

Branch Research Centers
Budget No. 628
House Bill Nos. 1020, 1014

	FTE Positions	General Fund	Other Funds	Total
2007-09 executive budget (bills as introduced)	95.26	\$10,658,084	\$13,716,431	\$24,374,515
2007-09 legislative appropriations	97.86	11,301,508¹	13,715,511	25,017,019
Legislative increase (decrease) to executive budget	2.60	\$643,424	(\$920)	\$642,504
Legislative increase (decrease) to 2005-07 appropriations	10.60 ²	\$2,915,199	\$596,144	\$3,511,343

¹This amount includes \$700,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$10,601,508.

²The 2005-07 appropriation was based on 77.41 FTE positions. Section 6 of Senate Bill No. 2020 (2005) authorizes the State Board of Higher Education to adjust FTE positions as needed. A total of 9.85 FTE positions were added pursuant to this section and reported to the Office of Management and Budget.

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

Salaries and Wages

The legislative action affecting the recommended appropriation for the branch research centers is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2189. In addition, the Legislative Assembly appropriated \$829,669, of which \$438,129 is from the general fund and \$391,540 is from special funds, to the Main Research Center to provide agricultural research and extension agency employees an additional 1 percent per year salary increase each year of the biennium. The Main Research Center is to allocate the funding between the Main Research Center, branch research centers, North Dakota State University Extension Service, Northern Crops Institute, and Agronomy Seed Farm. The total salary increase provided is 5 percent effective July 1, 2007, and 5 percent effective July 1, 2008, which is the same increase provided to the North Dakota University System.

	Major Items	FTE Positions	General Fund	Other Funds	Total
The legislative action:					
Reduced funding recommended in the executive budget relating to retiree health credit contributions			(\$2,576)	(\$920)	(\$3,496)
Provided \$300,000 from the general fund for an equipment storage and maintenance shop facility at the North Central Research Center			300,000		300,000
Added 2 FTE research positions and related funding for the Williston Research Center irrigation project	2.00		250,000		250,000
Added a .60 FTE and related funding for research and development of innovative waste management systems at the Carrington Research Center	0.60		96,000		96,000
Total	2.60	\$643,424	(\$920)	\$642,504	

FTE Changes

The 2005-07 appropriation is based on 77.41 FTE positions authorized by the 2005 Legislative Assembly. Section 6 of 2005 Senate Bill No. 2020 authorizes the State Board of Higher Education to adjust FTE positions as needed. A total of 9.85 FTE positions were added pursuant to this section for a total of 87.26 FTE positions. The 2007-09 biennium appropriation includes funding for 97.86 FTE positions, an increase of 2.60 FTE positions from the executive recommendation of 95.26 and 10.60 FTE positions from the 2005-07 authorized level of 87.26. The Legislative Assembly authorized 2 FTE positions for the Williston Research Center, .60 FTE positions for the Carrington Research Center, 1 FTE position for the North Central Research Center, and 7 FTE support staff positions (one for each branch research center).

One-Time Funding

In Section 15 of House Bill No. 1020, the Legislative Assembly identified \$700,000 from the general fund for the North Central Research Center laboratory and greenhouse project (\$400,000) and North Central Research Center equipment storage and maintenance shop facility (\$300,000) as one-time funding items. This amount is not to be considered part of the branch research center's budget for preparing the 2009-11 executive budget and the branch research center is to report to the Appropriations Committees during the 2009 legislative session on the use of this funding.

Other Sections in House Bill No. 1020

Additional income appropriation - Section 4 appropriates any additional funds, including federal funds, grants, gifts, and donations received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station (branch research centers, Main Research Center, and Agronomy Seed Farm) for the purpose designated in the Act, grant, or donation for the 2007-09 biennium.

Transfer authority - Section 5 authorizes the State Board of Agricultural Research and Education and appropriate branch research center directors to transfer appropriation authority within the NDSU Extension Service, Northern Crops Institute, branch research centers, and Main Research Center.

FTE adjustments - Section 6 authorizes the State Board of Higher Education to adjust FTE positions for the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station during the 2007-09 biennium.

State motor pool requirements - Section 8 amends North Dakota Century Code Section 24-02-03.3 to exempt certain vehicles used in farming operations at the Agronomy Seed Farm and branch research centers from state motor pool requirements.

Carryover authority - Section 9 authorizes the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station to retain, beyond the close of the 2007-09 biennium, any unspent general fund money appropriated to or excess income received by the agency during the 2007-09 biennium.

Operating pool - Section 11 provides that the operating pool of \$750,000 from the permanent oil tax trust fund appropriated to the Main Research Center be used for operating costs at the Dickinson Research Center and be limited to the amount oil revenues are less than budgeted for the biennium.

Livestock facilities - Section 12 provides that the Agricultural Experiment Station consider options to ensure that the use of the livestock facilities at Dickinson, Hettinger, Carrington, and Streeter are being maximized.

National Cattlemen's Beef Association funding - Section 13 directs the Agricultural Experiment Station to provide a report to the 61st Legislative Assembly regarding the funding received during the 2007-09 biennium from the National Cattlemen's Beef Association.

Capital Construction

North Central Research Center laboratory and greenhouse project - The 2005 Legislative Assembly authorized \$1,690,000, of which \$440,000 was from bond proceeds and \$1,250,000 was from gifts, grants, and donations, for the North Central Research Center laboratory and greenhouse project. The 2007 Legislative Assembly appropriated an additional \$400,000 from the general fund to complete the laboratory and greenhouse project.

North Central Research Center storage and maintenance shop facility - The 2007 Legislative Assembly appropriated \$300,000 from the general fund for an equipment storage and maintenance shop facility at the North Central Research Center.

Dickinson Research Center waste management facility and landscaping projects - The 2007 Legislative Assembly authorized \$701,000 of special funds spending authority for the Dickinson Research Center to construct a waste management facility as mandated by State Department of Health requirements (\$351,000) and for a parking lot and landscaping project at the headquarters facility (\$350,000).

Carrington, Hettinger, and North Central Research Center headquarters office additions - The 2007-09 biennium executive recommendation for the Main Research Center included an appropriation of \$1,107,750 from the general fund for a Carrington Research Center headquarters office building addition (\$465,000), Hettinger Research Center headquarters office building addition (\$222,750), and North Central Research Center office and technology transfer building addition (\$420,000). The 2007 Legislative Assembly reduced the total appropriation for these projects by \$200,000, from \$1,107,750 to \$907,750.

**NDSU Main Research Center
Budget No. 640
House Bill Nos. 1020, 1014**

	FTE Positions	General Fund	Other Funds	Total
2007-09 executive budget (bills as introduced)	348.08	\$45,437,622	\$41,261,157	\$86,698,779
2007-09 legislative appropriations	348.88	44,235,584¹	43,100,764	87,336,348
Legislative increase (decrease) to executive budget	0.80	(\$1,202,038)	\$1,839,607	\$637,569
Legislative increase (decrease) to 2005-07 appropriations	3.80 ²	\$13,441,517	(\$1,561,882)	\$11,879,635

¹This amount includes \$8,007,750 of general fund one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$36,227,834.

²The 2005-07 appropriation was based on 340.05 FTE positions. Section 6 of Senate Bill No. 2020 (2005) authorized the State Board of Higher Education to adjust FTE positions as needed. A total of 5.03 FTE positions were added pursuant to this section and reported to the Office of Management and Budget.

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

Salaries and Wages

The legislative action affecting the recommended appropriation for the NDSU Main Research Center is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2189. In addition, the Legislative Assembly appropriated \$829,669, of which \$438,129 is from the general fund and \$391,540 is from special funds, to the Main Research Center to provide agricultural research and extension agency employees an additional 1 percent salary increase each year of the biennium. The Main Research Center is to allocate the funding between the Main Research Center, branch research centers, North Dakota State University Extension Service, Northern Crops Institute, and Agronomy Seed Farm. The total salary increase provided is 5 percent effective July 1, 2007, and 5 percent effective July 1, 2008, which is the same increase provided to the North Dakota University System.

	Major Items			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Reduced funding recommended in the executive budget relating to retiree health credit contributions		(\$4,167)	(\$1,933)	(\$6,100)
Added a .80 FTE position and related funding for research and development of innovative waste management systems	0.80	184,000		184,000
Added \$750,000 from the permanent oil tax trust fund to the Main Research Center for operating costs at the Dickinson Research Center			750,000	750,000
Changed the funding source from the agricultural research fund to the general fund for research projects as determined by the granting committees		300,000	(300,000)	0
Reduced funding for the Carrington, Hettinger, and North Central Research Center office addition projects from \$1,107,750 to \$907,750		(200,000)		(200,000)

Decreased funding for the research greenhouse project at the Main Research Center from \$9 million to \$7 million	(2,000,000)		(2,000,000)
Added funding to provide a 5 percent salary increase effective July 1, 2007, and a 5 percent increase effective July 1, 2008 (see Salaries and Wages section above)	438,129	391,540	829,669
Added funding for design and engineering costs for a beef research facility	80,000		80,000
Added spending authority for a beef research facility		1,000,000	1,000,000
Total	<u>0.80</u>	<u>(\$1,202,038)</u>	<u>\$1,839,607</u>

FTE Changes

The 2005-07 appropriation is based on 340.05 FTE positions authorized by the 2005 Legislative Assembly. Section 6 of 2005 Senate Bill No. 2020 authorized the State Board of Higher Education to adjust FTE positions as needed. A total of 5.03 FTE positions were added pursuant to this section for a total of 345.08 FTE positions. The 2007-09 biennium appropriation includes funding for 348.88 FTE positions, an increase of a .80 FTE position from the executive recommendation of 348.08 FTE positions and an increase of 3.80 FTE positions from the 2005-07 authorized level of 345.08. The Legislative Assembly did not change the executive recommendation to add 1 FTE faculty position and 1 FTE research specialist position for bioproducts/bioenergy research and 1 FTE faculty position for pulse variety development. The Legislative Assembly added a .80 FTE waste management research position.

One-Time Funding

In Section 15 of House Bill No. 1020, the Legislative Assembly identified \$8,007,750 from the general fund for the Main Research Center greenhouse project (\$7 million), deferred maintenance pool (\$100,000), and Carrington, Hettinger, and North Central Research Centers office addition projects (\$907,750) as one-time funding items. In addition \$750,000 from the permanent oil tax trust fund for an operating pool at Dickinson Research Center is a one-time funding item. These amounts are not to be considered part of the agency's base budget for preparing the 2009 executive budget and the Main Research Center is to report to the Appropriations Committees during the 2009 legislative session on the use of this funding.

Other Sections in House Bill No. 1020

Additional income appropriation - Section 4 appropriates any additional funds, including federal funds, grants, gifts, and donations received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station (branch research centers, Main Research Center, and Agronomy Seed Farm) for the purpose designated in the Act, grant, or donation for the 2007-09 biennium.

Transfer authority - Section 5 authorizes the State Board of Agricultural Research and Education and appropriate branch research center directors to transfer appropriation authority within the NDSU Extension Service, Northern Crops Institute, branch research centers, and Main Research Center.

FTE adjustments - Section 6 authorizes the State Board of Higher Education to adjust FTE positions for the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station during the 2007-09 biennium.

Industrial hemp licensure - Section 7 amends North Dakota Century Code Section 4-41-02 to provide that state licensure requirements for industrial hemp production is not conditioned on or subject to review or approval by the United States Drug Enforcement Agency.

Carryover authority - Section 9 authorizes the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station to retain, beyond the close of the 2007-09 biennium, any unspent general fund money appropriated to or excess income received by the agency during the 2007-09 biennium.

Operating pool - Section 11 provides that the operating pool of \$750,000 from the permanent oil tax trust fund appropriated to the Main Research Center be used for operating costs at the Dickinson Research Center and be limited to the amount oil revenues are less than budgeted for the biennium.

Livestock facilities - Section 12 provides that the Agricultural Experiment Station consider options to ensure that the use of the livestock facilities at Dickinson, Hettinger, Carrington, and Streeter are being maximized.

National Cattlemen's Beef Association funding - Section 13 directs the Agricultural Experiment Station to provide a report to the 61st Legislative Assembly regarding the funding received during the 2007-09 biennium from the National Cattlemen's Beef Association.

Capital Projects

Carrington, Hettinger, and North Central Research Center headquarters office additions - The 2007-09 biennium executive recommendation for the Main Research Center included an appropriation of \$1,107,750 from the general fund for a Carrington Research Center headquarters office building addition (\$465,000), Hettinger Research Center headquarters office building addition (\$222,750), and North Central Research Center office and technology transfer building addition (\$420,000). The 2007 Legislative Assembly reduced the total appropriation for these projects by \$200,000, from \$1,107,750 to \$907,750.

Beef research facility - The Legislative Assembly appropriated \$1 million from special funds for a beef research facility in Fargo. Section 10 of House Bill No. 1020 provides that if the Main Research Center proceeds with a beef research center appropriate city and county officials agree to the location of the facility.

Main Research Center greenhouse complex - The 2005 Legislative Assembly authorized \$7 million of funding from bond proceeds (\$2 million) and gifts, grants, and donations (\$5 million) for Phase 1 of the research greenhouse project. The 2007-09 biennium executive recommendation included \$9 million from the general fund for Phase 2 of the research greenhouse project. The Legislative Assembly reduced the funding by \$2 million, from \$9 million to \$7 million. In addition, the Legislative Assembly removed references to Phases 1 and 2 of the greenhouse project and provided that the Main Research Center may use any funding available within the total appropriation authority for the Main Research Center greenhouse project to begin construction. The total appropriation includes 2005-07 biennium carryover authority of \$7 million and \$7 million from the general fund.

Deferred maintenance pool - The Legislative Assembly appropriated \$100,000 from the general fund for a deferred maintenance pool to address needs at the Main Research Center and branch research centers.

Extraordinary repairs - The Legislative Assembly appropriated \$740,465 for extraordinary repairs, including \$170,465 for landscaping, \$20,000 for greenhouse repairs, and \$550,000 for general repairs and maintenance.

Related Legislation

House Bill No. 1490 - This bill authorizes North Dakota State University to **import and resell industrial hemp** that has been certified as having no more than three-tenths of one percent tetrahydrocannabinol.

Agronomy Seed Farm
Budget No. 649
House Bill Nos. 1020, 1014

	FTE Positions	General Fund	Other Funds	Total
2007-09 executive budget (bills as introduced)	3.00	\$0	\$1,230,346	\$1,230,346
2007-09 legislative appropriations	3.00		1,230,162	1,230,162
Legislative increase (decrease) to executive budget	0.00	\$0	(\$184)	(\$184)
Legislative increase (decrease) to 2005-07 appropriations	0.00 ¹	\$0	\$29,154	\$29,154

¹The 2005-07 appropriation was based on 2.97 FTE positions. Section 6 of Senate Bill No. 2020 (2005) authorized the State Board of Higher Education to adjust FTE positions as needed. A total .03 FTE position was added pursuant to this section and reported to the Office of Management and Budget.

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

Salaries and Wages

The legislative action affecting the recommended appropriation for the Agronomy Seed Farm is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2189. In addition, the Legislative Assembly appropriated \$829,669, of which \$438,129 is from the general fund and \$391,540 is from special funds, to the Main Research Center to provide agricultural research and extension agency employees an additional 1 percent salary increase each year of the biennium. The Main Research Center is to allocate the funding between the Main Research Center, branch research centers, North Dakota State University Extension Service, Northern Crops Institute, and Agronomy Seed Farm. The total salary increase provided is 5 percent effective July 1, 2007, and 5 percent effective July 1, 2008, which is the same increase provided to the North Dakota University System.

	Major Items			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Reduced funding recommended in the executive budget relating to retiree health credit contributions		\$0	(\$184)	(\$184)
Total	0.00	\$0	(\$184)	(\$184)

FTE Changes

The 2005-07 appropriation is based on 2.97 FTE positions authorized by the 2005 Legislative Assembly. Section 6 of 2005 Senate Bill No. 2020 authorized the State Board of Higher Education to adjust FTE positions as needed. A .03 FTE position was added pursuant to this section for a total of 3 FTE positions. The Legislative Assembly did not change the executive recommendation which included funding for 3 FTE positions.

Other Sections in House Bill No. 1020

Additional income appropriation - Section 4 appropriates any additional funds, including federal funds, grants, gifts, and donations received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station (branch research centers, Main Research Center, and Agronomy Seed Farm) for the purpose designated in the Act, grant, or donation for the 2007-09 biennium.

FTE adjustments - Section 6 authorizes the State Board of Higher Education to adjust FTE positions for the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station during the 2007-09 biennium.

State motor pool requirements - Section 8 amends North Dakota Century Code Section 24-02-03.3 to exempt certain vehicles used in farming operations at the Agronomy Seed Farm and branch research centers from state motor pool requirements.

Carryover authority - Section 9 authorizes the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station to retain, beyond the close of the 2007-09 biennium, any unspent general fund money appropriated to or excess income received by the agency during the 2007-09 biennium.