

**NDSU Main Research Center
Budget No. 640
House Bill No. 1020**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriations	353.85	\$59,067,612	\$78,098,525	\$137,166,137
2015-17 base budget	351.49	52,199,521	53,053,716	105,253,237
Legislative increase (decrease) to base budget	2.36	\$6,868,091	\$25,044,809	\$31,912,900

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 legislative appropriations	\$57,345,112	\$1,722,500	\$59,067,612
2013-15 legislative appropriations	52,199,521	6,407,000	58,606,521
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$5,145,591	(\$4,684,500)	\$461,091
Percentage increase (decrease) to 2013-15 appropriations	9.9%	(73.1%)	0.8%

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The 2015-17 biennium legislative appropriations for the North Dakota State University (NDSU) Main Research Center include funding for 2 to 4 percent annual salary increases and for estimated increases in health insurance premium rates.

	Changes to Base Budget			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.		\$570,288	\$348,519	\$918,807
Added funding for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year.		1,741,722	701,092	2,442,814
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.		883,784	456,982	1,340,766
Adjusted FTE positions pursuant to Section 8 of 2013 Senate Bill No. 2020.	0.36			
Added funding for two bioinformatics positions.	2.00	800,000		800,000

Added funding for precision agriculture operating expenses and grants.	600,000		600,000
Increased funding for equipment.	550,000	2,388,216	2,938,216
Reduced funding for capital bond payments.	(203)		(203)
Added one-time funding to support the development of a collaborative leadership project for the purpose of marketing and fundraising for leadership projects and may include an annual leadership summit.	150,000		150,000
Added one-time funding to continue the flooded lands study relating to the recovery of grasslands affected by Souris River flooding.	72,500		72,500
Added one-time funding for seed cleaning plants at the North Central Research Center and the Carrington Research Center.	1,500,000	3,000,000	4,500,000
Added one-time funding for the Central Grasslands Research Center agronomy laboratory.		150,000	150,000
Added one-time funding from the strategic investment and improvements fund for the veterinary diagnostics laboratory project.		18,000,000	18,000,000
Total	<u>2.36</u>	<u>\$6,868,091</u>	<u>\$25,044,809</u>

FTE Changes

The number of 2013-15 authorized FTE positions is based on 351.49 FTE positions authorized by the Legislative Assembly in 2013. Section 8 of 2013 Senate Bill No. 2020 authorized the State Board of Higher Education to adjust FTE positions as needed. A total of 0.36 FTE positions were added pursuant to this section and reported to the Office of Management and Budget (OMB) for a total of 351.85 FTE positions. The 2015-17 biennium appropriation includes funding for 353.85 FTE positions, an increase of 2 FTE positions compared to the adjusted 2013-15 biennium positions. The Legislative Assembly added 2 bioinformatics FTE positions.

One-Time Funding

In Section 2 of House Bill No. 1020, the Legislative Assembly identified \$1,722,500 from the general fund and \$21,150,000 from other funds as one-time funding for the Main Research Center. The following is a summary of one-time funding items for the Main Research Center for the 2015-17 biennium:

	General Fund	Other Funds	Total Funds
Rural leadership project	\$150,000		\$150,000
Flooded lands study	72,500		72,500
Seed cleaning plants	1,500,000	\$3,000,000	4,500,000
Central Grassland Research Center agronomy laboratory		150,000	150,000
Veterinary diagnostics laboratory - Strategic investment and improvements fund		18,000,000	18,000,000
Total	\$1,722,500	\$21,150,000	\$22,872,500

State Board of Agricultural Research and Education Priorities

The Legislative Assembly provided funding for State Board of Agricultural Research and Education priorities as follows:

Initiative	Priority Ranking	FTE	Appropriation
Bioinformatics	1	2.00	\$800,000
Precision Agriculture	2		600,000
Enhancing research infrastructure - Equipment funds	3		550,000
Total general fund		2.00	\$1,950,000

Other Sections in Bill

Additional income appropriation - Section 3 provides that, in addition to the amount appropriated as other funds, any other income received from federal acts, private grants, gifts, and donations, or from other sources received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, Agronomy Seed Farm, and Agricultural Experiment Station, is appropriated for the purposes designated in the act, grant, gift, or donation for the 2015-17 biennium.

Veterinary diagnostics laboratory - Section 6 provides that the Main Research Center line item includes \$18 million from the strategic investment and improvements fund for the veterinary diagnostics laboratory project.

Position adjustments - Section 7 amends North Dakota Century Code Section 4-05.1-05 related to NDSU Main Research Center position adjustments. The section authorizes the Director of the Main Research Center, subject to the availability of funds, to adjust or increase FTE positions in order to carry out activities to accomplish the mission of the Agricultural Experiment Station. The Director must report annually to OMB and the Budget Section any adjustments or increases in FTE positions.

Agricultural research fund - Section 9 amends Section 57-39.5-02 related to the farm machinery tax to provide for a transfer of \$500,000 per year to the agricultural research fund from the tax imposed upon the gross receipts of retailers from all sales of farm machinery or irrigation equipment used exclusively for agricultural purposes.

Fuel tax refunds - Section 10 amends Section 57-43.1-03.1 to remove the requirement that fuel tax refunds be reduced by 7 cents per gallon for deposit in the agricultural research fund.

FTE positions - Report - Section 13 directs the NDSU Main Research Center to report to the Appropriations Committees of the 65th Legislative Assembly on FTE positions added pursuant to Section 4-05.1-05 and Section 15 of House Bill No. 1020.

Transfer authority - Section 14 authorizes the transfer of appropriation authority between the Main Research Center, the branch research centers, NDSU Extension Service, and Northern Crops Institute and provides that any transfers be reported to OMB.

FTE position adjustments - Section 15 authorizes the State Board of Higher Education to adjust or increase FTE positions for the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, Agronomy Seed Farm, and Agricultural Experiment Station and report any adjustments to OMB and the Budget Section.

Flooded lands study - Section 16 requires the Main Research Center to report to the Budget Section regarding the status of the flooded lands study and spending related to the study.

Unexpended general fund authority - Excess income - Section 18 authorizes the continuation of any unspent general fund appropriation authority and excess income received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, Agronomy Seed Farm, and Agricultural Experiment Station into the 2017-19 biennium.

Exemption - Section 19 provides that amounts appropriated for the agronomy laboratories by the 63rd Legislative Assembly are not subject to the provisions of Section 54-44.1-11, and any unexpended funds from these appropriations or related revenues are available and may be expended during the 2015-17 biennium.

Emergency clause - Section 21 declares the appropriation of \$22,650,000 for capital projects in Section 1 and Sections 4 and 5 to be an emergency measure.

Related Legislation

Senate Bill No. 2159 - Authorizes the State Board of Higher Education and the State Board of Agricultural Research and Education to sell real property at the Dickinson Research Center to the Dickinson School District and to purchase real property for the Dickinson Research Center for no more than \$2,602,000. In addition, the bill provides that funds received from the sale of property in excess of funds used to purchase property are appropriated to the Dickinson Research Center for agricultural research purposes on a continuing basis. The excess revenue appropriated on a continuing basis is estimated to be approximately \$7.6 million, however, \$6 million is estimated to be used for improvements to the purchased land.