

**Agriculture Commissioner - Budget No. 602**  
**Senate Bill No. 2009**  
**Base Level Funding Changes**

Prepared for: 4/25/2023

	Senate Version				House Version				House Changes to Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Senate Version			
									FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	79.00	\$13,459,712	\$24,110,775	\$37,570,487	79.00	\$13,459,712	\$24,110,775	\$37,570,487	0.00	\$0	\$0	\$0
<b>2023-25 Ongoing Funding Changes</b>												
Base payroll changes				\$0				\$0				\$0
Adds funding for the cost to continue salary increases		\$65,314	\$49,755	115,069		65,314	49,755	115,069				0
Salary increase		453,936	309,206	763,142		595,220	412,980	1,008,200		\$141,284	\$103,774	245,058
Health insurance increase		239,303	188,141	427,444		228,779	183,910	412,689		(10,524)	(4,231)	(14,755)
Adds funding for a salary equity increase for the Agriculture Commissioner		2,535		2,535		0		0		(2,535)		(2,535)
Adds funding for an FTE project manager and systems coordinator position	1.00	180,326		180,326	0.00	0		0	(1.00)	(180,326)		(180,326)
Adds funding for an FTE marketing specialist position	1.00	316,230		316,230	1.00	316,230		316,230				0
Removes salary funding for funding pool				0		(608,727)	(268,273)	(877,000)		(608,727)	(268,273)	(877,000)
Adds funding for IT rate increases		17,565	12,568	30,133		17,565	12,568	30,133				0
Adds funding for IT data processing, communications, and services		10,078	215,059	225,137		10,078	215,059	225,137				0
Adjusts funding for travel, operating fees and services, and other operating expenses		47,266	(659,851)	(612,585)		47,266	(659,851)	(612,585)				0
Adds funding for a new Capitol space rent model		198,136		198,136		198,136		198,136				0
Adds funding for a post-production royalty oversight program			500,000	500,000			500,000	500,000				0
Adds federal funding for the plant and potato cyst nematode program			26,000	26,000			26,000	26,000				0
Adds federal funding for the local food purchase assistance program			978,000	978,000			978,000	978,000				0
Adjusts funding for capital assets		(10,000)	2,000	(8,000)		(10,000)	2,000	(8,000)				0
Adds funding for noxious weeds grants			198,695	198,695			198,695	198,695				0
Reduces funding for the waterbank program			(200,000)	(200,000)			(200,000)	(200,000)				0
Adds federal funding for speciality crop block grants			1,055,500	1,055,500			1,055,500	1,055,500				0
Adds funding for APUC			350,000	350,000			350,000	350,000				0
Adds funding for aerial contract services for the Wildlife Services program		200,000		200,000		200,000		200,000				0
Total ongoing funding changes	2.00	\$1,720,689	\$3,025,073	\$4,745,762	1.00	\$1,059,861	\$2,856,343	\$3,916,204	(1.00)	(\$660,828)	(\$168,730)	(\$829,558)
<b>One-Time Funding Items</b>												
Adds one-time funding for bioscience innovation grants				\$0		\$6,500,000		\$6,500,000		\$6,500,000		\$6,500,000
Adds one-time funding for APUC			\$3,000,000	3,000,000			\$3,000,000	3,000,000				0
Adds one-time funding for the North Dakota Trade Office		\$500,000		500,000		500,000		500,000				0
Adds one-time funding for grasslands grazing grants				0			1,000,000	1,000,000			\$1,000,000	1,000,000
Adds one-time funding for a food distribution grant program				0			1,000,000	1,000,000				0
Total one-time funding changes	0.00	\$500,000	\$3,000,000	\$3,500,000	0.00	\$8,000,000	\$4,000,000	\$12,000,000	0.00	\$7,500,000	\$1,000,000	\$8,500,000
<b>Total Changes to Base Level Funding</b>	2.00	\$2,220,689	\$6,025,073	\$8,245,762	1.00	\$9,059,861	\$6,856,343	\$15,916,204	(1.00)	\$6,839,172	\$831,270	\$7,670,442
<b>2023-25 Total Funding</b>	81.00	\$15,680,401	\$30,135,848	\$45,816,249	80.00	\$22,519,573	\$30,967,118	\$53,486,691	(1.00)	\$6,839,172	\$831,270	\$7,670,442
Federal funds included in other funds			\$14,496,568				\$14,412,907				(\$83,661)	
Total ongoing changes as a percentage of base level	2.5%	12.8%	12.5%	12.6%	1.3%	7.9%	11.8%	10.4%				
Total changes as a percentage of base level	2.5%	16.5%	25.0%	21.9%	1.3%	67.3%	28.4%	42.4%				

**Other Sections in Agriculture Commissioner - Budget No. 602**

Transfer - Strategic investment and improvements fund to bioscience innovation grant fund

**Senate Version**  
 Section 3 provides for a transfer of \$5.5 million from the strategic investment and improvements fund to the bioscience innovation grant fund for the bioscience innovation grant program. The Agriculture Commissioner has continuing appropriation authority for the bioscience innovation grant fund.

**House Version**  
 Section 3 provides for a transfer of \$5.5 million from the strategic investment and improvements fund to the bioscience innovation grant fund for the bioscience innovation grant program. The Agriculture Commissioner has continuing appropriation authority for the bioscience innovation grant fund.

Other Sections in Agriculture Commissioner - Budget No. 602

	Senate Version	House Version
Transfer - Legacy earnings fund to bioscience innovation grant fund	Section 4 provides for a transfer of \$6.5 million from the legacy earnings fund to the bioscience innovation grant fund for the bioscience innovation grant program to provide a total of \$12 million for the program for the 2023-25 biennium. The Agriculture Commissioner has continuing appropriation authority for the bioscience innovation grant fund.	Section 4 provides for a transfer of \$6.5 million from the general fund to the bioscience innovation grant fund for the bioscience innovation grant program to provide a total of \$12 million for the program for the 2023-25 biennium. The funding from the general fund is appropriated in Section 1.
Transfer - Environment and rangeland protection fund to environmental impact mitigation fund	Section 5 provides for a transfer of \$250,000 from the environment and rangeland protection fund to the environmental impact mitigation fund for the environmental impact mitigation program. The Agriculture Commissioner has continuing appropriation authority for the environmental impact mitigation fund.	Section 5 provides for a transfer of \$250,000 from the environment and rangeland protection fund to the environmental impact mitigation fund for the environmental impact mitigation program. The Agriculture Commissioner has continuing appropriation authority for the environmental impact mitigation fund.
Estimated income - Transfer - Department of Water Resources - Wildlife Services program	Section 6 identifies \$125,000 in the estimated income line item is from the Department of Water Resources, which the department shall transfer to the Agriculture Commissioner for the Wildlife Services program.	Section 6 identifies \$125,000 in the estimated income line item is from the Department of Water Resources, which the department shall transfer to the Agriculture Commissioner for the Wildlife Services program.
Transfer - Environment and rangeland protection fund to minor use pesticide fund	Section 7 requires the Agriculture Commissioner to transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund.	Section 7 requires the Agriculture Commissioner to transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund.
Estimated income - Environment and rangeland protection fund	Section 8 identifies \$7,344,029 in the estimated income line item is from the environment and rangeland protection fund for various Department of Agriculture programs.	Section 8 identifies \$7,351,547 in the estimated income line item is from the environment and rangeland protection fund for various Department of Agriculture programs.
Estimated income - Game and Fish Department operating fund	Section 9 identifies \$648,228 in the estimated income line item is from the Game and Fish Department operating fund for various Department of Agriculture programs.	Section 9 identifies \$648,228 in the estimated income line item is from the Game and Fish Department operating fund for various Department of Agriculture programs.
Estimated income - Transfer - Bank of North Dakota profits - APUC	Section 10 identifies \$3 million in the estimated income line item, which is from funding transferred from Bank of North Dakota profits to the Agriculture Commissioner for deposit in the APUC fund for the APUC program.	Section 10 identifies \$3 million in the estimated income line item, which is from funding transferred from Bank of North Dakota profits to the Agriculture Commissioner for deposit in the APUC fund for the APUC program.
Estimated income - Strategic investment and improvements fund - Matching funds requirement		Section 11 identifies \$1 million in the estimated income line item from the strategic investment and improvements fund for grasslands grazing grants. To be eligible for a grant under this program, an organization must provide \$1 of matching funds from nonstate sources for every \$4 of grant funding. An organization that receives a grant under this program may distribute the funding to cooperative grazing associations for eligible infrastructure projects, which must be located on national grasslands within the state. Eligible infrastructure projects include water development; fencing; conservation initiatives; compliance with federal permitting requirements, including fees for professional services; and other projects to enhance wildlife habitat or capture carbon, or to increase the health of grasslands. Program participants shall develop and implement a grazing land plan in compliance with local soil conservation district guidance and the plan must be approved by the local soil conservation district. The Agriculture Commissioner shall establish additional guidelines for the program.
Estimated income - Abandoned oil and gas well plugging site reclamation fund	Section 11 identifies \$700,000 in the estimated income line item is from the abandoned oil and gas well plugging and site reclamation fund, of which \$200,000 is for the pipeline restoration and reclamation program and \$500,000 is for the post-production royalty oversight program.	Section 12 identifies \$700,000 in the estimated income line item is from the abandoned oil and gas well plugging and site reclamation fund, of which \$200,000 is for the pipeline restoration and reclamation program and \$500,000 is for the post-production royalty oversight program.

Other Sections in Agriculture Commissioner - Budget No. 602

North Dakota Trade Office - Matching funds requirement

Senate Version

Section 12 identifies \$2.1 million of the funding appropriated from the general fund in Section 1 is for the North Dakota Trade Office. The Agriculture Commissioner may spend 60 percent of this amount without requiring any matching funds from the North Dakota Trade Office. Additional amounts may be spent only to the extent that the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for every \$1 provided by the Agriculture Commissioner. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, to provide training, and to buy computer equipment as part of the North Dakota Trade Office's export assistance program.

Waterbank program - Matching funds requirement

Section 13 identifies of the amount appropriated in the salary and wages line item, the Agriculture Commissioner may use up to \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

Amendment - Agriculture Commissioner salary

Section 14 provides the statutory changes necessary to increase the Agriculture Commissioner's salary. The Agriculture Commissioner's annual salary would increase from the current level of \$123,984 to \$130,000 effective July 1, 2023, and to \$135,200 effective July 1, 2024, to reflect a 4 percent salary increase and a salary equity increase in the 1<sup>st</sup> year of the biennium and a 4 percent salary increase in the 2<sup>nd</sup> year of the biennium.

Post-production royalty oversight program

Section 15 creates a new section to Chapter 4.1-01 to establish a post-production royalty oversight program, allowing the Agriculture Commissioner to contract for ombudsmen to assist mineral owners, lease owners, and mineral companies in royalty payment issues.

Environmental impact mitigation fund

Sections 16, 17, and 18 amend Sections 4.1-01-21.1, 49-22-09, and 49-22-09.2 relating to the environmental impact fund, factors to be considered in evaluating applications and designation of sites, corridors, and routes, and mitigating direct and indirect environmental impacts.

Wildlife Services program - Indirect costs

Section 19 provides the funding appropriated in the wildlife services line item may not be used to pay indirect costs as part of the United States Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services program.

Exemption - COVID-19 specialty crop block grant program

Section 20 provides an exemption to authorize the Agriculture Commissioner to continue funding appropriated for the 2019-21 biennium and continued into the 2021-23 biennium for the COVID-19 specialty crop block grant program into the 2023-25 biennium. The 2021 Legislative Assembly appropriated \$5 million for the program. Of this amount, the Agriculture Commissioner anticipates approximately \$3.5 million is needed to continue into the 2023-25 biennium.

Exemption - Grasslands grazing grants

House Version

Section 13 identifies \$2.1 million of the funding appropriated from the general fund in Section 1 is for the North Dakota Trade Office. The Agriculture Commissioner may spend 60 percent of this amount without requiring any matching funds from the North Dakota Trade Office. Additional amounts may be spent only to the extent that the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for every \$1 provided by the Agriculture Commissioner. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, to provide training, and to buy computer equipment as part of the North Dakota Trade Office's export assistance program.

Section 14 identifies of the amount appropriated in the salary and wages line item, the Agriculture Commissioner may use up to \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

Section 15 provides the statutory changes necessary to increase the Agriculture Commissioner's salary. The Agriculture Commissioner's annual salary would increase from the current level of \$123,984 to \$131,423 effective July 1, 2023, and to \$136,680 effective July 1, 2024, to reflect a 6 percent salary increase in the 1<sup>st</sup> year of the biennium and a 4 percent salary increase in the 2<sup>nd</sup> year of the biennium.

Sections 16 and 17 amend Sections 4.1-01-21.1 and 49-22-09.2 relating to the environmental impact fund and mitigating environmental impacts.

Section 18 provides the funding appropriated in the wildlife services line item may not be used to pay indirect costs as part of the United States Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services program.

Section 19 provides an exemption to authorize the Agriculture Commissioner to continue funding appropriated for the 2019-21 biennium and continued into the 2021-23 biennium for the COVID-19 specialty crop block grant program into the 2023-25 biennium. The 2021 Legislative Assembly appropriated \$5 million for the program. Of this amount, the Agriculture Commissioner anticipates approximately \$3.5 million is needed to continue into the 2023-25 biennium.

Section 20 provides an exemption to authorize the Agriculture Commissioner to continue \$5 million appropriated from the strategic investment and improvements fund for grasslands grazing grants for the 2021-23 biennium into the 2023-25 biennium.

Other Sections in Agriculture Commissioner - Budget No. 602

Senate Version

Legislative Management study - Energy conservation or transmission facility -  
Environmental mitigation

Legislative Management study - Transfer of agriculture education programs from the  
Department of Career and Technical Education to the Agriculture Commissioner

House Version

Section 21 provides for a Legislative Management study of plans for mitigation of adverse wildlife and environmental impacts and monetary payments made to state agencies, contractors, nongovernmental organizations, and others by applicants or other persons for mitigation during the siting and operation of energy conversion or transmission facilities.

Section 22 provides for a Legislative Management study of the feasibility and desirability of transferring agriculture education programs in the Department of Career and Technical Education to the Agriculture Commissioner.