

Department 602 - Agriculture Commissioner
House Bill Nos. 1009 and 1069

Executive Budget Comparison to Prior Biennium Appropriations

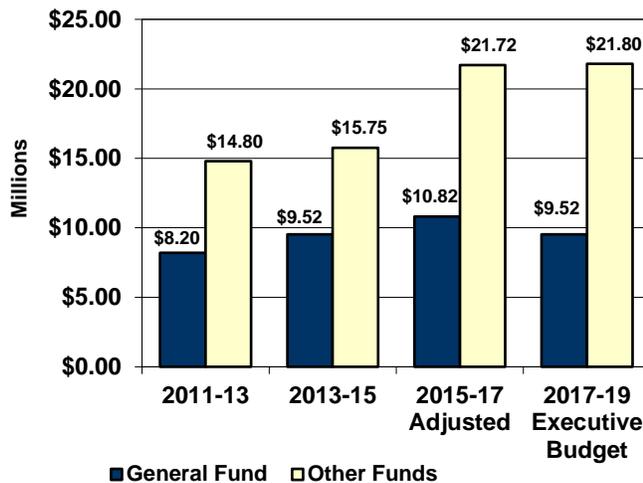
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	75.00	\$9,523,505	\$21,799,874	\$31,323,379
2015-17 Adjusted Legislative Appropriations ¹	77.00	10,822,497	21,718,053	32,540,550
Increase (Decrease)	(2.00)	(\$1,298,992)	\$81,821	(\$1,217,171)

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016, but does not include additional federal funds authority of \$229,500 resulting from Emergency Commission action during the 2015-17 biennium.

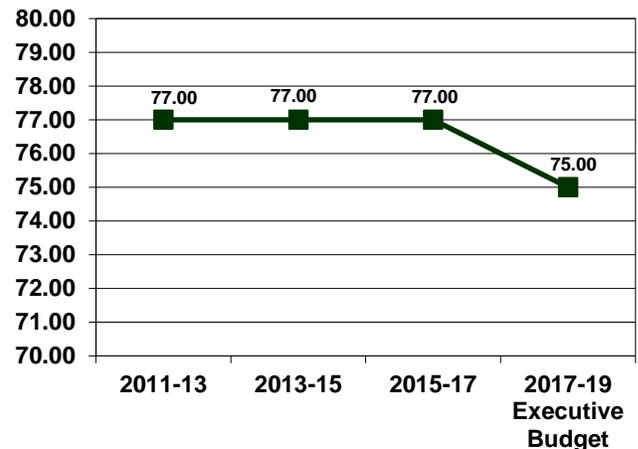
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$9,523,505	\$0	\$9,523,505
2015-17 Adjusted Legislative Appropriations	9,961,137	861,360	10,822,497
Increase (Decrease)	(\$437,632)	(\$861,360)	(\$1,298,992)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$9,523,505	\$21,799,874	\$31,323,379
2017-19 Base Level	9,961,137	20,276,053	30,237,190
Increase (Decrease)	(\$437,632)	\$1,523,821	\$1,086,189

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$50,082 is for salary increases and \$208,923 is for health insurance increases	\$142,322	\$116,683	\$259,005
2. Restores funding for salaries reduced during the August 2016 special legislative session	\$312,936	\$0	\$312,936
3. Removes funding for 2 FTE positions	(\$292,385)	\$0	(\$292,385)
4. Adds federal funding for a food and drug residue program	\$0	\$229,500	\$229,500
5. Adjusts funding for grants, primarily due to a reduction in genomics research grants	\$6,000	(\$775,000)	(\$769,000)
6. Removes funding for the pipeline restoration program	\$0	(\$400,000)	(\$400,000)
7. Adds funding from the strategic investment and improvements fund for federal environmental law impact review	\$0	\$1,000,000	\$1,000,000

Other Bill Sections Recommended to be Added in the Executive Budget (As Detailed in House Bill No. 1069)

Environment and rangeland protection fund transfer - Section 3 requires the agriculture commissioner to transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund during the 2017-19 biennium.

Environment and rangeland protection fund - Section 4 provides the estimated income line item in Section 1 includes \$6,455,667 from the environment and rangeland protection fund for the purpose of defraying the expenses of various Department of Agriculture programs.

Game and Fish fund - Section 5 provides the estimated income line item in Section 1 includes \$498,830 from the Game and Fish Department operating fund for the purpose of defraying the expenses of various Department of Agriculture programs.

State Water Commission transfer - Section 6 requires the State Water Commission to transfer \$250,000 to the Agriculture Commissioner for the Wildlife Services Program.

Waterbank program - Section 7 provide the salaries and wages line item in Section 1 includes \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

Agriculture Commissioner salary - Section 8 provides the statutory changes increasing the Agriculture Commissioner's salary. The Agriculture Commissioner's annual salary is increased from the current level of \$108,656 to \$109,743, effective July 1, 2018, to reflect the 1 percent recommended salary increase.

Environmental law impact review fund - Section 9 requires the Office of Management and Budget to transfer \$1,000,000 from the strategic investment and improvements fund to the federal environmental law impact review fund for expenses related to the federal Waters of the United States lawsuit.

Continuing Appropriations

Honey promotion fund - North Dakota Century Code 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 pesticides fund - Section 4-35-06.3 - For studies, investigations, and evaluations regarding registration and use of pesticides.

Federal environmental law impact review fund - Section 4-01-35 - All funds in the federal environmental law impact review fund are appropriated to the Agriculture Commissioner.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1131 - Provides for all federal meat and poultry inspection regulations effective as of August 1, 2016, as provided under title 9, Code of Federal Regulations, are incorporated by reference and made a part of this title.

Senate Bill No. 2026 - This bill is part of the agriculture law rewrite process.

Senate Bill No. 2027 - This bill is part of the agriculture law rewrite process.

Senate Bill No. 2028 - This bill is part of the agriculture law rewrite process.

Senate Bill No. 2029 - This bill is part of the agriculture law rewrite process.

Agriculture Commissioner - Budget No. 602
House Bill Nos. 1009 and 1069
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE	General		
	Position	Fund	Other Funds	
			Total	
2017-19 Biennium Base Level	77.00	\$9,961,137	\$20,276,053	\$30,237,190
2017-19 Ongoing Funding Changes				
Base payroll changes		(\$343,194)	\$109,507	(\$233,687)
Salary increase - Performance		27,520	22,562	50,082
Health insurance increase		114,802	94,121	208,923
Restores funding for salaries		312,936		312,936
Removes 2 FTE positions	(2.00)	(292,385)		(292,385)
Adds funding for food and drug residue program			229,500	229,500
Adjusts funding for operating expenses		25,525	(21,094)	4,431
Adjusts funding for information technology operating		(296,836)	67,225	(229,611)
Removes funding for computer scanner			(8,000)	(8,000)
Adds funding for copier		8,000	5,000	13,000
Adjusts funding for grants		6,000	(775,000)	(769,000)
Continues 2015-17 one-time funding for Waterbank Program			1,200,000	1,200,000
Removes pipeline restoration program			(400,000)	(400,000)
Total ongoing funding changes	(2.00)	(\$437,632)	\$523,821	\$86,189
One-time funding items				
Adds funding for federal environmental law impact review			\$1,000,000	\$1,000,000
Total one-time funding changes	0.00	\$0	\$1,000,000	\$1,000,000
Total Changes to Base Level Funding	(2.00)	(\$437,632)	\$1,523,821	\$1,086,189
2017-19 Total Funding	75.00	\$9,523,505	\$21,799,874	\$31,323,379

Other Sections in Agriculture Commissioner - Budget No. 602

	Executive Budget Recommendation
Environment and rangeland protection fund transfer	Section 3 requires the agriculture commissioner to transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund during the 2017-19 biennium.
Environment and rangeland protection fund	Section 4 provides the estimated income line item in Section 1 includes \$6,455,667 from the environment and rangeland protection fund for the purpose of defraying the expenses of various Department of Agriculture programs.
Game and Fish fund	Section 5 provides the estimated income line item in Section 1 includes \$498,830 from the Game and Fish Department operating fund for the purpose of defraying the expenses of various Department of Agriculture programs.
State Water Commission transfer	Section 6 requires the State Water Commission to transfer \$250,000 to the Agriculture Commissioner for the Wildlife Services Program.

Other Sections in Agriculture Commissioner - Budget No. 602

Executive Budget Recommendation

Waterbank program

Section 7 provide the salaries and wages line item in Section 1 includes \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

Agriculture Comissioner salary

Section 8 provides the statutory changes increasing the Agriculture Commissioner's salary. The Agriculture Commissioner's annual salary is increased from the current level of \$108,656 to \$109,743, effective July 1, 2018, to reflect the 1 percent recommended salary increase.

Environmental law impact review fund

Section 9 requires the Office of Management and Budget to transfer \$1,000,000 from the strategic investment and improvements fund to the federal environmental law impact review fund for operating expenses.

Department 602 - Agriculture Commissioner

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$10,530,834	\$1,050,222	\$11,581,056
General fund reductions	(569,697)	(188,862)	(758,559)
Adjusted 2015-17 appropriations	\$9,961,137	\$861,360	\$10,822,497
Executive Budget changes	(437,632)	(861,360)	(1,298,992)
2017-19 Executive Budget	\$9,523,505	\$0	\$9,523,505

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Reduced salaries and wages	(\$312,936)	\$0	(\$312,936)
Reduced operating expenses, including one-time funding for information technology analysis and website redesign	(207,726)	(100,000)	(307,726)
Reduced grants, including one-time funding related to the national genomics center	(6,000)	(88,862)	(94,862)
Reduced funding for the state board of animal health	(26,892)		(26,892)
Reduced funding for wildlife services	(16,143)		(16,143)
Total reductions	(\$569,697)	(\$188,862)	(\$758,559)
Percentage reduction to ongoing and one-time general fund appropriations	5.41%	17.98%	6.55%

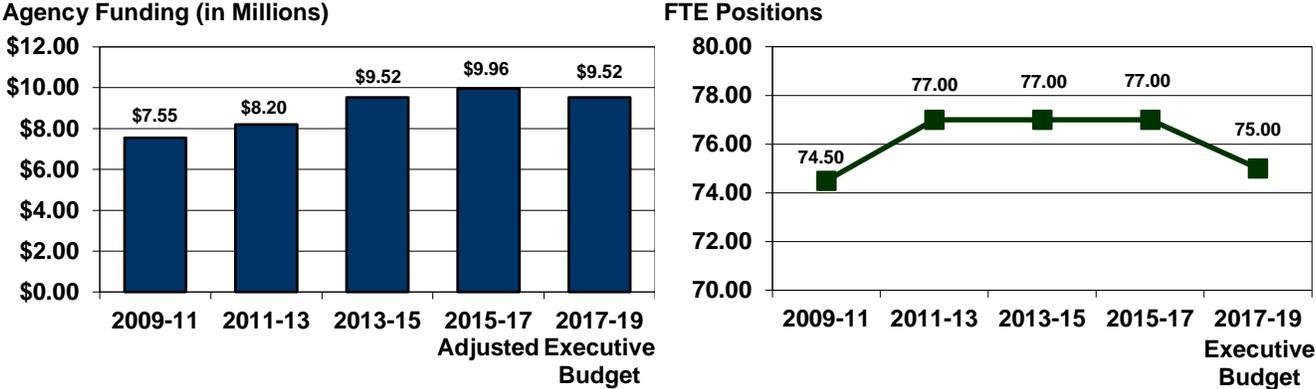
2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$142,322	\$0	\$142,322
Base payroll changes	(343,194)		(343,194)
Restores funding for salaries		312,936	312,936
Removes 2 FTE positions	(292,385)		(292,385)
Adjusts funding for operating expenses	(225,236)	250,761	25,525
Adjusts funding for information technology operating expenses	(296,836)		(296,836)
Adds funding for copier	8,000		8,000
Adjusts funding for grants		6,000	6,000
Total	(1,007,329)	\$569,697	(437,632)

Department 602 - Agriculture Commissioner

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$7,547,383	\$8,196,746	\$9,519,217	\$9,961,137	\$9,523,505
Increase (decrease) from previous biennium	N/A	\$649,363	\$1,322,471	\$441,920	(\$437,632)
Percentage increase (decrease) from previous biennium	N/A	8.6%	16.1%	4.6%	(4.4%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	8.6%	26.1%	32.0%	26.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- 1. Removed 1 pesticide registration specialist FTE position and related operating expenses (\$140,000)
- 2. Added 1 research analyst FTE position \$131,000
- 3. Added a 0.5 marketing specialist FTE position \$96,000
- 4. Adjusted the funding source for department rent expense and a grant to the Dairy Coalition from the general fund to the environment and rangeland protection fund (\$350,000)

2013-15 Biennium

- 1. Added funding to hire an emergency program specialist to fill an existing vacant FTE position \$30,000
- 2. Added funding for energy development mediation services \$100,000
- 3. Replaced a portion of funding from the game and fish fund with funding from the general fund \$100,000
- 4. Added funding for Information Technology Department desktop support services \$48,000
- 5. Added funding for grape and wine industry grants \$80,000

2015-17 Biennium

- 1. Added funding for monitoring, surveying, and inspecting for Japanese beetle, emerald ash borer, and other issues \$82,297
- 2. Added funding for Information Technology Department desktop support services \$352,912

2017-19 Biennium (Executive Budget Recommendation)

- 1. Restores funding for salaries reduced during the August 2016 special legislative session \$312,936
- 2. Removes 2 FTE positions (\$292,385)