

**Agricultural Experiment Station
Senate Bill No. 2021, House Bill No. 1200**

| | FTE Positions | General Fund | Other Funds | Total |
|---|----------------------|---------------------|--------------------|-------------------|
| 2001-03 executive budget (Governor Schafer) (bills as introduced) | 430.54 | \$36,315,145 | \$33,945,237 | \$70,260,382 |
| 2001-03 legislative appropriations | 428.74 | 36,183,645 | 35,095,237 | 71,278,882 |
| Legislative increase (decrease) to executive budget | (1.80) | (\$131,500) | \$1,150,000 | \$1,018,500 |
| Legislative increase (decrease) to 1999-2001 appropriations | (1.80) | \$3,151,098 | \$9,413,443 | \$12,564,541 |
| 2001-03 Governor Hoeven's recommendation | 430.54 | \$36,315,145 | \$33,945,237 | \$70,260,382 |
| Legislative increase (decrease) to Governor Hoeven's recommendation | (1.80) | (\$131,500) | \$1,150,000 | \$1,018,500 |

GOVERNOR HOEVEN'S RECOMMENDATIONS

The Hoeven recommendation did not change the Schafer recommendation.

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET (SCHAFER) AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Agricultural Experiment Station is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015.

| | Major Items FTE Positions | General Fund | Other Funds | Total |
|--|--------------------------------------|---------------------|--------------------|--------------|
| Branch research extension centers | | | | |
| Executive recommendation | 76.36 | \$7,899,160 | \$5,873,485 | \$13,772,645 |
| The legislative action: | | | | |
| Reduced funding for operating expenses at the Langdon Learning Center | | (\$15,000) | | (\$15,000) |
| Added funding for construction of the Langdon Learning Center (see Capital Improvements and Land Purchase section) | | 150,000 | | 150,000 |
| Added funding for the beefline initiative from Dickinson oil revenues (see Initiatives section) | | | \$445,000 | 445,000 |
| Added funding for the development of a modern feedmill and feedlc at the Carrington Research Center from Dickinson oil revenues (see Initiatives section) | | | 300,000 | 300,000 |

| | | | | |
|---|---------------|---------------------|---------------------|---------------------|
| House Bill No. 1200 authorized \$260,000 from the Attorney General refund fund from lawsuit collection proceeds and \$60,000 from other funds for the North Central Research Extension Center land purchase. The Williston Research Extension Center land purchase was authorized at \$61,000 from the Attorney General refund fund from lawsuit collection proceeds and \$24,000 from other funds. | | | 405,000 | 405,000 |
| Total legislative changes | <u>0.00</u> | <u>\$135,000</u> | <u>\$1,150,000</u> | <u>\$1,285,000</u> |
| Legislative appropriation - Branch research centers | <u>76.36</u> | <u>\$8,034,160</u> | <u>\$7,023,485</u> | <u>\$15,057,645</u> |
| Main Research Center | | | | |
| Executive recommendation | <u>351.28</u> | <u>\$28,415,985</u> | <u>\$26,812,612</u> | <u>\$55,228,597</u> |
| The legislative action: | | | | |
| Reduced funding for the Main Research Center but did not designate the specific budget area to reduce | | (\$50,000) | | (\$50,000) |
| Reduced operating expenses | | (216,500) | | (216,500) |
| Removed vacant FTE positions but did not remove the related funding. The center may reallocate the associated funding for other purposes (see FTE Changes section). | (1.80) | | | |
| Total legislative changes | <u>(1.80)</u> | <u>(\$266,500)</u> | <u>\$0</u> | <u>(\$266,500)</u> |
| Legislative appropriation - Main Research Center | <u>349.48</u> | <u>\$28,149,485</u> | <u>\$26,812,612</u> | <u>\$54,962,097</u> |
| Agronomy Seed Farm | | | | |
| Executive recommendation | <u>2.90</u> | <u>\$0</u> | <u>\$1,259,140</u> | <u>\$1,259,140</u> |
| The Legislative Assembly did not change the executive recommendation for the Agronomy Seed Farm | | | | |
| Legislative appropriation - Agronomy Seed Farm | <u>2.90</u> | <u>\$0</u> | <u>\$1,259,140</u> | <u>\$1,259,140</u> |
| Total Agricultural Experiment Station | | | | |
| Executive recommendation | <u>430.54</u> | <u>\$36,315,145</u> | <u>\$33,945,237</u> | <u>\$70,260,382</u> |
| Legislative action | <u>(1.80)</u> | <u>(131,500)</u> | <u>1,150,000</u> | <u>1,018,500</u> |
| Total legislative appropriation - Agricultural Experiment Station | <u>428.74</u> | <u>\$36,183,645</u> | <u>\$35,095,237</u> | <u>\$71,278,882</u> |

FTE Changes

| | 1999-2001 Authorized Positions | 2001-03 Executive Budget | 2001-03 Legislative Authorization | Legislative Increase (Decrease) to Executive Budget |
|--|--------------------------------------|--------------------------------|---|---|
| Dickinson Research Extension Center | 15.95 | 15.95 | 15.95 | |
| Central Grasslands Research Extension Center | 6.50 | 6.50 | 6.50 | |
| Hettinger Research Extension Center | 10.00 | 10.00 | 10.00 | |
| Langdon Research Extension Center | 8.00 | 8.00 | 8.00 | |
| North Central Research Extension Center | 10.35 | 10.35 | 10.35 | |
| Williston Research Extension Center | 7.75 | 7.75 | 7.75 | |
| Carrington Research Extension Center | 17.81 | 17.81 | 17.81 | |
| Total branch research centers | 76.36 | 76.36 | 76.36 | 0.00 |
| Main Research Center | 351.28 | 351.28 | 349.48 | (1.80) ¹ |
| Agronomy Seed Farm | 2.90 | 2.90 | 2.90 | |
| Total Agricultural Experiment Station | 430.54 | 430.54 | 428.74 | (1.80) |

¹ The Legislative Assembly removed the following 1.8 vacant FTE positions from the Main Research Center:

- .45 FTE assistant professor
- .95 FTE information processing position
- .25 FTE information systems position
- .15 public information position

State Board of Agricultural Research and Education

Budget Section report - Section 10 directs the State Board of Agricultural Research and Education to report to the Budget Section during the 2001-03 interim. The report is to include the following information:

The number of employees and expenditures for each research extension center and the Main Research Center.

Expenditures from all funds for each State Board of Agricultural Research and Education research initiative receiving funding from the agricultural research fund.

The economic impact of each research project on the state of North Dakota and how the NDSU Extension Service is disseminating the information from the research projects.

A report on cooperative projects undertaken by the Main Research Center, branch research extension centers, and the Agronomy Seed Farm.

A report on sources of income for the branch research extension centers, the use of those funds, and the extent research projects are affected by each income source.

Membership - Section 12 changes the membership of the State Board of Agricultural Research and Education. The president of North Dakota State University is allowed to appoint a designee for his position on the board. The vice president of agricultural affairs at North Dakota State University, the administrator of the Agricultural Experiment Station, and the director of the NDSU Extension Service were made nonvoting members of the board. Two members from the Legislative Assembly, one from each political faction, were added to serve on the State Board of Agricultural Research and Education as voting members. The chairman of the

Legislative Council is to appoint the legislative members to serve on the board for two-year terms, with the option of being reappointed for additional terms. The Legislative Council will pay the compensation and expense reimbursement for the legislative members.

Compensation - Section 13 increases the compensation for each member of the State Board of Agricultural Research and Education from \$62.50 to \$75 per day for performing official duties.

Duties - Section 14 redefines the duties of the State Board of Agricultural Research and Education. Duties added include developing ongoing strategies for the dissemination of research information through the NDSU Extension Service and presenting a status report of its duties to the Budget Section. The due date of March 1 of each even-numbered year for the board to submit its biennial budget request was removed. Provisions authorizing the State Board of Agricultural Research and Education to supervise the Agricultural Experiment Station and NDSU Extension Service were removed.

Administrative expenses - Section 15 limits the annual administrative expenses of the State Board of Agricultural Research and Education to the lesser of 10 percent of the proceeds of the agricultural research fund or \$50,000.

Main Research Center Appropriation

Single line item appropriation - The Legislative Assembly changed the appropriation for the Main Research Center to a lump sum appropriation rather than appropriating by object code line items.

Capital Improvements and Land Purchase

Langdon Learning Center - Section 5 adds legislative intent that construction not begin on the Langdon Learning Center until the station has obtained \$500,000 in cash or pledges for the learning center. The Legislative Assembly appropriated \$810,000, \$300,000 from the general fund, for construction of the Langdon Learning Center.

North Central Research Extension Center land purchases - Section 9 adds legislative intent that the Main Research Center enter into a financial arrangement with the North Central Research Extension Center to assist with the purchase of land in Ward County (House Bill No. 1200). The Legislative Assembly appropriated \$320,000, \$260,000 from the Attorney General refund fund and \$60,000 from estimated income, to the North Central Research Extension Center for the land purchase.

Williston Research Extension Center land purchase - The Legislative Assembly appropriated \$85,000, \$61,000 of which is from the Attorney General refund fund and \$24,000 of estimated income, to the Williston Research Extension Center for the purchase of land in Williams County.

Other capital improvements - Special fund appropriations were provided for the following projects:

| | |
|--|-----------|
| Bison research facility (Carrington Research Extension Center) | \$130,000 |
| Agronomy work lab (Dickinson Research Extension Center) | 50,000 |
| Chemical storage building (Dickinson Research Extension Center) | 50,000 |
| Grain storage hopper bin and bulk seed handling (Agronomy Seed Farm) | 105,000 |
| | 0 |
| Total | \$335,000 |

Initiatives

Dickinson oil revenue initiatives - Section 6 appropriates \$745,000 of special funds from Dickinson oil revenues for agricultural initiatives. The funding provides \$445,000 for the beefline initiative and \$300,000 for the development of a modern feedmill and feedlot at the Carrington Research Extension Center. The State Board of Agricultural Research and Education is to develop the intent of the beefline initiative before implementing the program.

Malt barleys - Section 7 directs the Agricultural Experiment Station to allocate up to \$288,000 from funding appropriated to the Main Research Center for the purpose of developing, in conjunction with the research centers, western North Dakota malt barleys.

Initiative transfer authority - Section 16 authorizes, upon approval of the State Board of Agricultural Research and Education, the transfer of up to \$90,000 of estimated income between the NDSU Extension Service, Main Research Center, and branch research centers for beef quality assurance and of up to \$60,000 of estimated income between these entities for applied research initiatives for the 2001-03 biennium.

Other Sections in Bill

Additional income appropriation - Section 2 appropriates any additional funds, including federal funds, grants, gifts, and donations received by the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station, for the purpose designated in the act, grant, or donation for the 2001-03 biennium.

Transfer authority - Section 3 authorizes the State Board of Agricultural Research and Education and appropriate research extension center directors to transfer appropriation authority within the branch research centers, the Main Research Center, and the Agronomy Seed Farm. The Legislative Assembly removed the State Board of Higher Education from the transfer authority approval process.

FTE adjustments - Section 4 authorizes the State Board of Higher Education to adjust or increase the FTE positions of the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station during the 2001-03 biennium.

Carryover authority - Section 11 authorizes the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station to retain, beyond the close of the 2001-03 biennium, any unspent general fund moneys appropriated to or excess income received by the agency during the 2001-03 biennium.

Related Legislation

State Board of Agricultural Research and Education - In addition to the bills discussed above, House Bill No. 1181 provides a continuing appropriation of interest earned in the agricultural research fund to the State Board of Agricultural Research and Education. The bill provides that the president of North Dakota State University may appoint a designee for his position on the State Board of Agricultural Research and Education. In addition, administrative expenses of the State Board of Agricultural Research and Education may not exceed \$50,000 annually from the agricultural research fund.

Land purchases - House Bill No. 1200 appropriates \$320,000, \$260,000 from the Attorney General refund fund from lawsuit collection proceeds and \$60,000 from other funds, to the North Central Research Extension Center for the purchase of land in Ward County and \$85,000, \$61,000 from the Attorney General refund fund from lawsuit collection proceeds and \$24,000 from other funds, to the Williston Research Extension Center for the purchase of land in Williams County. These amounts are reflected in the totals above.