

**Agricultural Experiment Station
Budget 640-650
House Bill No. 1021**

	FTE Positions	General Fund	Other Funds	Total
1999-2001 legislative appropriation	416.35	\$33,032,547	\$25,681,794	\$58,714,341
1997-99 legislative appropriation	<u>411.22</u>	<u>31,213,665</u>	<u>24,448,885</u>	<u>55,662,550</u>
1999-2001 appropriation increase (decrease) to 1997-99 appropriation	5.13	\$1,818,882	\$1,232,909	\$3,051,791

NOTE: The 1999-2001 appropriation amounts include \$23,191, \$18,213 of which is from the general fund, for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000. In addition, the appropriation amounts have been reduced by \$149,104 from the general fund relating to the allocations made from the funding pool included in the Agricultural Experiment Station's appropriation of \$422,400 from the general fund for additional salary adjustments for employees of the Agricultural Experiment Station, NDSU Extension Service, Northern Crops Institute, and Upper Great Plains Transportation Institute. See **Salary pool** section below.

Item Description

Agricultural research fund - The 1997 Legislative Assembly established the agricultural research fund. Revenue to the fund is generated from withholding four cents per gallon from refunds of motor vehicle fuel taxes used for agricultural purposes. The statutory allocation of the moneys in the fund are for:

Agricultural commodities research	70%
Animal agricultural research	18%
New and emerging crops research	12%

The 1997 Legislative Assembly estimated that revenues to the fund would range between \$750,000 to \$1 million per year.

Agricultural initiatives - The Legislative Assembly provided \$1,780,092 from the general fund and nine FTE positions for agricultural initiatives of the Agricultural Experiment Station. Initially, the executive budget recommended funding of \$2,008,069 from the general fund, including 10.75 FTE positions for a value-added center initiative, crop protection initiative, mid-sized farms initiative, molecular marker lab initiative, plant diseases initiative, wheat quality initiative, livestock production initiative, high-value irrigated crops initiative, and a coproduct utilization initiative. However, the Legislative Assembly reduced

Status/Result

Grant allocations for fiscal years 1999 and 2000 are listed below.

	Fiscal Year 1999	Fiscal Year 2000
Agricultural commodities research (70%)		
Wheat	\$192,374	\$183,712
Sunflowers	36,139	53,005
Soybeans	32,248	46,381
Barley	31,692	32,524
Sugar beets	29,468	40,961
Corn	20,572	25,301
Dry beans	17,236	31,321
Potato	17,236	26,505
Hay	12,788	14,456
Canola		21,685
Total agricultural commodities research	\$389,753	\$475,851
Animal agricultural research (18%)	100,222	122,362
New and emerging crops research (12%)	66,815	81,574
Total grant allocations	\$556,790	\$679,787

The State Board of Agricultural Research and Education allocated the \$1,780,092 from the general fund and nine FTE positions approved by the Legislative Assembly to the following initiatives:

Initiative	FTE	Amount
Crop protection initiative	2.0	\$366,451

this funding by \$227,977 and the authorized positions by 1.75 FTE positions and authorized the State Board of Agricultural Research and Education to determine the specific areas to reduce within the initiatives. The Legislative Assembly also authorized the board to transfer up to \$227,335 of the Agricultural Experiment Station appropriation to the NDSU Extension Service based on the agricultural initiatives approved by the board.

Molecular marker lab initiative	1.0	271,782
Coproduct utilization initiative	1.0	155,498
Plant diseases initiative	1.0	182,458
Wheat quality initiative	1.0	175,909
Livestock production initiative	1.0	189,760
High-value irrigated crops initiative	2.0	248,034
Range research initiative	0.0	190,200
Total	9.0	\$1,780,092

The board did not allocate funding for the value-added center initiative or the midsized farms initiative.

The board does not intend to transfer any of the \$227,335 of the Agricultural Experiment Station appropriation to the NDSU Extension Service.

The Agricultural Experiment Station has released its first scab-resistant wheat variety for planting in 2000. Of the 30,000 bushels available, for the first year, 27,000 bushels have been sold.

The Agricultural Experiment Station made application to the federal Drug Enforcement Agency for authority to conduct industrial hemp research; however, the application was not approved. The Agricultural Experiment Station made modifications to the application and resubmitted it but has not yet received a response.

The Dickinson Research Extension Center plans to seek Emergency Commission and Budget Section approval to increase its line item by \$519,000 of other funds, \$413,000 of which is oil royalty income and \$106,000 from cattle sales. The funding would be used for the following projects:

Repairs to the following facilities damaged as the result of an August 1999 severe thunderstorm		
Beef and swine facility repairs	\$120,000	
Replace lost feed crops	35,000	
Repair elevator	20,000	
Feed grain handling and storage repairs	55,000	
Miscellaneous damage repairs	9,000	
Total		\$239,000
Outwintering research facilities - These facilities would be constructed at the ranch location and allow for low-input research practices including utilization of crop aftermath and residue by beef cows, special crops for late season grazing, swath grazing, etc.		180,000
Agronomy work laboratory renovation - Construct an addition to and upgrade the existing agronomy work laboratory at the center		50,000
Chemical storage buildings - Construct facilities at the center and at the ranch location for storing chemicals used for spraying crops		50,000
Total		\$519,000

The State Board of Higher Education allocated the funding as follows:

Agricultural Experiment Station	\$273,296
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Scab-resistant wheat.

Industrial hemp research - 1999 Senate Bill No. 2328 authorizes the Agricultural Experiment Station to conduct industrial hemp and other alternative industrial-use crops research if allowed under federal law.

Dickinson Research Extension Center - Repairs and improvements.

Salary pool - The 1999 Legislative Assembly provided a funding pool of \$422,400 from the general fund in the Main Research Center appropriation

that may be used by the State Board of Higher Education to provide additional salary adjustments to employees of the Agricultural Experiment Station, NDSU Extension Service, Northern Crops Institute, and the Upper Great Plains Transportation Institute.

NDSU Extension Service	138,083
Northern Crops Institute	6,450
Upper Great Plains Transportation Institute	4,571
Total	\$422,400