

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2009

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture
2 commissioner; to provide for transfers; to create and enact a new chapter to title 4.1 of the
3 North Dakota Century Code, relating to the agricultural products utilization commission; to
4 amend and reenact section 4.1-01-02 of the North Dakota Century Code, relating to the salary
5 of the agriculture commissioner; to repeal chapter 54-60.3 of the North Dakota Century Code,
6 relating to the agricultural products utilization commission; and to provide for a report to the
7 legislative assembly.

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 funds
10 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 agriculture commissioner for the purpose of defraying the expenses of
13 the agriculture commissioner, for the biennium beginning July 1, 2019, and ending June 30,
14 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
15				
16				
17	Salaries and wages	\$12,372,949	\$676,514	\$13,049,463
18	Operating expenses	6,444,336	133,444	6,577,780
19	Capital assets	13,000	2,000	15,000
20	Grants	8,817,774	6,000	8,823,774
21	Board of animal health	865,718	0	865,718
22	Wildlife services	1,408,000	49,400	1,457,400
23	Crop harmonization board	75,000	0	75,000
24	Pipeline restoration and reclamation	200,000	0	200,000

1 oversight program

2	Agricultural products utilization commission	<u>0</u>	<u>3,176,791</u>	<u>3,176,791</u>
3	Total all funds	\$30,196,777	\$4,044,149	\$34,240,926
4	Less estimated income	<u>21,087,676</u>	<u>3,415,513</u>	<u>24,503,189</u>
5	Total general fund	\$9,109,101	628,636	\$9,737,737
6	Full-time equivalent positions	73.00	2.00	75.00

7 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

8 **SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
9 funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the
10 one-time funding items included in the appropriation in section 1 of this Act:

11	<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
12	National genomics center	\$120,000	\$0
13	Federal environmental law impact review	1,000,000	0
14	Master customer database	<u>0</u>	<u>110,000</u>
15	Total all funds	\$1,120,000	\$110,000
16	Less estimated income	<u>1,120,000</u>	<u>0</u>
17	Total general fund	\$0	\$110,000

18 The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget
19 for the 2021-23 biennium. The agriculture commissioner shall report to the appropriations
20 committees of the sixty-seventh legislative assembly on the use of this one-time funding for the
21 biennium beginning July 1, 2019, and ending June 30, 2021.

22 **SECTION 3. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND -**

23 **MINOR USE PESTICIDE FUND.** The agriculture commissioner shall transfer \$325,000 from
24 the environment and rangeland protection fund to the minor use pesticide fund during the
25 biennium beginning July 1, 2019, and ending June 30, 2021.

26 **SECTION 4. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION**

27 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$6,663,678
28 from the environment and rangeland protection fund for the purpose of defraying the expenses
29 of various department of agriculture programs, for the biennium beginning July 1, 2019, and
30 ending June 30, 2021.

1 **SECTION 5. ESTIMATED INCOME - GAME AND FISH FUND.** The estimated income line
2 item in section 1 of this Act includes the sum of \$614,430 from the game and fish department
3 operating fund for the purpose of defraying the expenses of various department of
4 agriculture programs, for the biennium beginning July 1, 2019, and ending June 30, 2021.

5 **SECTION 6. ESTIMATED INCOME - STATE WATER COMMISSION - TRANSFER.** The
6 estimated income line item in section 1 of this Act includes the sum of \$125,000 which the state
7 water commission shall transfer to the agriculture commissioner for the wildlife services
8 program, for the biennium beginning July 1, 2019, and ending June 30, 2021.

9 **SECTION 7. WATERBANK PROGRAM - MATCHING FUNDS.** The salaries and wages line
10 item in section 1 of this Act includes \$50,000 from the general fund for matching funds for the
11 North Dakota outdoor heritage fund grant provided for the waterbank program.

12 **SECTION 8. ESTIMATED INCOME - PIPELINE RESTORATION AND RECLAMATION.**
13 The estimated income line item in section 1 of this Act includes the sum of \$200,000 from the
14 abandoned oil and gas well plugging and site reclamation fund for the purpose of defraying the
15 expenses of the pipeline restoration and reclamation program, for the biennium beginning
16 July 1, 2019, and ending June 30, 2021.

17 **SECTION 9. AMENDMENT.** Section 4.1-01-02 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **4.1-01-02. Salary of agriculture commissioner.**

20 The annual salary of the agriculture commissioner is one hundred ~~five~~seventeen thousand
21 ~~four hundred ninety-one~~eighty-seven dollars through June 30, ~~2016~~2020, and one hundred
22 ~~eight~~twenty thousand six hundred ~~fifty~~six dollars after that date.

23 **SECTION 10.** A new chapter to title 4.1 of the North Dakota Century Code is created and
24 enacted as follows:

25 **Agricultural products utilization commission - Composition - Appointment.**

26 1. The agricultural products utilization commission shall administer the agricultural
27 products utilization fund.

28 2. The commission consists of nine members:

29 a. Five members, appointed by the governor for terms of two years each, arranged
30 so that two terms expire in odd-numbered years and three terms expire in
31 even-numbered years, three of the members appointed by the governor must be

- 1 actively engaged in farming in this state and two members appointed by the
2 governor must be actively engaged in business in this state;
3 b. One member, appointed by the agriculture commissioner for a term of two years
4 which expires in odd-numbered years, the member must be actively engaged in
5 farming in this state; and
6 c. The commissioner of commerce, the president of North Dakota state university,
7 and the agriculture commissioner, or their designees.
8 3. Commission members may be reappointed.
9 4. Terms of appointed commissioners commence on the first day of July.
10 5. The commission shall elect one member to serve as the presiding officer.

11 **Agricultural products utilization commission - Authority.**

- 12 1. The North Dakota agricultural products utilization commission may apply for and
13 accept any appropriation, grant, gift, or service made available from public or private
14 sources.
15 2. The commission may administer grant programs including:
16 a. A basic and applied research grant program;
17 b. A utilization and marketing grant program;
18 c. A cooperative marketing grant program;
19 d. A nature-based tourism grant program;
20 e. A technical assistance grant program for value-added businesses;
21 f. A farm diversification grant program;
22 g. An agricultural prototype development grant program;
23 h. An agricultural technologies grant program; and
24 i. A North American marketing grant program.
25 3. As a condition of any grant administered by the commission, the commission may
26 require the recipient repay some or all of the grant if the recipient does not fulfill the
27 conditions of the grant. Repayment may be monetary or any other type or method
28 determined by the commission.

29 **Agricultural products utilization commission - Meetings - Personnel - Report.**

30 The agricultural products utilization commission shall meet as necessary and shall report to
31 each session of the legislative assembly. The commission may secure office space, employ

1 required personnel for the performance of commission duties, hire consultants, spend any funds
2 appropriated to the commission, and contract with public entities or private parties for services.

3 **Agricultural products utilization commission - Reimbursement - Compensation.**

4 Members of the agricultural products utilization commission are entitled to be reimbursed
5 for expenses incurred in the performance of official duties, in the same manner as other state
6 officials are reimbursed, according to sections 44-08-04 and 54-06-09. If not otherwise
7 employed by the state of North Dakota, members of the commission are entitled to receive per
8 diem compensation of one hundred thirty-five dollars for each day of attending meetings and
9 performing other duties relating to official business of the commission. The presiding officer, if
10 not otherwise employed by the state of North Dakota, may receive an additional one hundred
11 dollars for each day of a regular meeting attended as payment for reviewing and evaluating
12 grant proposals.

13 **Agricultural products utilization commission - Administrative expenses.**

14 Administrative expenses of the agricultural products utilization commission, including
15 expenses of members of the commission, employment of required personnel, hiring of
16 consultants, and contracting with public or private entities for services may not exceed ten
17 percent of the funds appropriated to the commission by the legislative assembly each biennium,
18 excluding federal funds.

19 **Agricultural products utilization fund - Purposes.**

20 The agricultural products utilization fund in the state treasury must be used to fund
21 programs for agricultural research, development, processing, technology, and marketing. The
22 fund must be used to defray the expenses of the North Dakota agricultural products utilization
23 commission. Interest earned on moneys in the fund must be credited to the fund.

24 **SECTION 11. REPEAL.** Chapter 54-60.3 of the North Dakota Century Code is repealed.