

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

Prepared for: 3/30/2023

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Ongoing Funding Changes</b>	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
Base payroll changes		(\$47,344)	(\$275,703)	(\$323,047)				\$0		\$47,344	\$275,703	\$323,047
Adds funding for the cost to continue salary increases		65,314	49,755	115,069		\$65,314	\$49,755	115,069		(152,267)	(103,774)	(256,041)
Salary increase		606,203	412,980	1,019,183		453,936	309,206	763,142		5,381	4,231	9,612
Health insurance increase		233,922	183,910	417,832		239,303	188,141	427,444		2,535		2,535
Adds funding for a salary equity increase for the Agriculture Commissioner	1.00	180,326		180,326	1.00	2,535		2,535				
Adds funding for an FTE project manager and systems coordinator position	1.00	316,230		316,230	1.00	180,326		180,326				
Adds funding for IT rate increases		17,565	12,568	30,133		17,565	12,568	30,133				
Adds funding for IT data processing, communications, and services		10,078	215,059	225,137		10,078	215,059	225,137				
Adjusts funding for travel, operating fees and services, and other operating expenses		47,266	(659,851)	(612,585)		47,266	(659,851)	(612,585)				
Adds funding for a new Capitol space rent model		198,136		198,136		198,136		198,136				
Adds funding for a post-production royalty oversight program				0			500,000	500,000				500,000
Adds federal funding for the plant and potato cyst nematode program				0			26,000	26,000				26,000
Adds federal funding for the local food purchase assistance program				0			978,000	978,000				978,000
Adjusts funding for capital assets		(10,000)	2,000	(8,000)		(10,000)	2,000	(8,000)				80,000
Adds funding for noxious weeds grants			118,695	118,695			198,695	198,695				80,000
Reduces funding for the waterbank program			(200,000)	(200,000)			(200,000)	(200,000)				0
Adds federal funding for specialty crop block grants			4,555,500	4,555,500			1,055,500	1,055,500				(3,500,000)
Adds funding for APUC			350,000	350,000			350,000	350,000				0
Reduces federal funding for the Board of Animal Health			(170,500)	(170,500)				0				170,500
Adds funding for aerial contract services for the Wildlife Services program	2.00	200,000	\$4,594,413	\$6,412,109	2.00	200,000	\$3,025,073	\$4,745,762	0.00	(\$97,007)	(\$1,569,340)	(\$1,666,347)
Total ongoing funding changes		\$1,817,696	\$4,594,413	\$6,412,109		\$1,720,689	\$3,025,073	\$4,745,762		(\$97,007)	(\$1,569,340)	(\$1,666,347)
<b>One-Time Funding Items</b>												
Adds funding for bioscience innovation grants			\$5,500,000	\$5,500,000			\$3,000,000	\$3,000,000				(\$5,500,000)
Adds one-time funding for APUC			3,000,000	3,000,000								0
Adds one-time funding for the North Dakota Trade Office	0.00	\$500,000	\$6,500,000	\$9,000,000	0.00	\$500,000	\$3,000,000	\$3,500,000	0.00	\$0	(\$5,500,000)	(\$5,500,000)
Total one-time funding changes	2.00	\$2,317,696	\$13,094,413	\$15,412,109	2.00	\$2,220,689	\$6,025,073	\$8,245,762	0.00	(\$97,007)	(\$7,069,340)	(\$7,166,347)
<b>Total Changes to Base Level Funding</b>												
<b>2023-25 Total Funding</b>	81.00	\$15,777,408	\$37,205,188	\$52,982,596	81.00	\$15,680,401	\$30,135,848	\$45,816,249	0.00	(\$97,007)	(\$7,069,340)	(\$7,166,347)
<i>Federal funds included in other funds</i>			\$16,900,416				\$14,496,568				(\$2,403,848)	
<i>Total ongoing changes as a percentage of base level</i>	2.5%	13.5%	19.1%	17.1%	2.5%	12.8%	12.5%	12.6%				
<i>Total changes as a percentage of base level</i>	2.5%	17.2%	54.3%	41.0%	2.5%	16.5%	25.0%	21.9%				

Other Sections in Agriculture Commissioner - Budget No. 602

Executive Budget Recommendation

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

Section 11 would identify \$5.5 million in the estimated income line item is from a transfer from the strategic investment and improvements fund to the bioscience innovation grant fund for the bioscience innovation grant program.

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.

Other Sections in Agriculture Commissioner - Budget No. 602

	Executive Budget Recommendation	Senate 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 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.
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 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 would identify \$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 3 would require 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 4 would identify \$7,104,225 in the estimated income line item is from the environment and rangeland protection fund for various Department of Agriculture programs.	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.
Estimated income - Game and Fish Department operating fund	Section 5 would identify \$661,270 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 12 would identify \$3 million in the estimated income line item 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 - Abandoned oil and gas well plugging site reclamation fund	Section 8 would identify \$200,000 in the estimated income line item is from the abandoned oil and gas well plugging and site reclamation fund for the pipeline restoration and reclamation program.	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.
North Dakota Trade Office - Matching funds requirement	Section 10 would identify \$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 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 7 would identify 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 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.

Other Sections in Agriculture Commissioner - Budget No. 602

Agriculture Commissioner salary

**Executive Budget Recommendation**  
Section 9 would provide 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 \$136,679 effective July 1, 2024, to reflect the 6 percent and 4 percent annual recommended salary increases.

**Senate Version**  
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.

