

**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 | 411.22 | 31,213,665 | 24,448,885 | 55,662,550 |
| 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 mid-sized 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 |
|---------------------------------|-----------|

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 |