

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED SENATE BILL NO. 2021**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the extension
2 service, northern crops institute, upper great plains transportation institute, and the agricultural
3 experiment station; to provide statements of legislative intent; to provide for a report to the
4 budget section; and to amend and reenact sections 4-05.1-16, 4-05.1-17, 4-05.1-19, and
5 4-05.1-21 of the North Dakota Century Code, relating to the membership and duties of the state
6 board of agricultural research and education, the compensation of board members, and the
7 agricultural research fund.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
10 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income to the North Dakota state university extension service, the northern crops
13 institute, the upper great plains transportation institute, and the North Dakota agricultural
14 experiment station for the purpose of defraying the expenses of their various divisions, for the
15 biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

16 Subdivision 1.

17 NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

18 Total all funds \$33,628,046

19 Less estimated income 19,298,301

20 Total general fund appropriation \$14,329,745

21 Subdivision 2.

22 NORTHERN CROPS INSTITUTE

Fifty-seventh
Legislative Assembly

1	Total all funds	\$1,457,123
2	Less estimated income	<u>732,697</u>
3	Total general fund appropriation	\$724,426
4	Subdivision 3.	
5	UPPER GREAT PLAINS TRANSPORTATION INSTITUTE	
6	Salaries and wages	\$4,057,364
7	Operating expenses	2,418,063
8	Equipment	263,000
9	Grants	<u>1,150,000</u>
10	Total all funds	\$7,888,427
11	Less estimated income	<u>7,383,348</u>
12	Total general fund appropriation	\$505,079
13	Subdivision 4.	
14	MAIN RESEARCH CENTER	
15	Total all funds	\$54,962,097
16	Less estimated income	<u>26,812,612</u>
17	Total general fund appropriation	\$28,149,485
18	Subdivision 5.	
19	RESEARCH CENTERS	
20	Dickinson research center	\$3,577,653
21	Central grasslands research center	1,413,982
22	Hettinger research center	1,559,583
23	Langdon research center	1,916,894
24	North central research center	1,511,068
25	Williston research center	1,413,786
26	Carrington research center	<u>3,259,679</u>
27	Total all funds	\$14,652,645
28	Less estimated income	<u>6,618,485</u>
29	Total general fund appropriation	\$8,034,160
30	Subdivision 6.	
31	AGRONOMY SEED FARM	

1	Agronomy seed farm	<u>\$1,259,140</u>
2	Total special funds appropriation	\$1,259,140
3	Grand total general fund appropriation S.B. 2021	\$51,742,895
4	Grand total special funds appropriation S.B. 2021	\$62,104,583
5	Grand total all funds appropriation S.B. 2021	\$113,847,478

6 **SECTION 2. ADDITIONAL INCOME - APPROPRIATION.** Any additional income
7 including funds from federal acts, private grants, gifts and donations, or from other sources
8 received by the North Dakota agricultural experiment station, northern crops institute, upper
9 great plains transportation institute, and the North Dakota state university extension service,
10 except as otherwise provided by law, is appropriated for the purpose designated in the act,
11 grant, or donation for the biennium beginning July 1, 2001, and ending June 30, 2003.

12 **SECTION 3. TRANSFER AUTHORITY.** Upon approval of the state board of
13 agricultural research and education and appropriate research extension center directors, the
14 director of the North Dakota agricultural experiment station may transfer appropriation authority
15 within subdivisions 4, 5, and 6 of section 1 of this Act and shall notify the office of management
16 and budget within ten days following the transfer.

17 **SECTION 4. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS.** The board of
18 higher education is authorized to adjust or increase full-time equivalent positions as needed,
19 subject to availability of funds. The board shall report any adjustments to the office of
20 management and budget prior to the submission of the 2003-05 budget request.

21 **SECTION 5. LEGISLATIVE INTENT - LANGDON LEARNING CENTER.** It is the
22 intent of the legislative assembly that the Langdon research extension center begin
23 construction on the Langdon learning center only when the station has \$500,000 in cash or
24 pledges for the learning center for the biennium beginning July 1, 2001, and ending June 30,
25 2003.

26 **SECTION 6. LEGISLATIVE INTENT - DICKINSON OIL REVENUE INITIATIVES.** It is
27 the intent of the fifty-seventh legislative assembly that \$745,000 of special funds from Dickinson
28 oil revenues be allocated for the beefline initiative, which includes \$300,000 for a modern
29 feedmill and feedlot at the Carrington research extension center that will address genetic,
30 management, marketing, coproduct and environmental research needs, barley feeding
31 research, and include outside consultation from the beef cattle industry to work with the state

1 board of agricultural research and education to develop a complete research program with
2 goals and priorities. The state board of agricultural research and education and researchers
3 shall cooperatively develop the intent of the beefline initiative before implementation of the
4 program.

5 **SECTION 7. LEGISLATIVE INTENT - MALT BARLEYS.** It is the intent of the
6 fifty-seventh legislative assembly that the agricultural experiment station allocate from the main
7 research center \$288,000, or so much of the sum as may be necessary, for the purpose of
8 developing, in conjunction with the research centers, western North Dakota malt barleys.

9 **SECTION 8. LEGISLATIVE INTENT - LIVESTOCK MARKETING CLUBS.** It is the
10 intent of the fifty-seventh legislative assembly that the North Dakota state university extension
11 service may allocate resources for the establishment of two pilot livestock marketing clubs in
12 western North Dakota.

13 **SECTION 9. LEGISLATIVE INTENT - LAND PURCHASE.** It is the intent of the
14 fifty-seventh legislative assembly that the main research center may enter a financial
15 arrangement with the north central research center to assist with the purchase of land in Ward
16 County, North Dakota.

17 **SECTION 10. REPORT TO THE BUDGET SECTION.** The state board of agricultural
18 research and education shall present a status report to the budget section of the legislative
19 council during the biennium beginning July 1, 2001, and ending June 30, 2003. The report
20 must include:

- 21 1. The number of employees and expenditures for each research extension center
22 and the main station.
- 23 2. The expenditures from all funds for each state board of agricultural research and
24 education gas tax research initiative.
- 25 3. A statement for each agricultural experiment station research project indicating the
26 economic impact of each project to the state of North Dakota and how the project
27 relates to the vision statement "North Dakota is to become the trusted provider of
28 the highest quality agricultural products in the world," and a statement regarding
29 North Dakota state university extension service's dissemination of information
30 regarding each agricultural experiment station research project.

4. A report on cooperative projects undertaken by the agricultural research center, extension centers, and the main station.

5. A report identifying the source of income at the research and extension centers, the use of those funds, and the extent the research projects are affected by each income source.

SECTION 11. UNEXPENDED GENERAL FUND - EXCESS INCOME. Any unexpended general fund appropriation authority to and any excess income received by entities listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or revenues are available and may be expended during the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 12. AMENDMENT. Section 4-05.1-16 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-16. State board of agricultural research and education - Membership - Terms.

1. The state board of agricultural research and education consists of:
 - a. The president of North Dakota state university or the president's designee;
 - b. The vice president of agricultural affairs at North Dakota state university, who serves in an ex officio nonvoting capacity;
 - c. The administrator of the agricultural experiment station, who serves in an ex officio nonvoting capacity;
 - d. The five persons appointed to the agricultural consultation board by the agricultural coalition and serving in that capacity on July 1, 1997;
 - e. The five persons appointed to the agricultural consultation board by the extension service's multicounty program units and serving in that capacity on July 1, 1997;
 - f. The two persons appointed to the agricultural consultation board by the president of North Dakota state university as representatives of the state's research extension centers and serving in that capacity on July 1, 1997;
 - g. The agriculture commissioner, who serves in an ex officio nonvoting capacity;
- and

- 1 h. The director of the North Dakota state university extension service, who
2 serves in an ex officio nonvoting capacity; and
- 3 i. Two members of the legislative assembly appointed by the chairman of the
4 legislative council. The chairman shall appoint one member from each
5 political faction. The terms of members are for two years, and members may
6 be reappointed. The legislative council shall pay the compensation and
7 expense reimbursement for the legislative members.
- 8 2. a. The initial five members appointed by the ag coalition shall select their terms
9 by lot so that one member serves for one year, one member serves for two
10 years, one member serves for three years, one member serves for four years,
11 and one member serves for five years.
- 12 b. The initial five members appointed by the extension service's multicounty
13 program units shall select their terms by lot so that one member serves for
14 one year, one member serves for two years, one member serves for three
15 years, one member serves for four years, and one member serves for five
16 years.
- 17 c. The two persons appointed as representatives of the state's research
18 extension centers shall serve only through June 30, 1998.
- 19 3. At the completion of each initial term, the term of office for each member is five
20 years, beginning on July first. No person may be appointed to a second five-year
21 term.
- 22 4. a. At least ninety days before the conclusion of the initial term of each member
23 appointed by the ag coalition, the ag coalition shall provide to the state board
24 of higher education a list of one or more names from which the state board of
25 higher education shall appoint a successor. Future appointments to these
26 five positions must be made in the same manner. The state board of higher
27 education shall ensure that four out of the five seats are held by agricultural
28 producers.
- 29 b. At least ninety days before the conclusion of the initial term of each member
30 appointed by the extension service's multicounty program units, the units
31 through their advisory groups shall provide to the state board of higher

education a list of one or more names from which the state board of higher education shall appoint a successor. Future appointments to these five positions must be made in the same manner. The state board of higher education shall ensure that four out of the five seats are held by agricultural producers.

SECTION 13. AMENDMENT. Section 4-05.1-17 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-17. Compensation of board members - Expenses. Each appointed member of the state board of agricultural research and education is entitled to receive ~~sixty-two~~ seventy-five dollars ~~and fifty cents~~ per day as compensation for the time actually spent devoted to the duties of office and is entitled to receive necessary expenses in the same manner and amounts as state officials for attending meetings and performing other functions of office.

SECTION 14. AMENDMENT. Section 4-05.1-19 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-19. State board of agricultural research and education - Duties. Within the policies of the state board of higher education, the state board of agricultural research and education is responsible for the budgeting, ~~supervision,~~ and policymaking ~~responsibilities~~ associated with the ~~supervision of the~~ agricultural experiment station and the North Dakota state university extension service. The board of agricultural research and education ~~board~~ shall:

1. Determine the causes of any adverse economic impacts on crops and livestock produced in this state;
2. Develop ongoing strategies for the provision of research solutions and resources to negate adverse economic impacts on crops and livestock produced in this state;
3. ~~Make available financial resources, including grants and salaries, and make available equipment and facilities to implement~~ Develop ongoing strategies for the dissemination of research information through the extension service;
4. Implement the strategies developed under ~~subsection~~ subsections 2 and 3, subject to approval by the state board of higher education;

- ~~4-~~ 5. Develop ~~an annual budget for the operation of,~~ with the agricultural experiment station and the North Dakota state university extension service, an annual budget for the operations of these entities;
- ~~5-~~ 6. Develop a biennial budget request and submit that request to the president of North Dakota state university and the state board of higher education ~~on or before March first of each even-numbered year;~~
- ~~6-~~ 7. Maximize the use of existing financial resources, equipment, and facilities to generate the greatest economic benefit from research and extension efforts and to promote efficiency;
- ~~7-~~ 8. Annually evaluate the results of research and extension activities and expenditures and report the findings to the legislative council and the state board of higher education;
- ~~8-~~ 9. Advise the ~~administration~~ president of North Dakota state university regarding the recruitment ~~and,~~ selection, and performance of the vice president of agricultural affairs, the extension service director, and the station director; and
- ~~9-~~ 10. ~~Develop ongoing strategies for the dissemination of research information and the best practices for management of the extension service~~ Present a status report to the budget section of the legislative council.

SECTION 15. AMENDMENT. Section 4-05.1-21 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-21. State board of agricultural research and education - Apportionment of research funds.

1. The state board of agricultural research and education may use up to ten percent of the proceeds of the agricultural research fund, not to exceed fifty thousand dollars, for administrative expenses and annually shall apportion the remaining proceeds of the agricultural research fund as follows:
 - a. Seventy percent to research activities affecting North Dakota agricultural commodities that account for at least two percent of the gross sales of all agricultural commodities grown or produced in the state. The percentage of the dollars available for each agricultural commodity under this section may not exceed the percentage that the gross sales of the agricultural commodity

1 bear to the North Dakota gross sales of all agricultural commodities grown or
2 produced during the previous year, as determined by the agricultural statistics
3 service;

4 b. Eighteen percent to research activities affecting North Dakota animal
5 agriculture; and

6 c. Twelve percent to research activities affecting new and emerging crops in
7 North Dakota.

8 2. The state board of agricultural research and education shall solicit proposals for
9 research from the public and private sectors and shall appoint committees to
10 review the proposals and award the agricultural research grants on a competitive
11 basis. Each committee must consist of a majority of agricultural producers
12 selected in consultation with the agricultural commodity groups representing
13 commodities that are the subjects of the proposed research and may include
14 researchers and other individuals knowledgeable about the proposed area of
15 research. Whenever possible, the committees shall require that a grant recipient
16 commit matching funds.

17 3. The state board of agricultural research and education shall develop policies
18 regarding the award of research grants, including requirements for matching funds,
19 cooperation with other in-state and out-of-state researchers, and coordination with
20 other in-state and out-of-state proposed or ongoing research projects.

21 **SECTION 16. TRANSFER AUTHORITY.** Upon approval from the state board of
22 agricultural research and education, the director of the North Dakota agricultural experiment
23 station may transfer appropriation authority within subdivisions 1, 4, and 5 of section 1 of this
24 Act of up to \$90,000 of estimated income for beef quality assurance and up to \$60,000 of
25 estimated income for applied research initiatives, for the biennium beginning July 1, 2001, and
26 ending June 30, 2003.