

**NDSU Main Research Center
Budget No. 640
Senate Bill Nos. 2020, 2373**

	FTE Positions	General Fund	Other Funds	Total
2009-11 executive budget (bills as introduced)	353.39	\$60,188,875	\$44,813,267	\$105,002,142
2009-11 legislative appropriations	352.39	60,217,151	45,713,267	105,930,418
Legislative increase (decrease) to executive budget	(1.00)	\$28,276	\$900,000	\$928,276
Legislative increase (decrease) to 2007-09 appropriations	5.00	\$16,065,454 ¹	\$2,811,100	\$18,876,554 ¹

¹This amount reflects a 2007-09 deficiency appropriation of \$100,499 from the general fund to the Main Research Center for capital bond payments.

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2007-09 legislative appropriations	\$36,043,448	\$8,108,249	\$44,151,697
2009-11 legislative appropriations	42,767,151	17,450,000	60,217,151
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$6,723,703	\$9,341,751	\$16,065,454
Percentage increase (decrease) to 2007-09 appropriations	18.7%	115.2%	36.4%
2009-11 legislative increase (decrease) to executive budget	\$78,276	(\$50,000)	\$28,276
Percentage increase (decrease) to executive budget	0.2%	(0.3%)	0.05%

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

Salaries and Wages

The legislative action affecting the recommended appropriation for the Main Research Center 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
The legislative action:				
Reduced one-time funding included in the executive budget for deferred maintenance to provide a total of \$450,000		(\$50,000)		(\$50,000)
Added, as an emergency measure, funding for industrial hemp research			\$200,000	200,000

Added funding for 1 FTE wheat rust pathologist position, including salaries and wages (\$210,000) and operating expenses (\$40,000)	1.00	250,000		250,000
Removed funding for 1 FTE scientist position for pulse, oilseed, and wheat quality, including salaries and wages (\$223,750) and operating expenses (\$33,000)	(1.00)	(256,750)		(256,750)
Removed funding for 1 FTE technician position for pulse, oilseed, and wheat quality, including salaries and wages (\$131,974) and operating expenses (\$33,000)	(1.00)	(164,974)		(164,974)
Appropriated funding from the federal American Recovery and Reinvestment Act of 2009 (see Federal Fiscal Stimulus Funding section below)			700,000	700,000
Added funding in Senate Bill No. 2373 to provide matching funds for grape research		250,000		250,000
Total	<u>(1.00)</u>	<u>\$28,276</u>	<u>\$900,000</u>	<u>\$928,276</u>

FTE Changes

The 2007-09 appropriation is based on 348.88 FTE positions authorized by the 2007 Legislative Assembly. Section 6 of 2007 House Bill No. 1020 authorizes the State Board of Higher Education to adjust FTE positions as needed. A total of 1.49 FTE positions were removed pursuant to this section and reported to the Office of Management and Budget for a total of 347.39 FTE positions. The 2009-11 biennium appropriation includes funding for 352.39 FTE positions, a decrease of 1 FTE position from the executive recommendation of 353.39 and an increase of 5 FTE positions from the 2007-09 authorized level of 347.39. The Legislative Assembly removed 1 FTE scientist position and 1 FTE technician position for pulse, oilseed, and wheat quality included in the executive recommendation, but did not change the addition of 1 FTE scientist position and 3 FTE technician positions for pulse, oilseed, and wheat quality included in the executive recommendation. In addition, the Legislative Assembly authorized 1 FTE wheat rust pathologist.

One-Time Funding

In Section 2 of Senate Bill No. 2020, the Legislative Assembly identified \$17,450,000 from the general fund for the Main Research Center greenhouse project (\$11,450,400); the beef research facility (\$2,612,400); the North Central, Williston, Langdon, and Dickinson Research Centers office addition and renovation projects (\$2,937,200); and the deferred maintenance pool (\$450,000) as one-time funding items. This amount is not to be considered part of the agency's base budget for preparing the 2011-13 executive budget and the Main Research Center is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

Federal Fiscal Stimulus Funding

The Legislative Assembly, in Section 4 of Senate Bill No. 2020, appropriated, if funds are available, \$700,000 of federal fiscal stimulus funds from the federal American Recovery and Reinvestment Act of 2009 to the Main Research Center for the installation of a geothermal heating system in the Main Research Center greenhouse project. In Section 5 of the bill, the Legislative Assembly authorized the Main Research Center to seek Emergency Commission and Budget Section approval for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated. This amount is not to be considered part of the agency's base budget for the 2011-13 biennium. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

Grape and Wine Program Committee

Senate Bill No. 2373 establishes a Grape and Wine Program Committee and appropriates \$250,000 from the general fund to the Grape and Wine Program Committee for the purpose of providing matching funds for grape research during the 2009-11 biennium.

Capital Construction

Main Research Center greenhouse project - The 2009 Legislative Assembly did not change the 2009-11 biennium executive recommendation to provide \$11,450,400 from the general fund to continue the Main Research Center greenhouse project. In addition, the Main Research Center, pursuant to Section 12 of Senate Bill No. 2020 (2007), may continue any unspent 2007-09 appropriation authority for the project to the 2009-11 biennium. Funding for the Main Research Center greenhouse project is summarized as follows:

Biennium	General Fund	Federal Fiscal Stimulus Funds	Gifts, Grants, Contracts, and Donations	Bond Proceeds	Total
2005-07			\$5,000,000	\$2,000,000	\$7,000,000
2007-09 ¹	\$7,000,000				7,000,000
2009-11 ²	\$11,450,400	\$700,000			12,150,400
Total					\$26,150,400

¹The 2007 Legislative Assembly removed references to Phases 1 and 2 of the greenhouse project and provided that the Main Research Center may use any funding available within the total appropriation authority for the Main Research Center greenhouse project, including the continuation of unspent authority from the 2005-07 biennium, for the Main Research Center greenhouse project to begin construction.

²The Main Research Center requested \$16.8 million for the 2009-11 biennium to complete the Main Research Center greenhouse project. The 2009 Legislative Assembly, as recommended in the executive budget, provided an appropriation of \$11.5 from the general fund. In Section 4 of Senate Bill No. 2020, the Legislative Assembly appropriated an additional \$700,000 of federal funds, if available, under the federal American Recovery and Reinvestment Act of 2009 to install a geothermal heating system in the Main Research Center greenhouse. The Main Research Center anticipates requesting an additional \$5.3 million to complete the project during the 2011-13 biennium.

In addition, the Legislative Assembly did not change the executive recommendation to provide \$480,000 from the general fund for the increased cost of greenhouse utilities.

Beef research facility - The 2007 Legislative Assembly appropriated \$1 million from special funds and \$80,000 from the general fund for a beef research facility at the Main Research Center. The Main Research Center was able to secure \$621,900 of federal and special funds to begin the project. The 2009 Legislative Assembly did not change the executive recommendation to provide \$2,612,400 from the general fund to complete the research complex in the 2009-11 biennium.

North Central, Williston, Langdon, and Dickinson Research Centers headquarters office additions - The 2009 Legislative Assembly did not change the executive recommendation to provide \$2,937,200 from the general fund for the following projects:

- North Central Research Center renovation and addition (\$624,000);
- Williston Research Center Ernie French Center addition (\$1,680,000);
- Langdon Research Center geothermal heating and cooling pump system (\$144,000); and
- Dickinson Research Center renovation of the former headquarters building (\$489,200).

Deferred maintenance pool - The Legislative Assembly provided one-time funding of \$450,000 from the general fund for a deferred maintenance pool to address needs at the Main Research Center and branch research centers, a reduction of \$50,000 from the executive recommendation of \$500,000.

Extraordinary repairs - The Legislative Assembly did not change the executive recommendation to increase base funding for extraordinary repairs and deferred maintenance by \$600,000 to provide total base funding of \$1,340,465 from the general fund for extraordinary repairs and deferred maintenance.

Other Sections in Senate Bill No. 2020

Additional income appropriation - Section 3 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 (branch research centers, Main Research Center, and Agronomy Seed Farm) for the purpose designated in the Act, grant, or donation for the 2009-11 biennium.

Deferred maintenance transfer authority - Section 6 authorizes the Main Research Center to transfer from the deferred maintenance line to the Main Research Center line amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the Office of Management and Budget.

Transfer authority - Section 7 authorizes the State Board of Agricultural Research and Education and appropriate branch research center directors to transfer appropriation authority within the NDSU Extension Service, Northern Crops Institute, branch research centers, and Main Research Center. Any amounts transferred must be reported to the Office of Management and Budget.

FTE adjustments - Section 8 authorizes the State Board of Higher Education to adjust FTE positions for the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station during the 2009-11 biennium. Any adjustments must be reported to the Office of Management and Budget prior to submission of the 2011-13 budget request.

Carryover authority - Section 9 authorizes the Upper Great Plains Transportation Institute, NDSU Extension Service, Northern Crops Institute, and Agricultural Experiment Station to retain, beyond the close of the 2009-11 biennium, any unspent general fund money appropriated to or excess income received by the agency during the 2009-11 biennium.

Beef Systems Center of Excellence - Section 11 provides legislative intent that the Beef Systems Center of Excellence authorized by the 58th (2003) Legislative Assembly has met the funding requirements as outlined in Section 9 of Chapter 20 of the 2003 Session Laws for collection of both federal and special funds by private contributions through the creation of the North Dakota Agricultural Innovation Center and the capitalization for the creation of North Dakota Natural Beef, LLC, which was approved by the Office of Management and Budget when it released \$800,000 to the North Dakota State University Agricultural Experiment Station in 2006 pursuant to Section 8 of Chapter 20 of the 2003 Session Laws. The section also provides legislative intent that this center is subject to requirements outlined in Chapter 136 of the 2003 Session Laws and not those enacted later as a part of the center of excellence program administered by the Department of Commerce pursuant to North Dakota Century Code (NDCC) Chapter 15-69.

Capital project carryover authority - Section 12 provides that the 2007-09 appropriation for the Main Research Center greenhouse project is not subject to the provisions of NDCC Section 54-44.1-11, and any unspent appropriation authority or related revenues are available and may be spent during the 2009-11 biennium.

Emergency - Section 13 provides the appropriations for industrial hemp research of \$200,000 from special funds, for deferred maintenance of \$450,000 from the general fund, and for capital projects of \$17,000,000 from the general fund and \$350,000 from special funds are declared to be an emergency measure.

Related Legislation

Grape and Wine Program Committee - Senate Bill No. 2373 establishes a Grape and Wine Program Committee and appropriates \$250,000 from the general fund to the Grape and Wine Program Committee for the purpose of providing matching funds for grape research during the 2009-11 biennium. The Grape and Wine Program Committee may spend funds appropriated under this section for grants only after consultation with the Main Research Center and only to the extent of \$4 for each \$1 provided from other sources. The Grape and Wine Program Committee may spend additional funds from gifts, grants, or donations and those additional funds are appropriated to the Grape and Wine Program Committee.