

April 2, 2013

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1009

Page 1, remove lines 15 through 24

Page 2, replace lines 1 and 2 with:

|                                |                   |                  |                   |
|--------------------------------|-------------------|------------------|-------------------|
| "Salaries and wages            | \$9,712,364       | \$1,572,167      | \$11,284,531      |
| Operating expenses             | 6,451,453         | (566,191)        | 5,885,262         |
| Capital assets                 | 17,000            | (5,000)          | 12,000            |
| Grants                         | 3,170,828         | 1,505,000        | 4,675,828         |
| State board of animal health   | 2,153,952         | (18,149)         | 2,135,803         |
| Wildlife services              | 1,417,400         | 0                | 1,417,400         |
| Crop harmonization board       | <u>75,000</u>     | <u>0</u>         | <u>75,000</u>     |
| Total all funds                | \$22,997,997      | \$2,487,827      | \$25,485,824      |
| Less estimated income          | <u>14,801,251</u> | <u>1,044,828</u> | <u>15,846,079</u> |
| Total general fund             | \$8,196,746       | \$1,442,999      | \$9,639,745       |
| Full-time equivalent positions | 77.00             | 0.00             | 77.00             |

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FOURTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2011-13</u> | <u>2013-15</u>  |
|-------------------------------------|----------------|-----------------|
| Centennial farms program grant      | <u>\$0</u>     | <u>\$80,000</u> |
| Total general fund                  | <u>\$0</u>     | <u>\$80,000</u> |

The 2013-15 one-time funding amounts are not a part of the entity's base budget for the 2015-17 biennium. The agriculture commissioner shall report to the appropriations committees of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 2, line 8, replace "\$5,997,408" with "\$6,122,681"

Page 2, line 15, remove "agriculture"

Page 2, line 15, after "department" insert "of agriculture"

Page 2, replace lines 25 through 30 with:

**"SECTION 8. DEPARTMENT OF AGRICULTURE OFFICE LEASE - TERMINATION.** The agriculture commissioner shall terminate any lease of office space off of the capitol grounds if sufficient office space on the capitol grounds is provided to the department of agriculture by the office of management and budget for the biennium beginning July 1, 2013, and ending June 30, 2015.

**SECTION 9. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code is amended and reenacted as follows:

**4-01-21. Salary of agriculture commissioner.**

The annual salary of the agriculture commissioner is ~~ninety-two thousand eight hundred twenty-six~~ ninety-nine thousand four hundred thirty-five dollars through June 30, ~~2012~~ 2014, and ~~ninety-five thousand six hundred ten~~ one hundred three thousand four hundred twelve dollars thereafter."

Page 3, line 5, remove "first"

Page 3, line 6, remove "\$485,000 of"

Page 3, line 6, remove "each biennium"

Page 3, line 7, remove "and any remaining fees in the general fund"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1009 - Department of Agriculture - Senate Action**

|                              | <b>Executive Budget</b> | <b>House Version</b> | <b>Senate Changes</b> | <b>Senate Version</b> |
|------------------------------|-------------------------|----------------------|-----------------------|-----------------------|
| Salaries and wages           | \$11,258,319            | \$10,622,109         | \$662,422             | \$11,284,531          |
| Operating expenses           | 5,772,262               | 5,772,262            | 113,000               | 5,885,262             |
| Capital assets               | 12,000                  | 12,000               |                       | 12,000                |
| Grants                       | 4,050,828               | 3,970,828            | 705,000               | 4,675,828             |
| State Board of Animal Health | 2,135,803               | 2,109,828            | 25,975                | 2,135,803             |
| Wildlife Services            | 1,417,400               | 1,417,400            |                       | 1,417,400             |
| Crop Harmonization Board     | 75,000                  | 75,000               |                       | 75,000                |
| Accrued leave payments       |                         | 237,295              | (237,295)             |                       |
| <b>Total all funds</b>       | <b>\$24,721,612</b>     | <b>\$24,216,722</b>  | <b>\$1,269,102</b>    | <b>\$25,485,824</b>   |
| Less estimated income        | 15,209,546              | 15,024,394           | 821,685               | 15,846,079            |
| <b>General fund</b>          | <b>\$9,512,066</b>      | <b>\$9,192,328</b>   | <b>\$447,417</b>      | <b>\$9,639,745</b>    |
| FTE                          | 77.00                   | 77.00                | 0.00                  | 77.00                 |

**Department No. 602 - Department of Agriculture - Detail of Senate Changes**

|                              | <b>Restores Executive Compensation Package<sup>1</sup></b> | <b>Removes Separate Line Item for Accrued Leave Payments<sup>2</sup></b> | <b>Restores Funding for Centennial Farms Program Grant<sup>3</sup></b> | <b>Adds Funding for Information Technology Desktop Support<sup>4</sup></b> | <b>Expands Mediation Services Program<sup>5</sup></b> | <b>Adds Funding for Livestock Auction Market News Reporting<sup>6</sup></b> |
|------------------------------|--|--|--|--|---|---|
| Salaries and wages           | \$451,102  | \$211,320  |  |  |   |   |
| Operating expenses           |  |  |  | 48,000   | 50,000  | 15,000  |
| Capital assets               |  |  |  |  |   |   |
| Grants                       |  |  | 80,000   |  |   |   |
| State Board of Animal Health |  | 25,975   |  |  |   |   |
| Wildlife Services            |  |  |  |  |   |   |
| Crop Harmonization Board     |  |  |  |  |   |   |
| Accrued leave payments       |  | (237,295)  |  |  |   |   |
| <b>Total all funds</b>       | <b>\$451,102</b>   | <b>\$0</b>   | <b>\$80,000</b>  | <b>\$48,000</b>  | <b>\$50,000</b>                                       | <b>\$15,000</b>   |
| Less estimated income        | 196,685  | 0  | 0  | 0  | 0   | 0   |
| <b>General fund</b>          | <b>\$254,417</b>   | <b>\$0</b>   | <b>\$80,000</b>  | <b>\$48,000</b>  | <b>\$50,000</b>                                       | <b>\$15,000</b>   |
| FTE                          | 0.00   | 0.00   | 0.00   | 0.00   | 0.00  | 0.00  |

|                              | Increases<br>Federal Funds<br>Authority for<br>Specialty Crop<br>Grants <sup>7</sup> | Total Senate<br>Changes |
|------------------------------|--|-------------------------|
| Salaries and wages           |  | \$662,422               |
| Operating expenses           |  | 113,000                 |
| Capital assets               |  |                         |
| Grants                       | 625,000  | 705,000                 |
| State Board of Animal Health |  | 25,975                  |
| Wildlife Services            |  |                         |
| Crop Harmonization Board     |  |                         |
| Accrued leave payments       |  | (237,295)               |
| Total all funds              | \$625,000  | \$1,269,102             |
| Less estimated income        | 625,000  | 821,685                 |
| General fund                 | \$0  | \$447,417               |
| FTE                          | 0.00   | 0.00                    |

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> Funding added in the executive budget recommendation and removed by the House for a grant to the Centennial Farms program is restored as one-time funding.

<sup>4</sup> Funding for information technology desktop support services is increased by \$48,000 to provide total increased funding of \$96,000 as compared to 2011-13 biennium appropriations.

<sup>5</sup> Funding is added to expand the mediation services program to address mediation issues arising from energy development.

<sup>6</sup> Funding from the general fund is added for livestock auction market news reporting to replace estimated decreases in federal funds.

<sup>7</sup> Other funds authority for specialty crops grants is increased by \$625,000 to reflect anticipated federal funds to be received for the program.

This amendment also:

- Adjusts Section 3 of the bill regarding the amount of funding appropriated from the environment and rangeland protection fund.
- Adjusts Section 7 of the bill to provide 4 percent annual salary increases for the Agriculture Commissioner, the same as the executive budget recommendation. The House provided 3 percent annual increases.
- Amends Section 8 of the bill to deposit all commercial feed inspection, licensing, and registration fees in the environment and rangeland protection fund rather than just the first \$485,000. Total fee revenue is estimated to be \$970,000 during the 2013-15 biennium.
- Adds a section to require the Agriculture Commissioner to terminate an office space lease off of the Capitol grounds if additional office space is provided to the Department of Agriculture on the Capitol grounds.