

**Agriculture Commissioner
Budget 602
Senate Bill Nos. 2009, 2271; House Bill No. 1432**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	77.00	\$13,081,056 ^{1,2}	\$21,718,053	\$34,799,109
2013-15 legislative appropriation	<u>77.00</u>	<u>9,519,217</u>	<u>15,754,591</u>	<u>25,273,808</u>
2015-17 appropriation increase (decrease) to 2013-15 appropriation	0.00	\$3,561,839	\$5,963,462	\$9,525,301
2015-17 general fund budget allotment (4.05 percent)	<u>0.00</u>	<u>(\$469,033)²</u>	<u>\$0</u>	<u>(\$469,033)</u>
Adjusted 2015-17 appropriation after budget allotment	77.00	\$12,612,023	\$21,718,053	\$34,330,076

¹The original legislative appropriation amount includes \$2,550,222 of one-time funding from the general fund. Excluding this amount, the agency's original ongoing general fund appropriation is \$10,530,834.

²The 2015-17 biennium legislative appropriations for the Agriculture Commissioner include a \$1.5 million general fund transfer to the federal environmental law impact review fund. The general fund budget allotment amount relating to this transfer was included in allotment calculations for the Office of Management and Budget.

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

Desktop support services - Section 7 of 2015 House Bill No. 1021 requires certain agencies, including the Department of Agriculture, to obtain desktop support services from the Information Technology Department. In 2015 Senate Bill No. 2009, the Legislative Assembly appropriated \$352,912 from the general fund for desktop support services for the Department of Agriculture.

One-time funding - In Senate Bill No. 2009, the Legislative Assembly appropriated \$2,492,222 of one-time funding for the Department of Agriculture, of which \$1,050,222 is from the general fund and \$1,442,000 is from other funds.

Status/Result

The budget allotment reduced general fund appropriations for the Department of Agriculture by \$469,033. The Department of Agriculture reduced salaries and wages by \$123,200, operating expenses by \$218,200, grants by \$94,862, the State Board of Animal Health by \$16,628, and Wildlife Services by \$16,143. Specifically within grants, the National Genomics Center grant was reduced by \$88,862 and apiary research and grape and wine industry grants were reduced by a total of \$6,000.

As of March 2016 the Department of Agriculture has spent \$211,165 of the desktop support services appropriation. The entire appropriation is anticipated to be spent during the 2015-17 biennium.

The following is a summary of the status of the Department of Agriculture's one-time funding items:

Section 5 of 2015 House Bill No. 1432 requires the Office of Management and Budget to transfer of \$1.5 million from the general fund to the federal environmental law impact review fund, upon request of the Agriculture Commissioner, for the purpose of funding the state's participation in administrative or judicial processes based on federal environmental legislation or regulations that detrimentally impact or have the potential to detrimentally impact the state's agriculture, energy, or oil production sectors. The table below summarizes one-time funding provided to the Department of Agriculture for the 2015-17 biennium.

National Genomics Center	The National Genomics Center is a facility located on the North Dakota State University campus that performs genetic research and tests for plant diseases and insect issues in crops. The Department of Agriculture included \$88,862 of this appropriation in the general fund budget allotment. As of March 2016 the department has awarded \$269,875 of the appropriation. The entire appropriation is not expected to be spent in the 2015-17 biennium.
Information technology analysis	Through March 2016 none of this funding has been spent on the information technology analysis. The department anticipates the entire appropriation to be spent, with completion of the project scheduled for December 2016.
Department website redesign	Through March 2016 none of this funding has been spent on the department website redesign. The department is in the process of identifying elements of the website to update. The entire appropriation is anticipated to be spent during the 2015-17 biennium.
North Dakota outdoor heritage fund waterbank program	The department has not spent any of the funding through March 2016. Applications are being reviewed and the department expects the entire appropriation to be spent by the end of the 2015-17 biennium.
Agriculture industry economic impact study	The 2015 Legislative Assembly provided \$242,000 of spending authority from other funds for the agriculture industry economic impact study. As of March 2016 none of the appropriation for the study has been spent. The department has not been able to raise the necessary funding for the study and does not anticipate spending this appropriation during the 2015-17 biennium.
Federal environmental law impact review	The transfer from the general fund to the federal environmental law impact review fund has been completed.

National Genomics Center	\$800,000
Information technology analysis	150,222
Department website redesign	100,000
North Dakota outdoor heritage fund waterbank program	1,200,000
Agriculture industry economic impact study	242,000
Federal environmental law impact review	1,500,000
Total	\$3,992,222

Transfers - Section 3 of Senate Bill No. 2009 requires the Agriculture Commissioner to transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund. Section 5 of the bill requires the Game and Fish Department to transfer \$499,585 to the Department of Agriculture for the purpose of defraying the expenses of various Department of Agriculture programs. Section 6 of the bill requires the State Water Commission to transfer to the Department of Agriculture \$250,000 for the Wildlife Services program.

The transfer from the environment and rangeland protection fund was completed in August, 2015. The transfers from the Game and Fish Department and the State Water Commission were completed in January 2016.