

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2018

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Operator's Signature

LaCosta Rickford

Date

10/15/03

2003 SENATE APPROPRIATIONS

SB 2018

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2018

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 8, 2003

Tape Number	Side A	Side B	Meter #
1	x		0-3230
Committee Clerk Signature <i>J. Hendricks</i>			

Minutes:

Meeting was called to order by Senator Ray Holmberg, Chairman at 8:30 am.

Attendance roll was called. All members were present, except Senator Kringstad who was ill.

Senator Bill 2018--State Seed Department. Ken Bertsch, State Seed Commissioner and

Administrator of the North Dakota State Seed Department (NDSSD) gave the following testimony in support of Bill 2018.

Commissioner Bertsch (#91) presented his budget requests for 2003-2005. (Exhibit #1).

The North Dakota State Seed Department is the state-designated authority for seed certification, seed regulatory and laboratory testing services for North Dakota producers and the agriculture industry. A nine-member commission who serves as a board of directors for setting policy guidelines, approving budgets, approving major program changes, approving fee schedules, and appointing the Seed Commissioner, governs the Department. The Seed Commission is

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Senate Appropriations Committee
Bill/Resolution Number SB 2018
Hearing Date January 8, 2003

comprised of members from various industries the Department serves, and represents a broad cross-section of agricultural commodities grown in this state and region. He pointed out the four major program area of the ND State Seed Department:

- 1). Field Seed Certification
- 2). Potato Seed Certification
- 3). Laboratory Services
- 4). Seed Regulatory

The Administration program serves as an overall support unit for the four service area. (Exhibit 1 shows a breakdown by major program area and a complete overview of these program areas are included in Appendix #1 of Exhibit #1.

Commissioner Bertsch pointed out some key factors that influences them in making out the budget (#295). These are a lot carry over from the past biennium and even before that where certain issues in seed industry start to impact the programs.

- 1.) Biotechnology and other breeding innovations on seed research, development, commercialization and utilization.
- 2.) Shifts in cropping patterns and utilization of certified seed sources by North Dakota producers.
- 3.) Testing technology coupled with increasing need for detection of nonphysical traits, creating potential growth service demands in Seed Department laboratories.
- 4.) Potential for expanded field inspection programs related to tractability of seed and commercial production.

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Senate Appropriations Committee
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5.) Protection of intellectual property by private and public entities; utilization of Plant Variety Protection (PVP) and research fees/royalties by the industry.

Very minimum changes in budget from previous years.

Request a 2.2 % increase in the budget and the Governor's budget request 3.8% increase. (#566)

Questions from Senators:

Senator Krauter (#627) - \$300,000 contingency fund where does that fit in with the agency?

Ken: Explained that there was indeed a contingency fund but he did not know when it was put in but he knows that it has existed for a number of biennium's (#661). Reasons for this is that in case there is a major issues that demands a response by the agency, we can go back and ask for utilization of that fund from the emergency commission. We have used it once, when I first started and we needed operating funds because we were right in the middle of a major software project that ended taking more than we expected. (Celeste from LC stated that OMB would be the agency that would asked.) (#759)

Senator Krauter stated that in further reading, it just states that you would get approval from the Seed Commission and then notify OMB. (#773). But my question is we have \$300,000 there in a contingency fund, what happens to it each biennium, does it accumulate?

Ken Bertsch stated that it doesn't accumulate (#795) because it just a spending authorization. So if we don't use it, it is just left over. Purely a spending authorization.

Senator Krauter: (#863) Do your revenues equal your spending authority?

Ken Bertsch: No, we are trying to under spend our budget (#870)

Senator Robinson (#921): Do you have to access out of state experts when a disease comes to the attention of the Seed Department

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Senate Appropriations Committee

Bill/Resolution Number SB 2018

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Ken Bertsch: (#969): In terms of disease we have a pretty good expertise on staff. We can handle most of the things within house. There is a good working relationship with NDSU Plant Pathology and us and other areas at the University. We depend on those types of people with very high levels of education and experience.

Senator Robinson: (#1047) In follow up, do you contract with those folks, hourly, project, daily, how are they reimbursed?

Ken Bertsch In that instance there is no money changing hands. We are just purely friendly, we are at their shop and they are at our shop a lot and this is just a working relationship with producers because that is why we are here. If we have to go out of house for, example--high level lab equipment--then that becomes a fee for service in reverse for us. Then we have to pay those fees.

Senator Robinson: (#1110) What happens if we have to use South Dakota or other states?

Ken Bertsch: (#1146) We haven't had to do that yet, but I would think that we would have to pay their contract fees. We would have to have some sort of limits in place to be able to do that. We do have some contracting drafting, that we got from the Attorney Generals office that we depend on. We have an assistant Attorney General that we always work with when any contractual situations develops, so that we have legal back up on. If it was to end being, say South Dakota State, etc. Then we would probably pay travel and expenses.

Senator Tallackson (#1228): My question is on generic breeding. Are you doing any of that with potatoes?

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Senate Appropriations Committee

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Hearing Date January 8, 2003

Ken Bertsch: (#1291) . We don't do any of the breeding work, that is all done at NDSU. But we do however, have a part of our potato program seed stock operation. We grow nucleus seeds, we grow nucleus seed from tissue cuttings of plantlets.

Senator Holmberg (#1390): Could you talk to us a little about the 32 positions that you have authorized. Is that part of keeping down those long term costs?. We will not get a report on the employees of North Dakota until about the 20th of January.

Ken Bertsch: No Mr. Chairman it is not. We just sent in our report to OMB or LC. I have a copy that you can have or I will just talk about it. (Senator Holmberg asked to have it just talk about the report). Ken continued: Currently we have 32 FT and a total of 7.5 vacant today, 1 of those is to filled in April or May. Our plan is over the course of the of next biennium or two, is I am afraid we might need them. There are some indications that we will have some issues coming up that will require us to have the support staff. ((#1620).

(#1642) There is a move where the Federal government is getting involved. A contact from the USDA to say basically we would like to have people from states to come in and talk about programs we are going to put together to market the products of grains and potatoes. The feds will probably put programs in place and then tell the states to carry them out and we will be stuck with carrying them out. Even if they don't do that from the federal level, the other thing we have to do as an agency and being self-funded and providing services to producers, like a business except with a state, we have to put those programs in place ourselves and we have been concerned over the past couple of years that the demand is not there, but someday soon, it will be and we will have to work hard and fast to get those people in place, manage the programs and the people out there.

Lacosta Rickford
Operator's signature

10/15/03
Date

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Senate Appropriations Committee
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We need a little cushion there in terms of programs and people in order to respond appropriately and well.

Senator Christmann (#1777) Still does not understand who is paying the fees to the Seed Dept. And if you set your fees schedule to meet your budget needs and you don't need the contingency fees what happens to the other \$300,000, does it get reimbursed or does it accumulate it?

Ken Bertsch (#1827)- Monies coming into our agency are from buyers of our services. We charge for all of the work we do to certify that seed, to run lab tests, some money from regulatory violations, generally speaking all from service fees. We can only send only the amount that is allowed on each line item. The contingency fund (spending authority) is there in case a disaster comes up and we have to have emergency funds. He would like to see that the contingency fund is never used which would mean that the agency is staying within their budget.

Senator Bowman (#2152): Do you set down after you set your budget and make goals and have some type of measurement to see if those goals were met. How do you manage that Seed Department to make sure that everything is done the way it is suppose to be done.

Ken Bertsch (#2227): We have goals, especially with the programs we operate. About $\frac{3}{4}$ goals are operating programs that we are operating now, and about $\frac{1}{4}$ of the other goals are things we need to develop to meet industry demand. We rely on how we operate internally and the Seed commission is fully aware of the programs, how we operate them, the upgrades, the money we are spending and so that is the accountably, I think. The accountability is between our board of directors and our agency who have to give their okay on the budget, written right in our mission.

Senator Tallackson (#2487) Could you tell us your board members?

La Costa Rickford
Operator's Signature

10/15/03
Date

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Senate Appropriations Committee

Bill/Resolution Number SB 2018

Hearing Date January 8, 2003

Ken Bertsch: (#2506) I forgot to put that in my testimony. One member from each of the following:

- 1) Chairman - Agriculture Commissioner or his designate
- 2) Agricultural Association
- 3) ND Grain Dealers Association
- 4) ND Crop Improvement Association
- 5) ND Certified Seed Potato Growers Association
- 6) ND Dry Edible Bean Seed Growers Association
- 7) Northern Plains Potato Growers Association
- 8) ND Potato Council
- 9) Dean & Director of the Experimental Station of NDSU

Senator Thane: (#2698) Are the facility inspection above average, below, what? Farmers are wanting to know what kinds of facility there seed is coming out of.

Ken Bertsch (#2773) Thank you for asking that question. There are fairly stringent requirements for facilities and those are written into the administrative rules. This is what our field inspectors work with.. There is a team of 6-8 people who do most of the facility inspections, and we deny a lot of facilities, because of equipment or general cleanliness or the ability to stay clean as a facility. There are a number denied. If the seed you are purchasing is going through an approved facility, then the seed is being handled very well.. The other thing is that ND has the largest certified seed industry in the entire country. Other states grow more seeds, but they are not under the seed certification standards.

Senator Thane (#2986) What about seed that is coming in that is already preconditioned?

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Ken Bertsch: (#3019) We do if it part of the regulatory inspection. During the "season" our regulatory inspectors, go around and inspect seeds that are there, but if seed comes in when we are not there inspecting that it is not. The paper work that comes with the seed is the check that you are asking for. Other than that, there is not requirement that seed coming is be required to be checked. The idea being that that seed was checked under seed standards from the place it came from.. It is against the law to market seed in North Dakota and not meet North Dakota standards. Senator Holmberg asked for any more testimony on SB 2018. None was offered and the hearing on SB 2018 was closed. (#3187end)

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Date

10/15/03

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2018 vote

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 2-10-03

Tape Number	Side A	Side B	Meter #
2	X		0-1127
Committee Clerk Signature <i>Sandra Davis</i>			

Minutes: Chairman Holmberg opening the hearing to SB 2018 for voting. He presented the committee with amendments to this bill, Exhibit 1 (38041.0101). (Meter 238) Senator Tallackson made a motion of a Do Pass on the amendments presented with Senator Andrist a second. Roll call vote on amendments, 11 yeas 3 nays. With amendments passed, a motion was made by Senator Krauter for a Do Pass as amended and a seconded by Senator Christmann. The vote was 14 yeas, 0 nays. Floor assignment is Senator Holmberg.

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2018 vote

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 2-10-03

Tape Number	Side A	Side B	Meter #
3	X		0-1600
Committee Clerk Signature <i>Sandra Dawson</i> <i>[Signature]</i>			

Minutes: Chairman Holmberg opened the hearing to vote on SB 2018. Chairman Holmberg handed out amendment (38041.0101).

Senator Tallackson moved to amend SB2018 with Legislative Council amendment number 38041.0101. Second by Senator Andrist.

Senator Holmberg (Mt. #179) - Explained how the amendment number 38041.0101 effects the bill.

Senator Kraut (Mt. #232) - Question on the total dollar figure in salaries, what kind of reduction does this equate to.

Senator Holmberg (mtr #242) - Equates to 4.2 million in general fund money and roughly the same in amount in special fund money. The cost for the State to pay the health coverage is 17 plus million.

Senator Tallackson (mtr #354) - This is just to get things started on the salary issue.

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Senate Appropriations Committee

Bill/Resolution Number SB2018

Hearing Date February 10, 2003

Senator Robinson (mtr #400) - Have had proposals like this in the past. This is early in the session.

Senator Holmberg (mtr #455) - The rational is that State employees are concerned that the last issue presented to the legislature is their salary package. Feel the state budget is balanced on their back at the last minute. This way we are addressing the issue up front.

Senator Tallackson (mtr #718) - An additional concern, non-state funded agency, other agencies are allowed a different funding mechanism.

Senator Holmberg (mtr #758) - Workers Comp. salaries will be looked at.

Senator Robinson (mtr #806) - We do have in place, a bill that addressed bonuses, salary adjustments, etc. There are some agencies that have more flexibility than others. Concerned that some agencies will give increases anyway.

Senator Holmberg (mtr #897) - Have had that discussion. Better to place the amendment on the OMB Budget rather than individual agency budgets. Feels OMB Budget will address that issue in the end.

Senator Krauter (mtr #972) - This effects both classified state employees and higher ed?

Senator Holmberg (mtr #988) - No, the higher ed did not receive funding for health insurance or salary increases.

Senator Krauter (mtr #1130) - Are there discussions about a hiring freeze.

Senator Holmberg (mtr #1155) - There has been discussion, has been no solution.

Senator Krauter (mtr #1259) - Will have revenue forecast in March, is this a closed case?

Senator Holmberg (mtr #1281) - There is always room to work on these budgets again.

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Senate Appropriations Committee

Bill/Resolution Number SB2018

Hearing Date February 10, 2003

Senator Holmberg (mtr #1369) - Further discussion? If not, we have a motion and a second to amend the bill. Roll call on the amendment 11 yea, 3 nay.

Senator Holmberg (mtr #1485) - We have the bill before us as amended.

Senator Krauter motioned a Do Pass as Amended. Second by Senator Christmann.

Roll call vote 14 yea, 0 nay. Senator Holmberg is the carrier.

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10/15/03

Date

38041.0101
Title.0200
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Holmberg
January 31, 2003

JS
2-10-03

PROPOSED AMENDMENTS TO SENATE BILL NO. 2018

Page 1, line 8, replace "3,437,065" with "3,408,898"

Page 1, line 13, replace "5,671,315" with "5,643,148"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Seed Department - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$3,437,065	(\$28,167)	\$3,408,898
Operating expenses	1,664,250		1,664,250
Capital assets	70,000		70,000
Grants	200,000		200,000
Contingencies	300,000		300,000
Total all funds	\$5,671,315	(\$28,167)	\$5,643,148
Less estimated income	<u>5,671,315</u>	<u>(28,167)</u>	<u>5,643,148</u>
General fund	\$0	\$0	\$0
FTE	32.00	0.00	32.00

Dept. 616 - Seed Department - Detail of Senate Changes

	REMOVES RECOMMENDED SALARY INCREASE ¹	TOTAL SENATE CHANGES
Salaries and wages	(\$28,167)	(\$28,167)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$28,167)	(\$28,167)
Less estimated income	<u>(28,167)</u>	<u>(28,167)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

Senate Bill No. 2018 - Other Changes - Senate Action

This amendment retains full funding of employee health insurance coverage as provided for in the executive budget recommendation.

2018

Date:
Roll Call Vote #:

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass w/ Amendments

Motion Made By Krauter Seconded By Christman

Senators	Yes	No	Senators	Yes	No
Senator Holmberg, Chairman	✓				
Senator Bowman, Vice Chair	✓				
Senator Grindberg, Vice Chair	✓				
Senator Andrist	✓				
Senator Christmann	✓				
Senator Kilzer	✓				
Senator Krauter	✓				
Senator Kringstad	✓				
Senator Lindaas	✓				
Senator Mathern	✓				
Senator Robinson	✓				
Senator Schobinger	✓				
Senator Tallackson	✓				
Senator Thane	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment @ Holmberg

If the vote is on an amendment, briefly indicate intent:

Amendment vote

Date: 2-10-03

Roll Call Vote #:

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Amendment 2018

Senate Appropriations

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38041.0101

Action Taken

Motion Made By

Tallackson

Seconded By

Andrist

Senators	Yes	No	Senators	Yes	No
Senator Holmberg, Chairman	✓				
Senator Bowman, Vice Chair	✓				
Senator Grindberg, Vice Chair	✓				
Senator Andrist	✓				
Senator Christmann	✓				
Senator Kilzer	✓				
Senator Krauter	✓	✓			
Senator Kringstad	✓				
Senator Lindaas	✓				
Senator Mathern	✓	✓			
Senator Robinson	✓	✓			
Senator Schobinger	✓				
Senator Tallackson	✓				
Senator Thane	✓				

Total (Yes) 11 No 3

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

LaCosta Rickford
Operator's Signature

10/15/03
Date

REPORT OF STANDING COMMITTEE (410)
February 10, 2003 4:25 p.m.

Module No: SR-25-2196
Carrier: Holmberg
Insert LC: 38041.0101 Title: .0200

REPORT OF STANDING COMMITTEE
SB 2018: Appropriations Committee (Sen. Holmberg, Chairman) recommends
AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS**
(14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2018 was placed on the Sixth
order on the calendar.

Page 1, line 8, replace "3,437,065" with "3,408,898"

Page 1, line 13, replace "5,671,315" with "5,643,148"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Seed Department - Senate Action

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Salaries and wages	\$3,437,065	(\$28,167)	\$3,408,898
Operating expenses	1,664,250		1,664,250
Capital assets	70,000		70,000
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Contingencies	300,000		300,000
Total all funds	\$5,671,315	(\$28,167)	\$5,643,148
Less estimated income	<u>5,671,315</u>	<u>(28,167)</u>	<u>5,643,148</u>
General fund	\$0	\$0	\$0
FTE	32.00	0.00	32.00

Dept. 616 - Seed Department - Detail of Senate Changes

	REMOVES RECOMMENDED SALARY INCREASE ¹	TOTAL SENATE CHANGES
Salaries and wages	(\$28,167)	(\$28,167)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$28,167)	(\$28,167)
Less estimated income	<u>(28,167)</u>	<u>(28,167)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

Senate Bill No. 2018 - Other Changes - Senate Action

This amendment retains full funding of employee health insurance coverage as provided for in the executive budget recommendation.

2003 HOUSE APPROPRIATIONS

SB 2018

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10/15/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2018

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date March 4, 2003

Tape Number	Side A	Side B	Meter #
1	X		
Committee Clerk Signature <i>Christe Keller</i>			

Minutes:

Chairman Martinson opened the hearing on SB 2018, Seed Department. All members of the committee were present with the exception of Rep. Wald.

Ken Bertsch, State Seed Commissioner, testified in favor of SB 2018. See attached testimony.

Rep. Aarsvold Your predecessor had a reputation for squirreling away quite a bit of carryover dollars. What is your situation now?

Bertsch You may be correct, he did have a reputation for that. We are not as fortunate as we were in the past. I don't believe it is because I'm a big spender, I believe it is more because of the agriculture industry in general. Currently, we have in reserve \$1.25 million dollars which represents about 20-25% of our operating budget. Between reserve and revolving funds, which is our cash fund that we use, we go up as high as about 2.3/2.5 million dollars at the high point of the year because all of those seed applications are coming into our office in June/July, which is

Page 2
Education and Environment Division
Bill/Resolution Number 2018
Hearing Date March 4, 2003

the bulk of our revenues. It can go about that high at the high point of the year and then we drop it back down. We have been as low in our revolving funds since I have been on board to about \$150,000, which for us is maybe about a month of operating. That gets a little shaky, so we depend on that reserve fund. When people ask about our reserves, I usually make the comment one blowout year where something is going on that affects the entire agriculture industry, that will fall by 60-70% in a year. I am pretty well convinced of that.

Rep. Brusegaard In the grants line item, what kind of grants does the seed department fund?

Bertsch The grants line item in our budget is used for basically two purposes. The major purpose is the promotion of certified seed, which is one of the obligations that we have written in administrative rules. How we do that is by withholding a percentage of the certification fees that we bring into the agency, approximately two cents a bushel. We grant that money over to the North Dakota Crop Improvement Seed Association who uses that for the purpose of promoting the usage and production of certified seed. We also grant dollars thorough that line item on the royalty collections that we bring in, basically on behalf of North Dakota State University and University of Minnesota, for soybean varieties.

Rep. Brusegaard I move a do pass.

Rep. Aarsvold Second.

Chairman Martinson Discussion? Would you call the roll please.

ROLL CALL VOTES

5 YES 0 NO 2 ABSENT

Chairman Martinson closed the hearing and recessed until 10:45 a.m.

LaCosta Rickford
Operator's Signature

10/15/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2018

House Appropriations Committee

☐ Conference Committee

Hearing Date 03-27-03

Tape Number	Side A	Side B	Meter #
1	X		32.5 - 37.0
Committee Clerk Signature			

Minutes:

Chairman Svedjan Opened SB 18 for discussion. A quorum was present.

Rep. Brusegaard This is the Seed Department budget. I move a Do Pass As Amended. 2nd

by Rep. Wald. Motion Carries 22-0-1. Rep. Brusegaard will carry this on the floor.

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2018

House Appropriations Committee

☐ Conference Committee

Hearing Date 03-31-03

Tape Number	Side A	Side B	Meter #
2		X	0.0 - 3.0
Committee Clerk Signature <i>Chris S. Nylund</i>			

Minutes:

Rep. Brusegaard I move to reconsider our actions on SB 2018. 2nd by Rep. Skarphol.

Motion Carries.

I move amendment .0201 to SB 2018. 2nd by Rep. Monson.

Motion Carries

I move a Do Pass As Amended. 2nd by Rep. Wald.

Motion Carries 22-0-1. Rep. Brusegaard will carry this bill on the floor.

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LaCosta Rickard 10/15/03
Operator's Signature Date

Date: March 4, 2003
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2018

House Appropriations Education and Environment Division Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Brusegaard Seconded By Rep. Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Representative Martinson	X				
Representative Brusegaard	X				
Representative Monson	X				
Representative Rennerfeldt	X				
Representative Wald					
Representative Aarsvold	X				
Representative Gulletson					

Total (Yes) 5 No 0

Absent 2

Floor Assignment Rep. Brusegaard

If the vote is on an amendment, briefly indicate intent:

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10/15/03
Date

REPORT OF STANDING COMMITTEE (410)
March 27, 2003 9:37 a.m.

Module No: HR-55-5886
Carrier: Brusegaard
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE
SB 2018, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman)
recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING).
Engrossed SB 2018 was placed on the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

HR-55-5886

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Operator's Signature

10/15/03
Date

REPORT OF STANDING COMMITTEE (410)
April 1, 2003 1:22 p.m.

Module No: HR-58-6330
Carrier: Brusogaard
Insert LC: 38041.0201 Title: .0300

REPORT OF STANDING COMMITTEE
SB 2018, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman)
recommends AMENDMENTS AS FOLLOWS and when so amended, recommends
DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2018
was placed on the Sixth order on the calendar.

Page 1, line 8, replace "3,408,898" with "3,405,750"

Page 1, line 13, replace "5,643,148" with "5,640,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Seed Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,437,065	\$3,408,898		\$3,405,750
Operating expenses	1,664,250	1,664,250	(\$3,148)	1,664,250
Capital assets	70,000	70,000		70,000
Grants	200,000	200,000		200,000
Contingencies	300,000	300,000		300,000
Total all funds	\$5,671,315	\$5,643,148	(\$3,148)	\$5,640,000
Less estimated income	<u>5,671,315</u>	<u>5,643,148</u>	<u>(3,148)</u>	<u>5,640,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	32.00	32.00	0.00	32.00

Dept. 616 - Seed Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	TOTAL HOUSE CHANGES
Salaries and wages	(\$3,148)	(\$3,148)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$3,148)	(\$3,148)
Less estimated income	<u>(3,148)</u>	<u>(3,148)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2003 TESTIMONY

SB 2018

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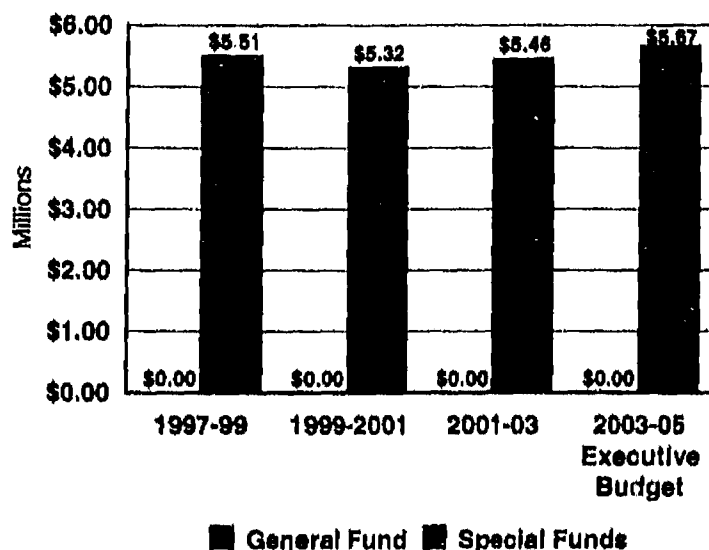
La Costa Rickford 10/15/03
Operator's Signature Date

Department 616 - Seed Department
Senate Bill No. 2018

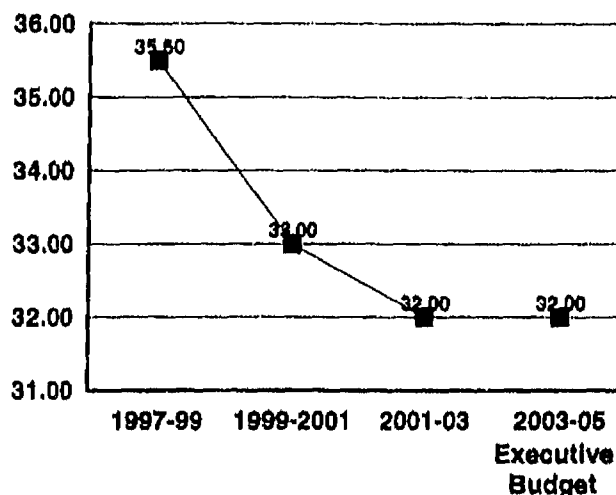
	FTE Positions	General Fund	Other Funds	Total
2003-05 Executive Budget	32.00	\$0	\$5,671,315	\$5,671,315
2001-03 Legislative Appropriations	32.00	0	5,462,734	5,462,734 ¹
Increase (Decrease)	0.00	\$0	\$208,581	\$208,581

¹ The 2001-03 appropriation amounts include \$8,287 of other funds for the agency's share of the \$5 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Agency Funding



FTE Positions



First House Action

Attached is a summary of the first house changes.

Executive Budget Highlights
(With First House Changes Noted)

	General Fund	Other Funds	Total
1. Adds funding for expanding or remodeling facilities for additional laboratory service areas. Includes \$40,000 for repairs and maintenance, and \$20,000 for laboratory equipment.		\$60,000	\$60,000
2. Maintains a \$300,000 contingency due to unpredictable demand for service in most areas of the department			\$0
3. Increases funding for the seed regulatory program due to increased demand for services and higher operating costs		\$27,900	\$27,900
4. Increases funding for the potato program for additional operating costs and seasonal support staff		\$63,128	\$63,128
5. Increases funding in the field seeds program for additional operating costs and updating programs and technology		\$83,000	\$83,000
6. Increases funding for lab services for additional operating costs and costs associated with traditional and newer analytical services		\$116,974	\$116,974
7. Decreases funding for expenses incurred during the 2001-03 biennium that will not recur during the 2003-05 biennium		(\$210,250)	(\$210,250)

Major Related Legislation

Section 2 of Engrossed Senate Bill No. 2018 authorizes the Seed Department upon approval from the Seed Commission to transfer from the contingency line item in its appropriation to all other line items except the capital assets line item. The Seed Commission shall notify the Office of Management and Budget of each transfer.

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LaCosta Rickford

Date

10/15/03

02/21/03

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2018 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
Seed Department			
Salaries and wages	\$3,437,065	(\$28,167)	\$3,408,898
Operating expenses	1,664,250		1,664,250
Capital assets	70,000		70,000
Grants	200,000		200,000
Contingencies	300,000		300,000
Total all funds	\$5,671,315	(\$28,167)	\$5,643,148
Less estimated income	5,671,315	(28,167)	5,643,148
General fund	\$0	\$0	\$0
FTE	32.00	0.00	32.00
Bill Total			
Total all funds	\$5,671,315	(\$28,167)	\$5,643,148
Less estimated income	5,671,315	(28,167)	5,643,148
General fund	\$0	\$0	\$0
FTE	32.00	0.00	32.00

Senate Bill No. 2018 - Seed Department - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$3,437,065	(\$28,167)	\$3,408,898
Operating expenses	1,664,250		1,664,250
Capital assets	70,000		70,000
Grants	200,000		200,000
Contingencies	300,000		300,000
Total all funds	\$5,671,315	(\$28,167)	\$5,643,148
Less estimated income	5,671,315	(28,167)	5,643,148
General fund	\$0	\$0	\$0
FTE	32.00	0.00	32.00

Department No. 616 - Seed Department - Detail of Senate Changes

	Removes Recommended Salary Increase ¹	Total Senate Changes
Salaries and wages	(\$28,167)	(\$28,167)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$28,167)	(\$28,167)
Less estimated income	(28,167)	(28,167)
General fund	\$0	\$0
FTE	0.00	0.00

LaCosta Rickford
Operator's Signature

10/15/03
Date

02/21/03

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

Senate Bill No. 2018 - Other Changes - Senate Action

This amendment retains full funding of employee health insurance coverage as provided for in the executive budget recommendation.



North Dakota State
NDSSD
Seed Department

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Fargo, ND 58105-525
Phone: (701) 231-5400
Fax: (701) 231-5401
Web: ndseed.com

Ken Bertsch
ND State Seed Commissioner

Testimony: SB 2018

ND State Seed Department Budget (#616)

**Senate Appropriations Committee
January 8, 2003**

Good morning Mr. Chairman and members of the Appropriations Committee. My name is Ken Bertsch, and I serve as the North Dakota State Seed Commissioner and Administrator of the North Dakota State Seed Department (NDSSD). I appreciate the opportunity to speak to you today on behalf of the State Seed Commission, and in support of the Department budget which was developed under the guidance of, and with the approval of the Commission.

With the consent of the committee, I will provide a broad overview of our department and a review of the budget comprising Senate Bill 2018

NDSSD Overview

The North Dakota State Seed Department is the state-designated authority for seed certification, seed regulatory and laboratory testing services for North Dakota producers and the agriculture industry. As a self-funded agency of government, the NDSSD derives its revenues from fees for services provided. A nine-member commission, who serves as a board of directors by setting policy guidelines, approving budgets, approving major program changes, approving fee schedules, and appointing the Seed Commissioner, governs the Department. The Seed Commission is comprised of members from various industries the Department serves, and represents a broad cross-section of agricultural commodities grown in this state and region.

The ND State Seed Department provides services in four major program areas, including **Field Seed Certification, Potato Seed Certification, Laboratory Services and Seed Regulatory** programs. The **Administration** program serves as an overall support unit for the four service areas. Your budget summary contains a breakdown by major program area, and a complete overview of these program areas is included as Appendix #1. My testimony will focus on the standard line item breakdown.

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Key Factors in Budget Process

The State Seed Department recognizes a number of critical issues, which have shaped adjustments in agency programs and in our budget development process.

1. The impact of **biotechnology** and other breeding innovations on seed research, development, commercialization and utilization.
2. **Shifts in cropping patterns** and utilization of certified seed sources by North Dakota producers (ie. Expansion of oilseeds, soybean, corn and commercial irrigated potatoes; impacts of farm programs on producer plantings and usage).
3. Advancements in **testing technology**, coupled with increasing need for detection of non-physical traits, creating potential growth service demands in Seed Department laboratories. (ie. Adventitious presence of GM traits, event specific Quality Assurance testing).
4. Potential for expanded field inspection programs related to **traceability** of seed and commercial production (ie. Identity Preservation and documentation programs).
5. **Protection of intellectual property** by private and public entities; utilization of Plant Variety Protection (PVP) and research fees/royalties by the industry.

The influence of these factors has expanded since the last biennium. We believe that this budget provides the flexibility to respond appropriately to changes that may occur, while maintaining a solid foundation for the traditional certification and laboratory services.

Budget Overview

The Seed Department budget request for the 2003-2005 biennium, with comparisons to the 2001-2003 budget is as follows:

Line Item	01-03	03-05	Change
Salaries and Wages	3,240,734	3,437,065	6.1%
Operating Expenses	1,672,000	1,664,250	-0.5%
Capital Assets	50,000	70,000	40.0%
Grants	200,000	200,000	0.0%
Contingencies	300,000	300,000	0.0%
Totals	5,462,734	5,671,315	3.8%

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Line Item Analysis (review of changes)

Salaries- Related primarily to an increase in temporary and part-time salaries, and the Governors compensation recommendations. Future service demands remain somewhat unclear, leading the Department to utilize temporary staff as an economical alternative to requesting/filling FT positions.

Operating- Minor decrease.

Capital Assets- Change in reporting which combined the Equipment and Capital (Buildings/Grounds) designations used in past budgets. The combined amount is essentially unchanged from last biennium.

Totals- Modest 2.2% increase requested; 3.8% recommended total increase. Given the nature of potential expansion in specialized services over the course of the next biennium, a very conservative budget request.

Summary

Mr. Chairman, we believe that this budget request is conservative in nature, but flexible enough to initiate and provide needed services for the agriculture industry. This flexibility is critical to ably responding to constant change in the seed industry. The Seed Commission is in the process of strategic planning to help guide program development over the next decade, depending on budget flexibility to build necessary programs and services.

This budget is reflective of our goal to maintain a strong foundation of traditional services, and to respond to demands on the seed industry in terms of new technologies. While difficult to assess or predict, those demands can be met with the budget before you.

Thank you for the opportunity to present testimony on SB 2018. I will be happy to answer any questions the Committee may have.

Appendix #1

Program Overview

The NDSSD operation consists of five primary Program areas: **Potato, Field Seed, Laboratory Services, Regulatory and Administration.**

The **Potato Program** remains the largest component of the agency's budget despite reductions over the past decade. While increasing disease problems and market pressures have lowered certified seed production acreage in North Dakota, these difficulties also expand the need for technical resources of the program. The Potato Program provides these services to the potato industry in North Dakota:

- Field inspection and certification of seed potatoes
- Grade inspections for seed and commercial growers, and processors
- Licensing and bonding of wholesale potato dealers
- Approval of seed quality for imported product
- Winter disease testing program carried out in Homestead, Florida
- Support and technical resource for ND Certified Seed Potato Growers Assn.
- Promotion of the production and usage of ND certified potato seed
- Production and distribution of foundation potato seedstocks

The **Field Seed Program** is the second largest segment of the NDSSD budget, and performs an expanding role in the Department, and seed industry. A key concern for this program is maintaining the high quality of seed grown and utilized in North Dakota. Traditional seed certification duties such as field inspections and final certification are the primary functions of the Field Seed Program, which is the largest of its kind in the U.S. However, custom services such as quality assurance and identity preservation programs are becoming high profile issues for the Field Seed Program. Program services include:

- Field inspection and certification of virtually all northern grown crops
- Final certification of seed based on lab analysis and field inspection results consistent with ND seed certification standards
- Inspection and approval of certified seed conditioning plants and bulk retail facilities
- Development of custom programs designed to provide service to seed industry (re. food grade soybean quality assurance, identity preservation/segregation)
- Acceptance of imported seed based upon quality standards equal to ND
- Providing technical resources to ND Crop Improvement and Seed Association., NDSU Foundation Seedstocks Program, NDSU Research Foundation and various commodity group seed committees
- Promotion of production and usage of ND certified seed

The NDSSD **Laboratory Services Program** is (potentially) a growing enterprise in the Department. The development of genetically enhanced materials, and trait specific conventionally bred seed, is creating a demand for advanced quality analysis services for a growing number of types and varieties of crops. Our laboratories also perform internal (non-revenue producing) functions by analyzing seed for regulatory and other purposes. As Field Seed and Regulatory programs evolve, and seed biotechnology expands, the Laboratory Services division will be pressed to deliver technical services.

The Laboratory Services Program is comprised of the Seed Quality and Diagnostic laboratories. Program services include (among others):

Diagnostic Laboratory

- Varietal ID (electrophoresis)
- Plant health/pathology/disease testing
- Seed trait analysis
- GM event testing
- Potato virus testing

Seed Laboratory

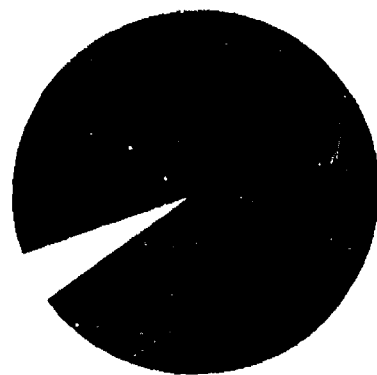
- Germination testing
- Seed purity testing
- Trait bioassay (growouts)
- Import/export quality tests
- Seed vigor testing

The **Regulatory Program** is responsible for the enforcement of state and federal seed laws, regulation of seed labeling and sales, and consumer protection issues for the seed industry. Sampling, testing, auditing and investigating complaints on seed related issues are all functions of the Regulatory Program.

The proliferation of protected varieties [re. Plant Variety Protection Act (PVP)], being developed by private industry and public universities will increase the workload of our regulatory staff. Field Seed and Regulatory programs work cooperatively to determine potential problems and violations adversely affecting seed growers, private companies, NDSU and their proprietary interests in seed varieties.

The **Administration Program** provides facility, equipment, technology and support service resources to the Department in its budget line. Administration budgets include capital improvements, facility maintenance, information technology and equipment funding necessary to provide internal operating support to all program areas. In addition, it maintains a contingency fund line, which is critical in operating in a highly variable cost/revenue environment, and solely with special funds.

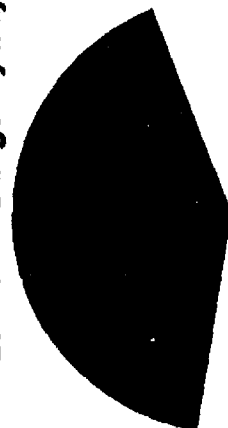
2003-2005 Budget by Line Items



■ Salaries & Wages
 ■ Operating Expenses
 ■ Capital Assets
 ■ Grants
 ■ Contingencies

Salaries & Wages 3,437,085
 Operating Expenses 1,864,250
 Capital Assets 70,000
 Grants 200,000
 Contingencies 300,000
Total 5,671,315

2003-2005 Budget by Major Program



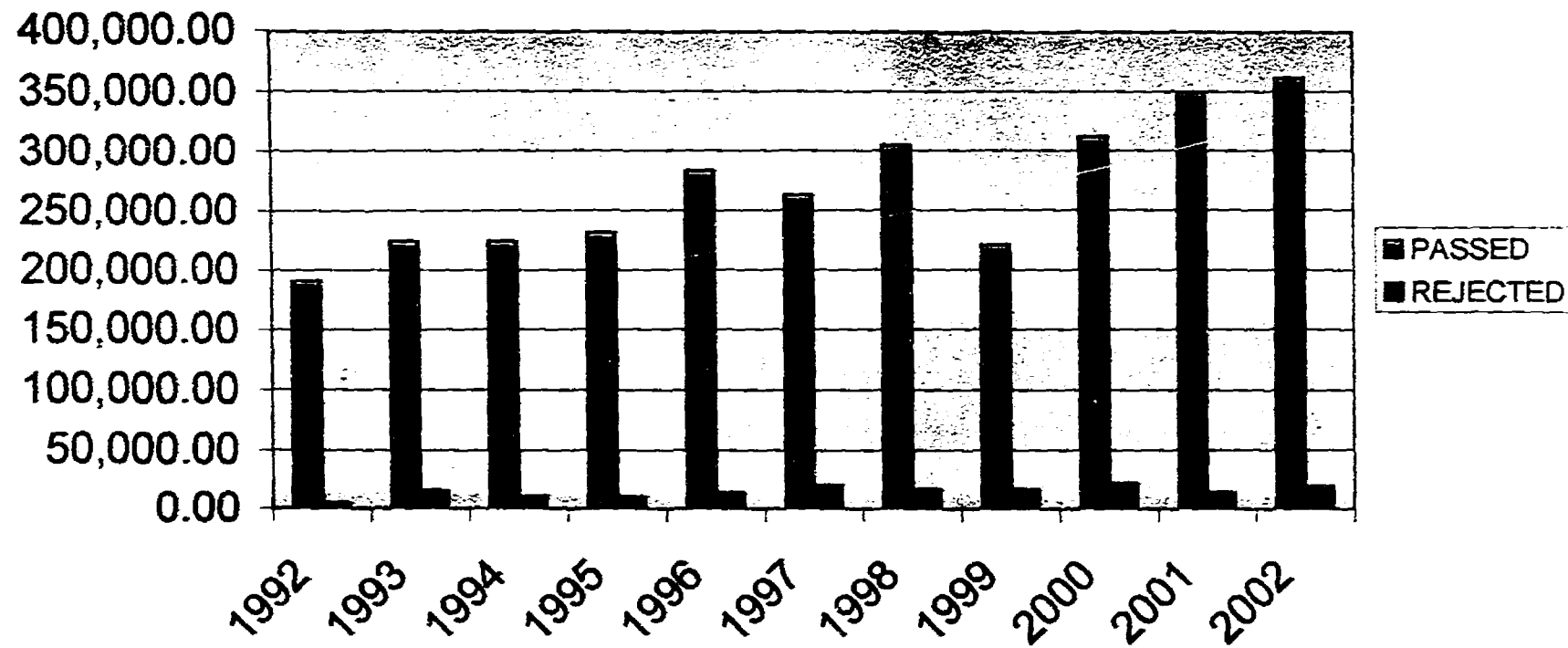
■ Administration
 ■ Seed Regulatory
 ■ Potato Program
 ■ Field Seeds
 ■ Lab Services

Administration 583,500
 Seed Regulatory 486,704
 Potato Program 1,813,781
 Field Seeds 1,484,873
 Lab Services 1,282,647
Total 5,671,315

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FIELD INSPECTION ACRES



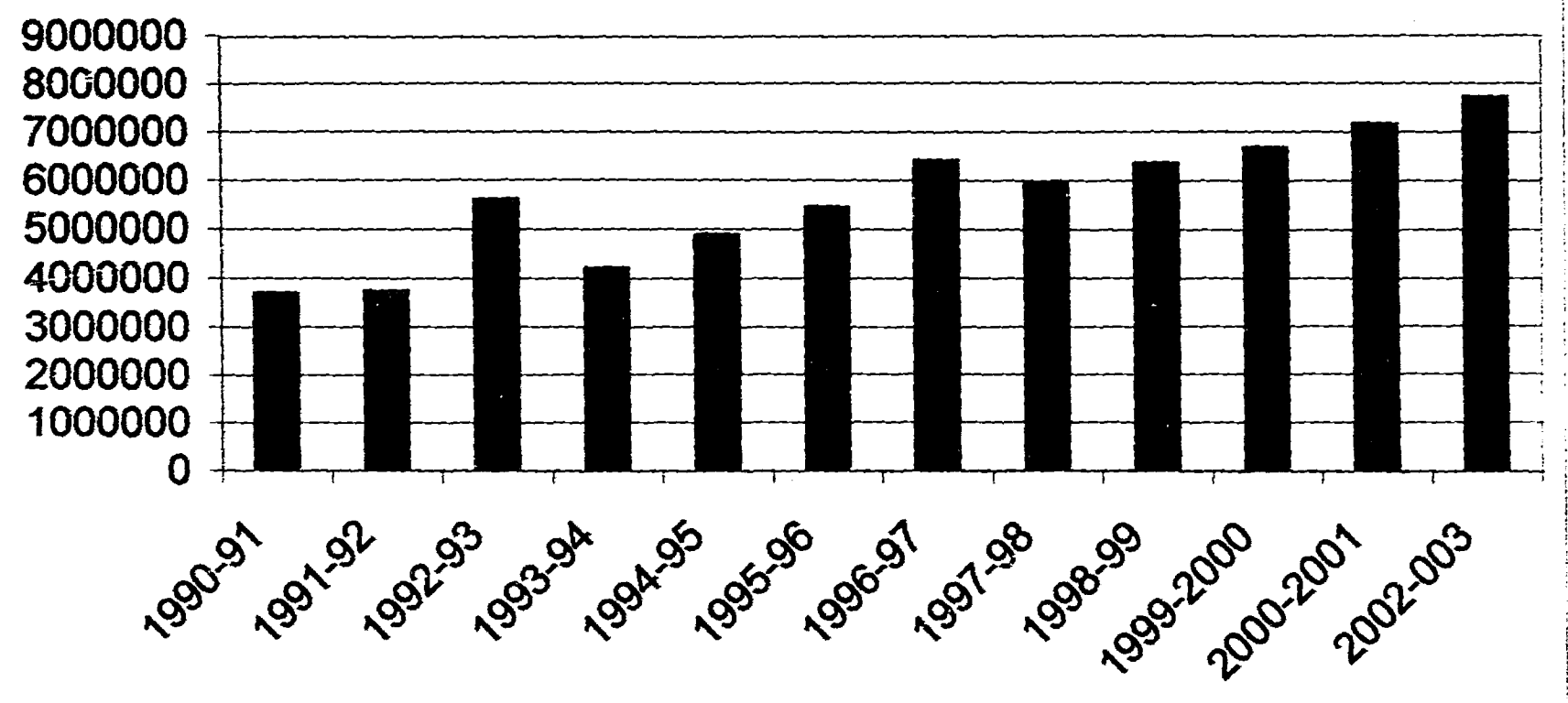
	PASSED	REJECTED
1992	190,365.00	3,515.00
1993	222,726.00	14,793.00
1994	222,718.00	9,327.00
1995	230,248.00	8,896.00
1996	282,402.00	12,470.00

	PASSED	REJECTED
1997	262,996.00	18,763.00
1998	304,112.00	15,836.00
1999	220,589.00	15,666.00
2000	311,182.00	21,236.00
2001	348,999.00	13,500.00
2002	360,726.00	19,142.00

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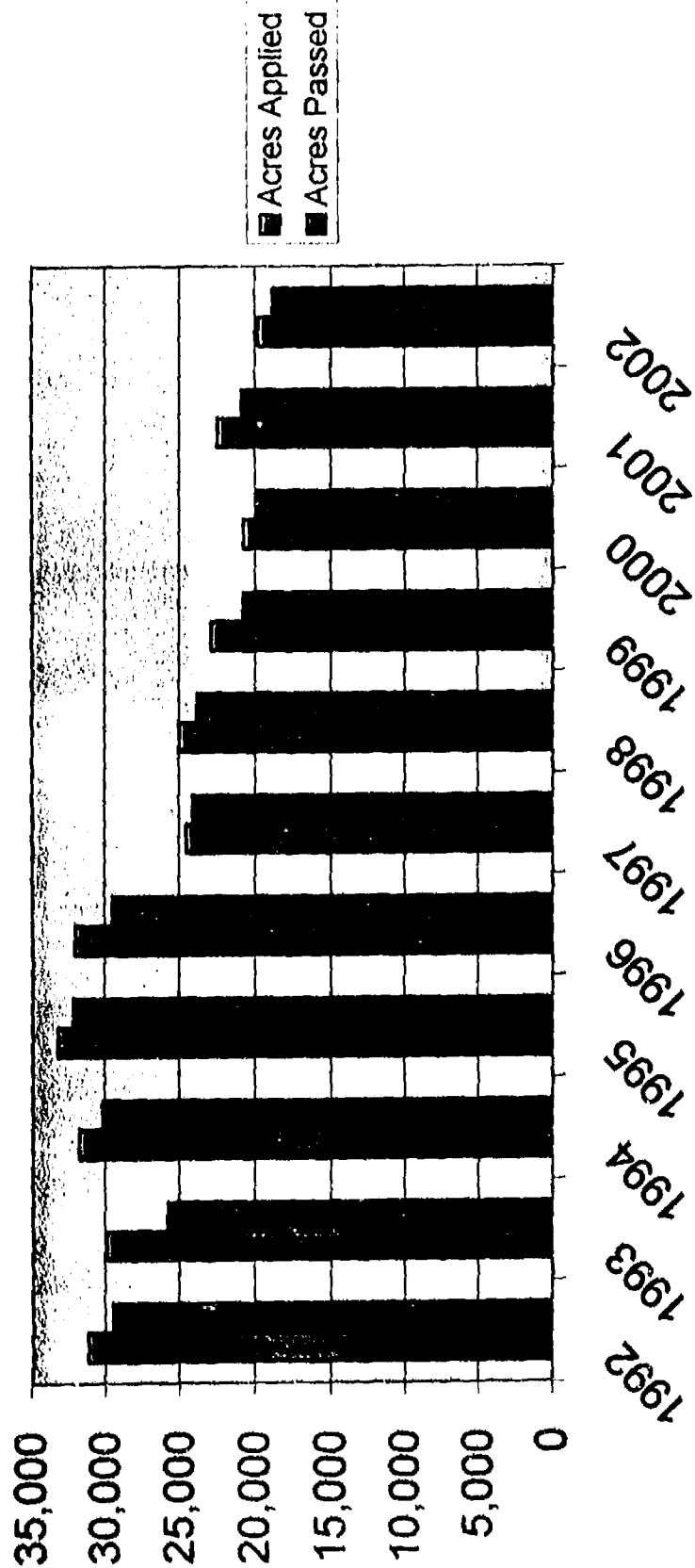
Augusta Rickford
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10/15/03
Date

BUSHELS OF SEED CERTIFIED



1990-91	3,710,226.00	1996-97	6,403,799.00
1991-92	3,748,875.00	1997-98	5,981,560.00
1992-93	5,609,579.00	1998-99	6,370,374.00
1993-94	4,217,121.00	1999-2000	6,675,353.00
1994-95	4,895,470.00	2000-2001	7,167,394.00
1995-96	5,467,559.00	2001-2002	7,728,665.00

CERTIFIED POTATO ACRES



Acres	
Applied	Passed
1992 31,096	29,402
1993 29,809	25,690
1994 31,684	30,089
1995 33,095	32,077
1996 31,954	29,450
1997 24,460	23,798
1998 24,969	20,727
1999 22,808	19,926
2000 20,755	20,875
2001 22,440	18,792
2002 24,460	24,041

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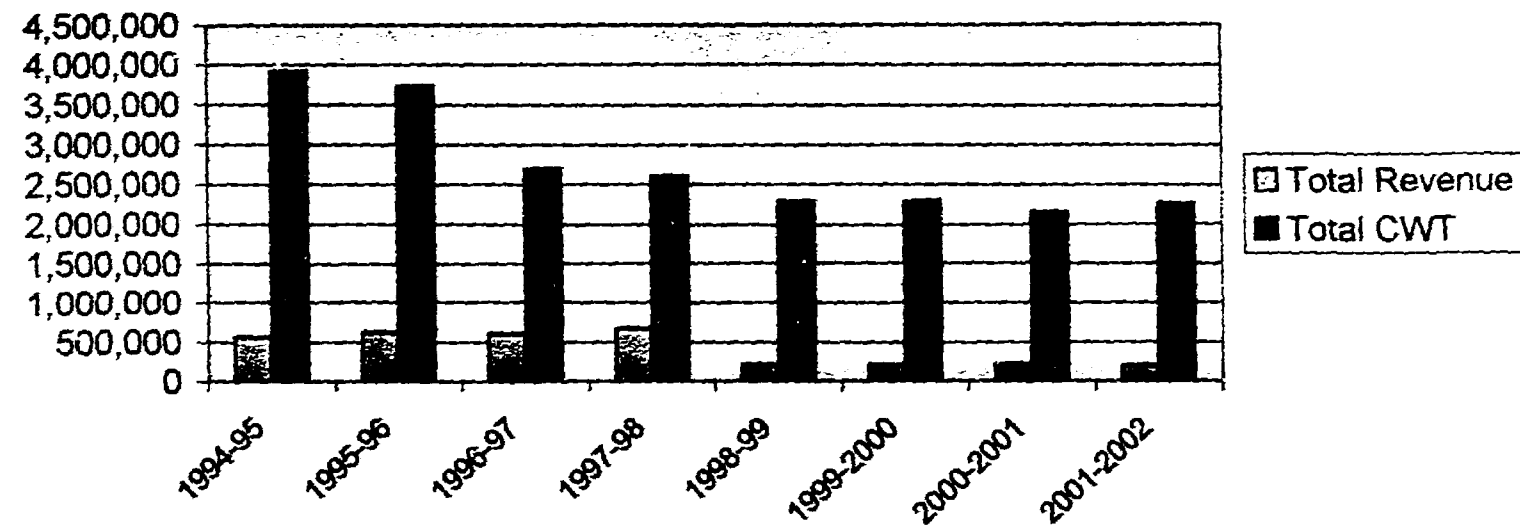
Operator's Signature

Debra Rickford

10/15/03

Date

Potato Grade Inspection



Year	Total Revenue	Simplot	AVIKO	RDO	Total Processing Revenue	Fresh/Seed Revenue	Total CWT	Notes
1994-95	558,769	218,375	0	0	218,375	340,394	3,911,346	
1995-96	622,915	241,751	0	18,070	259,821	363,094	3,723,097	
1996-97	604,213	278,994	67,960	21,440	368,394	235,819	2,694,800	Diversion
1997-98	672,950	282,802	90,650	8,133	381,585	291,366	2,595,000	Diversion
1998-99	210,663	23,020	0	13,505	36,525	174,138	2,286,400	
1999-2000	202,172	3,915	6,690	12,893	23,498	178,675	2,291,900	
2000-2001	211,935	0	0	10,175	10,175	201,760	2,152,956	Diversion
2001-2002	190,072	0	0	5,775	5,775	184,297	2,258,285	



North Dakota State
NDSSD
Seed Department

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Web: ndseed.com

Ken Bertsch
State Seed Commissioner

SB 2018
State Seed Department Budget (#616)

House Appropriations Committee
Education and Environment Subcommittee

March 4, 2003

Good morning Mr. Chairman and members of the Appropriations Committee. My name is Ken Bertsch, and I serve as the North Dakota State Seed Commissioner and Administrator of the North Dakota State Seed Department (NDSSD). I appreciate the opportunity to speak to you today on behalf of the State Seed Commission, and in support of the Department budget which was developed with the approval of the Commission.

With the consent of the committee, I will provide a broad overview of our department and a review of the budget comprising Senate Bill 2018

NDSSD Overview

The North Dakota State Seed Department is the state-designated authority for seed certification, seed regulatory and laboratory testing services for North Dakota producers and the agriculture industry. As a self-funded agency of government, the NDSSD derives its revenues from fees for services provided. A major goal of the Seed Commission is to provide needed certification and testing services to the agriculture industry in a cost-sensitive manner, while meeting industry needs for the development of new services.

A nine-member commission serves as a board of directors by approving budgets, program changes and fee schedules, setting policy guidelines and appointing the Seed Commissioner. The Seed Commission is comprised of members appointed by various industries the Department serves, and represents a broad cross-section of agricultural commodities grown in this state and region.

The ND State Seed Department provides services in four major program areas, including **Field Seed Certification, Potato Seed Certification, Laboratory Services and Seed Regulatory** programs. The **Administration** program serves as an overall support unit for the four service areas. Your budget summary contains a breakdown by major program area, and a complete overview of these program areas is included as Appendix #1.

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Key Factors in Budget Process

The State Seed Department recognizes a number of critical issues, which have shaped adjustments in agency programs and in our budget development process.

1. The impact of **biotechnology, trait development** and other breeding innovations on seed research, commercialization and utilization. This factor is the biggest "unknown" the Seed Department must deal with in responding to budget and staffing needs in the next biennium.
2. Increasing need to **develop customized services**, such as Quality Assurance and Identity Preservation programs, based upon field and laboratory analysis of products within specifications defined under contract by growers, buyers or both.
3. Advancements in **testing technology**, coupled with increasing need for detection of non-physical traits, creating potential growth service demands in Seed Department laboratories. (I.e. Adventitious presence of GM traits, event specific Quality Assurance testing).
4. **Protection of intellectual property** by private and public entities; utilization of Plant Variety Protection (PVP) and research fees/royalties by the industry.

The influence of these factors has continued to expand since the last biennium. We believe that this budget provides the flexibility to respond appropriately to changes that may occur, while maintaining a solid foundation for the traditional certification and laboratory services.

Budget Overview

The Seed Department budget request for the 2003-2005 biennium, with comparisons to the 1999-2001 and 2001-2003 budgets is as follows:

Line Item	99-01 Executive	01-03 Executive	03-05 Senate Vers.	Change
Salaries and Wages	3,525,774	3,240,734	3,408,898	5.2%
Operating Expenses	1,401,470	1,672,000	1,664,250	-0.5%
Capital Assets	90,000	50,000	70,000	40.0%
Grants	300,000	200,000	200,000	0.0%
Contingencies	300,000	300,000	300,000	0.0%
Totals	5,317,244	5,462,734	5,643,148	3.3%

A copy of the Legislative Council changes in the Senate version of SB 2018 is included as a copy on the next page.

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Line Item Review

Salaries- The minor increase requested is due primarily to additional temporary and part-time salaries, along with the Senate recommendation for health insurance coverage.

Operating- A minor decrease in this area.

Capital Assets- A change in reporting which combined the Equipment and Capital (Buildings/Grounds) designations used in past budgets increases this line item. The combined amount is essentially unchanged from last biennium. Minor increases result from planned repairs of the facility, which is approaching 15 years of age.

Grants/Contingencies- No change requested from previous biennium.

Again, the most unique feature of this agency is the self-funded and board governed manner of directing operations of the Department. With spending authorization provided by the Legislature, the Seed Commission closely examines and approves the salary, operating, staffing and other expenditure of resources of the Seed Department.

Summary

Mr. Chairman, we believe that this budget request is conservative in nature, but flexible enough to initiate and provide needed services for the agriculture industry. This flexibility is critical to responding to constant change in the seed industry. The Seed Commission is in the process of strategic planning to help guide program development over the next decade, depending on a moderate amount of budget flexibility to build necessary programs and services.

Many of the obligations of our agency to the agriculture industry cannot be predicted, but must be immediately addressed. Dealing with quarantine pests such as karnal bunt or potato diseases, or testing for biotech traits in seed or commodities typically fall upon the Seed Department. The Legislature continues to discuss many of the issues related to biotechnology, but the agriculture industry would expect an immediate response should a need develop.

The Seed Department is a very self-reliant agency, with the ultimate goal of providing high-quality, low-cost service to the agriculture industry. The real advantage to producers in North Dakota by comparison to other states; their seed certifying agency can concentrate on "breaking even" rather than creating profit. This is kept in mind while creating budgets and operating the agency.

This budget is reflective of our goal to maintain a strong foundation of traditional services, and to quickly respond to demands on the seed industry in terms of new technologies. While difficult to assess or predict, those demands can be met with the budget before you.

Thank you for the opportunity to present testimony on SB 2018. I will be happy to answer any questions the Committee may have.

LaCosta Rickford
Operator's Signature

10/15/03
Date



North Dakota State
NDSSD
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Ken Bertsch
ND State Seed Commissioner

Response to questions of the House and Senate Majority Leaders of the ND Legislature

1. What is the main purpose of you agency?

The State Seed Department is the state's designated authority for seed certification and regulation of the seed industry. The agency certifies seed of virtually any crop grown in the state and region through field inspection and laboratory analysis of predetermined quality factors that are published in administrative rules. The State Seed Laboratory is housed at the Department, along with diagnostic laboratory facilities and staff that perform the analysis for certification and seed regulatory purposes. The Seed Department is obligated to promote and ensure production and usage of high quality seed sources for North Dakota producers.

2. How do you measure achievement of your agency?

As a self-funded agency, the measure of achievement in financial terms is hitting a breakeven fiscal mark while continuing to provide prompt, efficient and professional services to seed growers. Appraisal of service quality factors is generally accomplished through input to Seed Commission members (who represent a number of statewide agricultural associations), and through working relationships with those associations, North Dakota State University and industry. In general, increasing certified seed acres and supply, meeting producer needs for laboratory and field inspection services, and a decreasing number of complaints related to seed quality tells our agency that services are meeting their intended goals.

3. What can the legislature do, financially and otherwise, to help you achieve your purpose?

Very simply; allow as much budget and personnel flexibility as possible. The Seed Department needs to operate like a private business in many ways in order to meet industry expectations for services and cost. However, our status as a government agency provides a benefit in credibility and image of seed produced and certified in North Dakota. In order to meet these unique dual challenges, the agency really does need the "best of both worlds" in terms of ability to make business decisions based on Commission action, within flexible legislative guidelines. If allowed by the legislature to practice this type of discretionary decision-making, the agency can effectively create and implement services for the agriculture industry, while ensuring a static fiscal balance.

4. How can you report your results so the public can easily understand your purpose and evaluate your effectiveness?

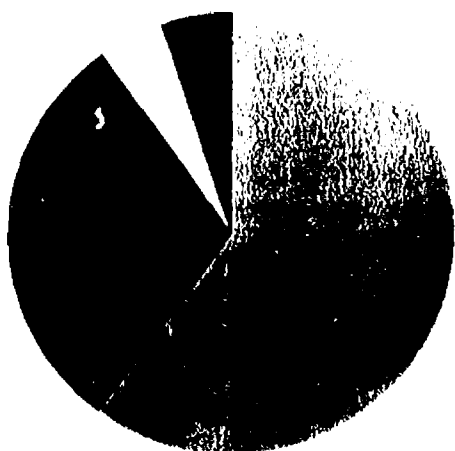
- Publicizing agency services and statistics in a greater number of publications and e-formats.
- Devoting staff and budget to public information or educational services.
- Publishing agency activities and finances in an annual report type format.

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La Costa Rickford
Operator's signature

10/15/03
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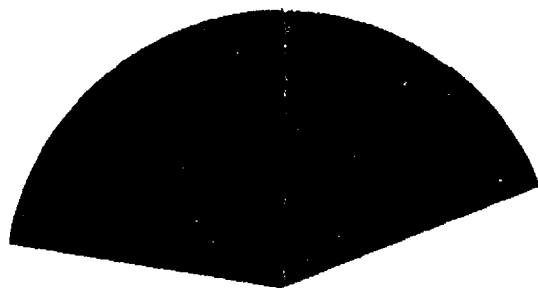
2003-2005 Budget by Line Items



■ Salaries & Wages
 ■ Operating Expenses
 ■ Capital Assets
 ■ Grants
 ■ Contingencies

Salaries & Wages	3,408,898
Operating Expenses	1,664,250
Capital Assets	70,000
Grants	200,000
Contingencies	300,000
Total	<u>5,643,148</u>

2003-2005 Budget by Major Program



■ Administration
 ■ Seed Regulatory
 ■ Potato Program
 ■ Field Seeds
 ■ Lab Services

Administration	593,500
Seed Regulatory	493,886
Potato Program	1,803,368
Field Seeds	1,478,102
Lab Services	1,274,292
Total	<u>5,643,148</u>

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10/15/03
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