is for market equity adjustments. <b>The House added funding of \$26,212 to correct the executive compensation package and reduced funding for performance and market equity adjustments by \$371,058.</b> | \$469,508 | \$368,899 | \$838,407 |
|---|-----------|-----------|-----------|

### Other Sections in Bill

**Transfer to minor use fund** - Section 2 transfers \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund during the 2013-15 biennium. The executive budget recommended a transfer of \$200,000 from the environment and rangeland protection fund to the minor use pesticide fund during the 2013-15 biennium.

**Game and fish funding** - Section 4 provides \$484,398 from the game and fish operating fund for the State Board of Animal Health (\$99,998) and Wildlife Services program (\$384,400) for the 2013-15 biennium. The executive budget recommended total funding of \$968,796 from the game and fish fund for these programs. The 2011-13 legislative appropriations from the game and fish fund for these programs was \$1,068,261.

**State Water Commission funding** - Section 5 provides that \$250,000 be transferred from the State Water Commission to the Agriculture Commissioner for the Wildlife Services program for the 2013-15 biennium. This represents the same level of funding transferred from the State Water Commission to the Agriculture Commissioner during the 2011-13 biennium.

**Johne's disease funding carryover** - Section 6 provides an exemption to North Dakota Century Code Section 54-44.1-11 to allow the Agriculture Commissioner to continue 2011-13 biennium appropriations for Johne's disease control into the 2013-15 biennium.

**Agriculture Commissioner's salary** - Section 7 includes the statutory changes necessary to increase the commissioner's salary as follows:

Annual salary authorized by the Legislative Assembly in 2011:

July 1, 2011	\$92,826
July 1, 2012	\$95,610

Proposed annual salary recommended in the 2013-15 executive budget:

July 1, 2013	\$99,435
July 1, 2014	\$103,412

Proposed annual salary with House changes:

July 1, 2013	\$98,478
July 1, 2014	\$101,432

The executive recommendation provides funding for elected officials' salary increases equal to 4 percent of salaries effective July 1, 2013, and 4 percent effective July 1, 2014. The House version provides funding for elected officials' salary increases of 3 percent effective July 1, 2013, and 3 percent effective July 1, 2014.

**Commercial feed inspection, license, and registration fees** - Section 8 deposits the first \$485,000 of commercial feed inspection, license, and registration fees in the environment and rangeland protection fund rather than the general fund. A total of \$990,000 of commercial feed fees is estimated to be collected during the 2013-15 biennium.

**Milk Marketing Board study** - Section 9 provides for a Legislative Management study of the Milk Marketing Board during the 2013-14 interim.

### Continuing Appropriations

**Honey promotion fund** - Chapter 4.1-08 - Commodity checkoff for market development of honey

**Turkey fund** - Chapter 4.1-12 - Commodity checkoff for market development of turkeys and turkey products

**Minor use pesticide fund** - Section 4-35-06.3 - For studies, investigations, and evaluations regarding registration and use of pesticides

### Major Related Legislation

**House Bill No. 1247 - Agriculture wetland credit program** - Requires the Agriculture Commissioner to implement a program which provides credits to landowners for the restoration of a wetland and allows the sale of credits to other landowners removing wetlands.

**Senate Bill No. 2146 - Grape and wine industry grants** - Provides a \$100,000 general fund appropriation and a \$100,000 appropriation from the agricultural fuel tax fund to the Agriculture Commissioner for grape and wine industry grants.

ATTACH:1

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1009 - Funding Summary**

	<b>Executive Budget</b>	<b>House Changes</b>	<b>House Version</b>
Department of Agriculture			
Salaries and wages	\$11,258,319	(\$636,210)	\$10,622,109
Operating expenses	5,772,262		5,772,262
Capital assets	12,000		12,000
Grants	4,050,828	(80,000)	3,970,828
State Board of Animal Health	2,135,803	(25,975)	2,109,828
Wildlife Services	1,417,400		1,417,400
Crop Harmonization Board	75,000		75,000
Accrued leave payments		237,295	237,295
	<hr/>	<hr/>	<hr/>
Total all funds	\$24,721,612	(\$504,890)	\$24,216,722
Less estimated income	15,209,546	(185,152)	15,024,394
General fund	\$9,512,066	(\$319,738)	\$9,192,328
FTE	77.00	0.00	77.00
Bill Total			
Total all funds	\$24,721,612	(\$504,890)	\$24,216,722
Less estimated income	15,209,546	(185,152)	15,024,394
General fund	\$9,512,066	(\$319,738)	\$9,192,328
FTE	77.00	0.00	77.00

**House Bill No. 1009 - Department of Agriculture - House Action**

	<b>Executive Budget</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$11,258,319	(\$636,210)	\$10,622,109
Operating expenses	5,772,262		5,772,262
Capital assets	12,000		12,000
Grants	4,050,828	(80,000)	3,970,828
State Board of Animal Health	2,135,803	(25,975)	2,109,828
Wildlife Services	1,417,400		1,417,400
Crop Harmonization Board	75,000		75,000
Accrued leave payments		237,295	237,295
	<hr/>	<hr/>	<hr/>
Total all funds	\$24,721,612	(\$504,890)	\$24,216,722
Less estimated income	15,209,546	(185,152)	15,024,394
General fund	\$9,512,066	(\$319,738)	\$9,192,328
FTE	77.00	0.00	77.00

**Department 602 - Department of Agriculture - Detail of House Changes**

	<b>Corrects Executive Compensation Package<sup>1</sup></b>	<b>Adjusts State Employee Compensation and Benefits Package<sup>2</sup></b>	<b>Provides Separate Line Item for Accrued Leave Payments<sup>3</sup></b>	<b>Removes Centennial Farms Program Grant<sup>4</sup></b>	<b>Total House Changes</b>
Salaries and wages	26,212	(451,102)	(211,320)		(636,210)
Operating expenses					
Capital assets					
Grants				(80,000)	(80,000)
State Board of Animal Health			(25,975)		(25,975)
Wildlife Services					
Crop Harmonization Board					
Accrued leave payments			237,295		237,295
<b>Total all funds</b>	<b>\$26,212</b>	<b>(\$451,102)</b>	<b>\$0</b>	<b>(\$80,000)</b>	<b>(\$504,890)</b>
Less estimated income	11,533	(196,685)	0	0	(185,152)
General fund	\$14,679	(\$254,417)	\$0	(\$80,000)	(\$319,738)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>3</sup> A portion of salaries and wages funding from the general fund (\$132,719) and from other funds (\$104,576) for permanent employees compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>4</sup> Funding included in the executive budget recommendation for a grant to the Centennial farms program is removed.

This amendment also:

- Increases the transfer from the environment and rangeland protection fund to the minor use fund from \$200,000 to \$325,000.
- Adds a section to deposit the first \$485,000 of commercial feed license, inspection, and registration fees received under Chapter 19-13.1 in the environment and rangeland protection fund rather than the general fund.
- Provides for a Legislative Management study of the Milk Marketing Board.
- Changes the statutory salary for the Agriculture Commissioner to provide for a 3 percent annual increase rather than a 4 percent annual increase as recommended in the executive budget.