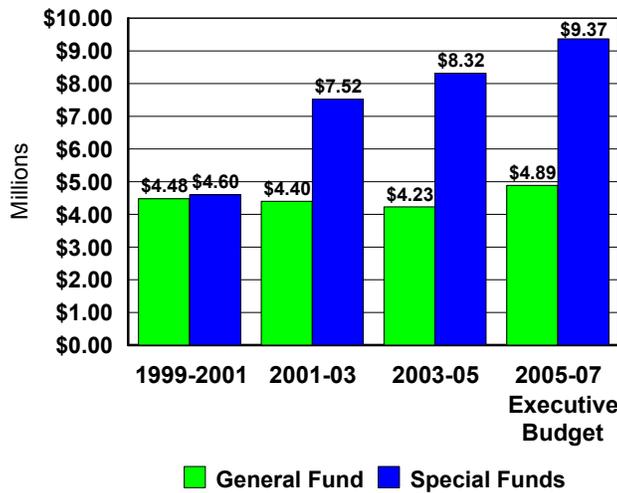


**Department 602 - Agriculture Commissioner
 House Bill No. 1009**

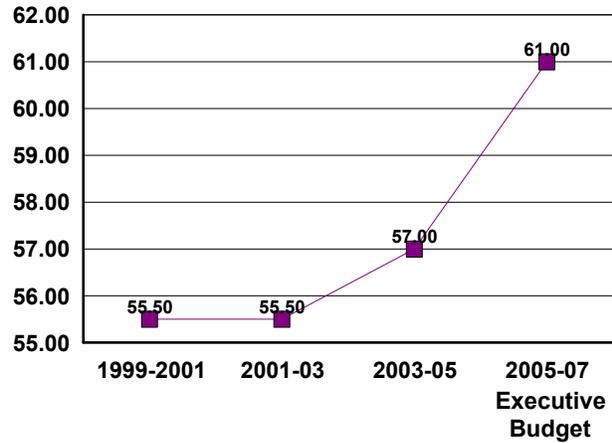
	FTE Positions	General Fund	Other Funds	Total
2005-07 Executive Budget	61.00	\$4,885,958	\$9,368,014	\$14,253,972
2003-05 Legislative Appropriations	57.00	4,233,525	8,318,849 ¹	12,552,374
Increase (Decrease)	4.00	\$652,433	\$1,049,165	\$1,701,598

¹The 2003-05 appropriation amounts do not include \$1,088,778 of additional special funds authority resulting from Emergency Commission action during the 2003-05 biennium.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
Executive services			
1. Increases funding for Pride of Dakota program operations based on expected general fund revenues to be generated from Pride of Dakota events. The total appropriation for the Pride of Dakota program is \$321,997 from the general fund.	\$182,403	(\$61,700)	\$120,703
2. Decreases federal funds spending authority for marketing operations	\$750	(\$66,131)	(\$65,381)
3. Changes funding source for the Agriculture in the Classroom program by decreasing the general fund appropriations (\$45,000) and funding from the environment and rangeland protection fund (\$50,000) and increases special funds spending authority for the program from gifts, grants, and donations (\$95,000). Total funding for the Agriculture in the Classroom program is \$216,000 from special funds.	(\$45,000)	\$45,000	\$0
4. Decreases general and federal funds spending authority for administration operations (\$6,182) and grants (\$50,000)	(\$1,182)	(\$55,000)	(\$56,182)
Livestock services			
5. Increases federal funds spending authority for biosecurity and animal disease programs within the Board of Animal Health		\$560,793	\$560,793
6. Increases funding for state meat inspection operations based on an anticipated five additional plants requiring meat inspection services in 2005	\$41,252	(\$29,252)	\$12,000

7. Adds 1 FTE meat inspector position and increases the salaries and wages line item (\$73,068) and the operating line item (\$46,500) based on increased demand for program services	\$61,495	\$58,073	\$119,568
8. Increases funding for dairy and livestock operations	\$22,000		\$22,000
9. Adds 2 FTE positions for the Board of Animal Health, including a veterinarian (\$152,265) and a program specialist position (\$95,792) to assist with federal grant requirements. Associated operating costs are increased by \$30,000.	\$191,663	\$86,394	\$278,057
10. Maintains funding from the game and fish fund for the Board of Animal Health (\$550,000) and wildlife services (\$150,000) at the same level as the 2003-05 biennium			\$0

Plant services

11. Reduces federal funds spending authority for professional services due to completion of the soil digitization project		(\$380,000)	(\$380,000)
12. Decreases funding for pesticide enforcement and registration operating costs (\$245,445) and related funding for grants (\$125,000)	\$647	(\$371,092)	(\$370,445)
13. Increases funding for apiary operations	\$4,305		\$4,305
14. Increases funding for plant protection operations (\$33,250) and decreases funding for grants (\$10,000)	(\$9,345)	\$32,595	\$23,250
15. Decreases federal and special funds spending authority for lease of wetlands and other operating costs of the waterbank program		(\$612,180)	(\$612,180)
16. Increases funding for equipment over \$5,000 for an all-terrain vehicle four-wheeler (\$5,000) for the noxious weeds program		\$5,000	\$5,000
17. Decreases funding from the environment and rangeland protection fund (\$308,635) and increases funding from the general fund (\$6,707) and federal funds (\$53,450) for noxious weed control grants and operating costs	\$6,707	(\$255,185)	(\$248,478)
18. Increases special funds spending authority for the Safe Send pesticide disposal project from the environment and rangeland protection fund (\$294,470) and decreases federal funding for the program (\$150,190). The total funding for Project Safe Send is \$600,371 from the environment and rangeland protection fund. (See attached appendix.)		\$144,280	\$144,280
19. Increases funding from the environment and rangeland protection fund to transfer to the minor use fund for crop harmonization efforts		\$200,000	\$200,000
20. Adds 1 FTE agriculture programs specialist position for exotic plant pest biosecurity programs		\$90,813	\$90,813

Ag mediation services

21. Decreases funding for agriculture mediation operations	(\$21,695)	(\$49,465)	(\$71,160)
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Other Sections in Bill

Section 4 of House Bill No. 1009 authorizes \$2,725,077 from the **environment and rangeland protection fund** for pesticide programs (\$425,875), Project Safe Send (\$600,371), noxious weed control (\$1,473,831), minor use pesticide projects (\$200,000), and the Crop Protection Product Harmonization and Registration Board (\$25,000).

Section 5 of House Bill No. 1009 authorizes \$61,410 from the anhydrous ammonia inspection fund for anhydrous ammonia facilities licensing activities.

Section 6 of House Bill No. 1009 authorizes \$700,000 from the **game and fish fund**, \$550,000 for wildlife services and \$150,000 for the Board of Animal Health.

Section 7 of House Bill No. 1009 authorizes a transfer of \$200,000 from the environment and rangeland protection fund to the minor use pesticide fund to continue research to facilitate the registration of new pesticides to be used on crops or for new uses of existing pesticides.

Section 8 of House Bill No. 1009 provides for general fund revenues generated specifically from **Pride of Dakota** events to be made available to the Agriculture Commissioner's office for the Pride of Dakota program. The executive budget recommendation includes a total general fund appropriation of \$321,997 for the Pride of Dakota program.

Section 9 of House Bill No. 1009 increases the statutory changes necessary to increase the Agriculture Commissioner's salary as follows:

Annual salary authorized by the 2003 Legislative Assembly:
July 1, 2003 \$69,874

Proposed annual salary recommended in the 2005-07 executive budget:
July 1, 2005 \$72,669
July 1, 2006 \$75,576 (may not exceed)

The executive recommendation provides funding for elected officials' salary increases equal to 4 percent of salaries effective July 1, 2005, and 3 percent effective July 1, 2006. An additional 1 percent may be provided to the extent the increase can be paid with existing agency resources. Section 9 of House Bill No. 1009 provides that the July 1, 2006, increase may not exceed 4 percent.

Section 10 of House Bill No. 1009 removes the sunset clause on the biennial \$350 per product pesticide registration fee. Of this amount, \$300 is deposited in the environment and rangeland protection fund and \$50 in the general fund. The fee was to revert to \$300 on June 30, 2005. It is anticipated that the removal of the sunset clause will generate an additional \$475,000 of revenue, or a total of \$2,850,000 to be deposited in the environment and rangeland protection fund.

Major Related Legislation

House Bill No. 1134 - This bill provides for a civil penalty of up to \$1,000 for each violation of law relating to meat processing and inspection. In addition businesses engaged in intrastate commerce of meat products are required to pay an annual license fee of \$20 for official establishments and \$10 for custom-exempt establishments.

Senate Bill No. 2114 - This bill adds a reinspection fee of \$75 for each farm facility inspection conducted beyond the normal inspections for Grade A and manufacturing grade facilities. Such reinspections result from adverse actions such as a farm permit suspension, the downgrade from Grade A to manufacturing grade, or unsanitary conditions that require correction within a specified period of time.

Senate Bill No. 2147 - This bill provides for the creation of a North Dakota certified beef program, a livestock loan guarantee program, increases the agriculture business investment tax credit from 30 to 50 percent of the amount invested in qualified businesses, and provides for a sales tax exemption for production livestock facility construction materials through June 30, 2009. The Agriculture Commission is authorized general fund appropriations of \$100,000 for the North Dakota certified beef program and \$100,000 for farmers' market development and promotion.

ATTACH:1