

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

SENATE BILL NO. 2021
(Appropriations Committee)
(At the request of the Governor)

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

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

Subdivision 1.

NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

Total all funds	\$33,628,046
Less estimated income	<u>19,298,301</u>
Total general fund appropriation	\$14,329,745

Subdivision 2.

NORTHERN CROPS INSTITUTE

Total all funds	\$1,457,123
Less estimated income	<u>732,697</u>
Total general fund appropriation	\$724,426

Subdivision 3.

UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

Salaries and wages	\$4,057,364
Operating expenses	2,418,063
Equipment	263,000
Grants	<u>1,150,000</u>
Total all funds	\$7,888,427
Less estimated income	<u>7,383,348</u>
Total general fund appropriation	\$505,079

Subdivision 4.

MAIN RESEARCH CENTER

Total all funds	\$54,962,097
Less estimated income	<u>26,812,612</u>
Total general fund appropriation	\$28,149,485

Subdivision 5.

RESEARCH CENTERS

Dickinson research center	\$3,577,653
Central grasslands research center	1,413,982
Hettinger research center	1,559,583
Langdon research center	1,916,894
North central research center	1,511,068
Williston research center	1,413,786
Carrington research center	3,259,679
Total all funds	\$14,652,645
Less estimated income	6,618,485
Total general fund appropriation	\$8,034,160

Subdivision 6.

AGRONOMY SEED FARM

Agronomy seed farm	\$1,259,140
Total special funds appropriation	\$1,259,140
Grand total general fund appropriation S.B. 2021	\$51,742,895
Grand total special funds appropriation S.B. 2021	\$62,104,583
Grand total all funds appropriation S.B. 2021	\$113,847,478

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

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

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

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

SECTION 6. LEGISLATIVE INTENT - DICKINSON OIL REVENUE INITIATIVES. It is the intent of the fifty-seventh legislative assembly that \$745,000 of special funds from Dickinson oil revenues be allocated for the beefline initiative, which includes \$300,000 for a modern feedmill and feedlot at the Carrington research extension center that will address genetic, management, marketing, coproduct and environmental research needs, barley feeding research, and include outside consultation from the beef cattle industry to work with the state board of agricultural research and education to develop a complete research program with goals and priorities. The state board of agricultural research and education and researchers shall cooperatively develop the intent of the beefline initiative before implementation of the program.

SECTION 7. LEGISLATIVE INTENT - MALT BARLEYS. It is the intent of the fifty-seventh legislative assembly that the agricultural experiment station allocate from the main research center

\$288,000, or so much of the sum as may be necessary, for the purpose of developing, in conjunction with the research centers, western North Dakota malt barleys.

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

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

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

1. The number of employees and expenditures for each research extension center and the main station.
2. The expenditures from all funds for each state board of agricultural research and education gas tax research initiative.
3. A statement for each agricultural experiment station research project indicating the economic impact of each project to the state of North Dakota and how the project relates to the vision statement "North Dakota is to become the trusted provider of the highest quality agricultural products in the world," and a statement regarding North Dakota state university extension service's dissemination of information 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 ag 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~~
 - h. The director of the North Dakota state university extension service, who serves in an ex officio nonvoting capacity; and
 - i. Two members of the legislative assembly appointed by the chairman of the legislative council. The chairman shall appoint one member from each political faction. The terms of members are for two years, and members may be reappointed. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
2. a. The initial five members appointed by the ag coalition shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.
 - b. The initial five members appointed by the extension service's multicounty program units shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.
 - c. The two persons appointed as representatives of the state's research extension centers shall serve only through June 30, 1998.
 3. At the completion of each initial term, the term of office for each member is five years, beginning on July first. No person may be appointed to a second five-year term.
 4. a. At least ninety days before the conclusion of the initial term of each member appointed by the ag coalition, the ag coalition 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.
 - b. At least ninety days before the conclusion of the initial term of each member appointed by the extension service's multicounty program units, the units 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.~~ 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.~~ 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.~~ 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.~~ 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.~~ 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.~~ 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 bear to the North Dakota gross sales of all agricultural commodities grown or produced during the previous year, as determined by the agricultural statistics service;

- b. Eighteen percent to research activities affecting North Dakota animal agriculture; and
 - c. Twelve percent to research activities affecting new and emerging crops in North Dakota.
2. The state board of agricultural research and education shall solicit proposals for research from the public and private sectors and shall appoint committees to review the proposals and award the agricultural research grants on a competitive basis. Each committee must consist of a majority of agricultural producers selected in consultation with the agricultural commodity groups representing commodities that are the subjects of the proposed research and may include researchers and other individuals knowledgeable about the proposed area of research. Whenever possible, the committees shall require that a grant recipient commit matching funds.
 3. The state board of agricultural research and education shall develop policies regarding the award of research grants, including requirements for matching funds, cooperation with other in-state and out-of-state researchers, and coordination with other in-state and out-of-state proposed or ongoing research projects.

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-seventh Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2021.

Senate Vote: Yeas 48 Nays 0 Absent 1

House Vote: Yeas 96 Nays 0 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2001.

Approved at _____ M. on _____, 2001.

Governor

Filed in this office this _____ day of _____, 2001,

at _____ o'clock _____ M.

Secretary of State