

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - Funding Summary

	Base Budget	House Changes	House Version
Department of Agriculture			
Salaries and wages	\$17,042,562	\$933,974	\$17,976,536
New and vacant FTE pool		587,646	587,646
Operating expenses	7,426,173	796,687	8,222,860
Capital assets	7,000	4,100	11,100
Grants	10,953,969	5,261,300	16,215,269
State Board of Animal Health	865,718	(8,357)	857,361
Wildlife Services	1,657,400		1,657,400
Crop Harmonization Board	75,000		75,000
Pipeline restoration and reclamation	200,000	(200,000)	
Ag. Products Utilization Commission	2,110,417	3,000,000	5,110,417
North Dakota Trade Office	1,600,000	400,000	2,000,000
Pipeline and royalty oversight programs		500,000	500,000
Total all funds	\$41,938,239	\$11,275,350	\$53,213,589
Less estimated income	27,117,306	9,400,921	36,518,227
General fund	\$14,820,933	\$1,874,429	\$16,695,362
FTE	80.00	0.00	80.00
Bill total			
Total all funds	\$41,938,239	\$11,275,350	\$53,213,589
Less estimated income	27,117,306	9,400,921	36,518,227
General fund	\$14,820,933	\$1,874,429	\$16,695,362
FTE	80.00	0.00	80.00

House Bill No. 1009 - Department of Agriculture - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$17,042,562	\$933,974	\$17,976,536
New and vacant FTE pool		587,646	587,646
Operating expenses	7,426,173	796,687	8,222,860
Capital assets	7,000	4,100	11,100
Grants	10,953,969	5,261,300	16,215,269
State Board of Animal Health	865,718	(8,357)	857,361
Wildlife Services	1,657,400		1,657,400
Crop Harmonization Board	75,000		75,000
Pipeline restoration and reclamation	200,000	(200,000)	
Ag. Products Utilization Commission	2,110,417	3,000,000	5,110,417
North Dakota Trade Office	1,600,000	400,000	2,000,000
Pipeline and royalty oversight programs		500,000	500,000
Total all funds	\$41,938,239	\$11,275,350	\$53,213,589
Less estimated income	27,117,306	9,400,921	36,518,227
General fund	\$14,820,933	\$1,874,429	\$16,695,362
FTE	80.00	0.00	80.00

Department 602 - Department of Agriculture - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Adjusts Base Budget Funding ⁴	Adjusts Funding for Pipeline and Royalty Oversight Programs ⁵	Adds Funding for State Fleet Rate Increases and Operating Expenses ⁶
Salaries and wages	\$1,124,072	\$877,000	(\$839,494)	(\$227,604)		
New and vacant FTE pool			587,646			
Operating expenses				520,487	(\$500,000)	\$776,200
Capital assets				4,100		
Grants				1,894,400		
State Board of Animal Health				(8,357)		
Wildlife Services						
Crop Harmonization Board						
Pipeline restoration and reclamation					(200,000)	
Ag. Products Utilization Commission						
North Dakota Trade Office						
Pipeline and royalty oversight programs					500,000	
Total all funds	\$1,124,072	\$877,000	(\$251,848)	\$2,183,026	(\$200,000)	\$776,200
Less estimated income	475,155	268,273	(104,860)	2,595,453	(200,000)	0
General fund	\$648,917	\$608,727	(\$146,988)	(\$412,427)	\$0	\$776,200
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for the Noxious Weed Program ⁷	Adds One- Time Funding ⁸	Total House Changes
Salaries and wages			\$933,974
New and vacant FTE pool			587,646
Operating expenses			796,687
Capital assets			4,100
Grants	\$366,900	\$3,000,000	5,261,300
State Board of Animal Health			(8,357)
Wildlife Services			
Crop Harmonization Board			
Pipeline restoration and reclamation			(200,000)
Ag. Products Utilization Commission		3,000,000	3,000,000
North Dakota Trade Office		400,000	400,000
Pipeline and royalty oversight programs			500,000
Total all funds	\$366,900	\$6,400,000	\$11,275,350
Less estimated income	366,900	6,000,000	9,400,921
General fund	\$0	\$400,000	\$1,874,429
FTE	0.00	0.00	0.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$380,240	\$263,409	\$643,649
Health insurance increase	268,677	211,746	480,423
Total	\$648,917	\$475,155	\$1,124,072

² Funding is added to replace the 2023-25 biennium new and vacant FTE funding pool as follows:

	General Fund	Other Funds	Total
2023-25 new FTE pool	\$214,930	\$0	\$214,930
2023-25 vacant FTE pool	<u>393,797</u>	<u>268,273</u>	<u>662,070</u>
Total	\$608,727	\$268,273	\$877,000

³ Funding of \$839,494 is removed for estimated savings from vacant 2025-27 FTE positions and \$587,646 is added for a new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	(\$489,961)	(\$349,533)	(\$839,494)
New and vacant FTE pool line item	<u>342,973</u>	<u>244,673</u>	<u>587,646</u>
Net savings	(\$146,988)	(\$104,860)	(\$251,848)

⁴ Base budget adjustments are made as follows:

	General Fund	Other Funds	Total
Adjusts funding for base payroll changes	\$203,651	(\$228,654)	(\$25,003)
Adjusts funding for temporary salaries	(203,625)	1,024	(202,601)
Adjusts funding for operating expenses, primarily related to operating fees, IT services, and printing	(322,996)	625,775	302,779
Adjusts funding for travel	(1,100)	218,808	217,708
Adds funding for capital assets	0	4,100	4,100
Removes funding for grape and wine grant program	(80,000)	0	(80,000)
Adds federal funding for the specialty crop block grant program to provide a total of \$9,063,305	0	1,968,500	1,968,500
Adjusts funding for other grants	0	5,900	5,900
Reduces funding for the Board of Animal Health	<u>(8,357)</u>	<u>0</u>	<u>(8,357)</u>
Total	(\$412,427)	\$2,595,453	\$2,183,026

⁵ Funding from the abandoned oil and gas well plugging and site reclamation fund is reduced by \$200,000 for the postproduction royalty oversight program and the pipeline restoration and reclamation program and postproduction royalty oversight program are moved to a newly created pipeline and royalty oversight programs line item.

⁶ Adds funding for state fleet rate increases (\$750,000) and operating expenses (\$26,200).

⁷ Adds \$366,900 from the environment and rangeland protection fund for the noxious weed program to provide total funding of \$1,990,869 for the program.

⁸ One-time funding is added as follows:

- \$3 million from Bank of North Dakota profits for the APUC program to provide total funding of \$5,110,417.
- \$3 million from SIIF for grasslands grazing grants.
- \$400,000 from the general fund for the North Dakota Trade Office to provide a total of \$2 million from the general fund.

House Bill No. 1009 - Other Changes - House Action

The amendment also:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Adds a section to transfer \$3 million from Bank of North Dakota profits to the APUC fund.
- Amends a section identifying the amount of funding (\$7,803,814) appropriated from the environment and rangeland protection fund.
- Amends a section identifying the amount of funding (\$671,918) appropriated from the Game and Fish Department operating fund.
- Amends a section to identify the amount of funding (\$500,000) appropriated from the abandoned oil and gas well plugging and site reclamation fund.
- Adds a section to identify \$3 million from SIIF for the grasslands grazing grant program.
- Amends a section identifying the amount of funding (\$2 million) appropriated from the general fund for the North Dakota Trade Office.
- Adds a section to provide the statutory changes necessary to increase the Agriculture Commissioner's salary to \$140,780 (3 percent) effective July 1, 2025, and to \$145,003 (3 percent) effective July 1, 2026.

- Adds a section to provide exemptions to continue funding appropriated into the 2025-27 biennium. The exemptions relate to the specialty crop block grant program and the regional livestock development and planning program.