

Sixty-ninth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED HOUSE BILL NO. 1009

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture
2 commissioner; to amend and reenact section 4.1-01-02 of the North Dakota Century Code,
3 relating to the salary of the agriculture commissioner; to provide for a transfer; to provide for a
4 report; to provide an exemption; and to declare an emergency.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from other funds derived from special funds and
9 federal funds, to the agriculture commissioner for the purpose of defraying the expenses of the
10 agriculture commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
11 as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$17,042,562	\$933,974	\$17,976,536
15 New and vacant FTE pool	0	754,477	754,477
16 Operating expenses	7,426,173	588,083	8,014,256
17 Capital assets	7,000	4,100	11,100
18 Grants	10,953,969	7,141,300	18,095,269
19 Agricultural products utilization	2,110,417	3,000,000	5,110,417
20 commission			
21 North Dakota trade office	1,600,000	400,000	2,000,000
22 Board of animal health	865,718	(8,357)	857,361

1	Wildlife services	1,657,400	150,000	1,807,400
2	Pipeline restoration and reclamation	200,000	(200,000)	0
3	oversight program			
4	Pipeline and royalty oversight programs	0	500,000	500,000
5	Crop harmonization board	<u>75,000</u>	<u>0</u>	<u>75,000</u>
6	Total all funds	\$41,938,239	\$13,263,577	\$55,201,816
7	Less other funds	<u>27,117,306</u>	<u>11,455,034</u>	<u>38,572,340</u>
8	Total general fund	\$14,820,933	\$1,808,543	\$16,629,476
9	Full-time equivalent positions	80.00	1.00	81.00

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

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Agricultural products utilization commission	\$0	\$3,000,000	\$3,000,000
Grasslands grazing grants	0	3,000,000	3,000,000
Food distribution grants	0	1,500,000	1,500,000
Autonomous technology grants	0	300,000	300,000
North Dakota trade office	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total	\$400,000	\$7,800,000	\$8,200,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The agriculture commissioner may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. OTHER FUNDS - TRANSFER - DEPARTMENT OF WATER RESOURCES. The other funds line item in section 1 of this Act includes the sum of \$125,000 which the department of water resources shall transfer to the agriculture commissioner for the purpose of defraying the expenses of the wildlife services program.

1 **SECTION 5. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND -**

2 **MINOR USE PESTICIDE FUND.** The agriculture commissioner shall transfer \$325,000 from the
3 environment and rangeland protection fund to the minor use pesticide fund during the biennium
4 beginning July 1, 2025, and ending June 30, 2027.

5 **SECTION 6. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND TO**
6 **ENVIRONMENTAL IMPACT MITIGATION FUND - MITIGATION OF AGRICULTURAL LAND.**

7 The agriculture commissioner shall transfer \$250,000 from the environment and rangeland
8 protection fund to the environmental impact mitigation fund for the purpose of mitigation of
9 agricultural land under section 4.1-01-21.1, for the biennium beginning July 1, 2025, and ending
10 June 30, 2027.

11 **SECTION 7. TRANSFER - BIOSCIENCE INNOVATION GRANT FUND TO GENERAL**
12 **FUND.** The office of management and budget shall transfer any balance in the bioscience
13 innovation grant fund to the general fund on June 30, 2025.

14 **SECTION 8. OTHER FUNDS - TRANSFER - BANK OF NORTH DAKOTA PROFITS -**
15 **AGRICULTURAL PRODUCTS UTILIZATION COMMISSION.** The other funds line item in
16 section 1 of this Act includes the sum of \$3,000,000 which the Bank of North Dakota shall
17 transfer from the Bank's current earnings and undivided profits to the agriculture commissioner
18 for deposit in the agricultural products utilization fund for the purpose of defraying the expenses
19 of the agricultural products utilization commission, for the biennium beginning July 1, 2025, and
20 ending June 30, 2027.

21 **SECTION 9. OTHER FUNDS - ENVIRONMENT AND RANGELAND PROTECTION FUND.**
22 The other funds line item in section 1 of this Act includes the sum of \$8,057,927 from the
23 environment and rangeland protection fund for the purpose of defraying the expenses of various
24 agriculture commissioner programs.

25 **SECTION 10. OTHER FUNDS - GAME AND FISH FUND.** The other funds line item in
26 section 1 of this Act includes the sum of \$671,918 from the game and fish department operating
27 fund for the purpose of defraying the expenses of various agriculture commissioner programs.

28 **SECTION 11. OTHER FUNDS - ABANDONED OIL AND GAS WELL PLUGGING AND**
29 **SITE RECLAMATION FUND.** The other funds line item in section 1 of this Act includes the sum
30 of \$500,000 from the abandoned oil and gas well plugging and site reclamation fund, of which
31 \$200,000 is for the purpose of defraying the expenses of the pipeline restoration and

reclamation program and \$300,000 is for the purpose of defraying the expenses of the post-production royalty oversight program.

SECTION 12. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS

FUND - MATCHING FUNDS - REPORT TO LEGISLATIVE MANAGEMENT. The other funds line item in section 1 of this Act includes the sum of \$4,800,000 from the strategic investment and improvements fund, of which:

1. \$3,000,000 is for the purpose of providing grassland grazing grants to an organization representing cooperative grazing associations in the state. To be eligible for a grant under this program, an organization must provide one dollar of matching funds from nonstate sources for every four dollars of grant funding. An organization that receives a grant under this program may distribute the funding to cooperative grazing associations for eligible infrastructure projects, which must be located on national grasslands within the state. Eligible infrastructure projects include water development; fencing; conservation initiatives; compliance with federal permitting requirements, including fees for professional services; and other projects to enhance wildlife habitat, capture carbon, or increase the health of grasslands. Program participants shall develop and implement a grazing land plan in compliance with local soil conservation district guidance and the plan must be approved by the local soil conservation district. The agriculture commissioner shall establish additional guidelines for the program;
2. \$1,500,000 is for grants to food pantries for meat and protein-related purchases; and
3. \$300,000 is for autonomous technology grants to individuals or entities in the agriculture industry, as follows:
 - a. For purposes of this subsection, autonomous technology includes uncrewed aircraft systems, autonomous vehicles, or other autonomous systems, processes, or technologies.
 - b. The agriculture commissioner shall develop an application process and guidelines for the grants, including eligibility criteria, matching requirements, eligible uses of grant funding, and maximum grant awards. To be eligible for a grant, an individual or entity shall certify to the agriculture commissioner that the operation of the autonomous technology is related to the inspection, operation, maintenance, or construction of agriculture property or infrastructure. The

1 agriculture commissioner may require an individual or entity to provide one dollar
2 of matching funds for every four dollars awarded by the state. An individual or
3 entity may use grant funding for autonomous technology operations, contracting
4 for services related to autonomous technology, or other eligible uses as
5 determined by the agriculture commissioner.

- 6 c. During the 2025-26 interim, the agriculture commissioner shall provide at least
7 one report to the legislative management regarding the autonomous technology
8 grants, including a list of grant recipients, the amounts awarded, and a
9 description of the use of the grant funding.

10 **SECTION 13. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The North Dakota
11 trade office line item and the general fund appropriation in section 1 of this Act include
12 \$2,000,000 of funding related to the North Dakota trade office. The agriculture commissioner
13 may spend sixty percent of this amount without requiring any matching funds from the trade
14 office. Any additional amounts may be spent only to the extent the North Dakota trade office
15 provides one dollar of matching funds from private or other public sources for each one dollar
16 provided by the agriculture commissioner. Matching funds may include money spent by
17 businesses or organizations to pay salaries to export assistants, provide training to export
18 assistants, or purchase computer equipment as part of the North Dakota trade office's export
19 assistant program.

20 **SECTION 14. WATERBANK PROGRAM - MATCHING FUNDS.** The salaries and wages
21 line item in section 1 of this Act includes up to \$50,000 from the general fund for matching funds
22 for the North Dakota outdoor heritage fund grant provided for the waterbank program.

23 **SECTION 15. AMENDMENT.** Section 4.1-01-02 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **4.1-01-02. Salary of agriculture commissioner.**

26 The annual salary of the agriculture commissioner is ~~one hundred thirty-one thousand four~~
27 ~~hundred twenty-three dollars through June 30, 2024, and one hundred thirty-six thousand~~
28 ~~six hundred eighty~~ one hundred forty thousand seven hundred eighty dollars through June 30,
29 2026, and one hundred forty-five thousand three dollars after that date.

30 **SECTION 16. WILDLIFE SERVICES PROGRAM - INDIRECT COSTS.** The wildlife
31 services line item in section 1 of this Act includes the sum of \$1,807,400 for the purpose of

defraying the expenses of the wildlife services program during the biennium beginning July 1, 2025, and ending June 30, 2027. The agriculture commissioner may not use funding appropriated for the program to pay indirect costs as part of the United States department of agriculture animal and plant health inspection service wildlife services program.

SECTION 17. EXEMPTION - UNEXPENDED APPROPRIATIONS. The following appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2025, and ending June 30, 2027:

1. The sum of \$300,000 appropriated from federal funds derived from COVID-19 funds for the specialty crop block grant program during the 2019-21 biennium in section 1 of chapter 27 of the 2021 Session Laws, and continued into the 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws and the 2023-25 biennium in section 20 of chapter 41 of the 2023 Session Laws;
2. The sum of \$5,000,000 appropriated from the strategic investment and improvements fund for grasslands grazing grants in the grants line item in section 1 of chapter 9 of the 2021 Session Laws, and continued into the 2023-25 biennium in section 21 of chapter 41 of the 2023 Session Laws;
3. The sum of \$660,000 appropriated from the environment and rangeland protection fund for the regional livestock development and planning program in section 2 of chapter 76 of the 2023 Session Laws; and
4. The sum of \$1,000,000 appropriated from the strategic investment and improvements fund for grasslands grazing grants in the grants line item in section 1 of chapter 41 of the 2023 Session Laws.

SECTION 18. EMERGENCY. Section 7 of this Act is declared to be an emergency measure.