

September 2000

AGRICULTURAL RESEARCH FUND - HISTORY AND STATUS

The 1997 Legislative Assembly established the State Board of Agricultural Research (SBAR) to oversee the Agricultural Experiment Station. The 1999 Legislative Assembly amended North Dakota Century Code (NDCC) Sections 4-05.1-16 through 4-05.1-21 to expand the role of the State Board of Agricultural Research to also supervise the NDSU Extension Service and changed the name to the State Board of Agricultural Research and Education (SBARE). The board consists of the following members:

1. The president of North Dakota State University.
2. The vice president of agricultural affairs at North Dakota State University.
3. The administrator of the Agricultural Experiment Station.
4. Five persons appointed by the Ag Coalition.
5. Five persons appointed by the Extension Service's multicounty program units.
6. Two persons appointed by the president of North Dakota State University as representatives of the state's research extension centers.
7. The Agriculture Commissioner who serves in an ex officio nonvoting capacity.
8. The director of the NDSU Extension Service.

The term of office for each member is five years, and no member may be appointed to a second five-year term. Annually one member of the State Board of Agricultural Research and Education is elected to serve as chairman. The times and locations of the meetings are designated by the chairman in consultation with the vice president of agricultural affairs at North Dakota State University.

The 1997 Legislative Assembly also established the agricultural research fund described in NDCC Section 4-05.1-20. The agricultural research fund was created as a special fund within the state treasury to be expended for purposes of agricultural research. Revenue to the fund is generated from withholding four cents per gallon from refunds of motor vehicle fuel taxes used for agricultural purposes. The State Board of Agricultural Research and Education annually apportions the proceeds of the agricultural research fund as follows:

- **70 percent** to research activities affecting North Dakota agricultural commodities that account for at least two percent of the gross sales of all agricultural commodities grown or produced in the state.
- **18 percent** to research activities affecting North Dakota animal agriculture.

- **12 percent** to research new and emerging crops in North Dakota.

Grant allocations were first distributed from the agricultural research fund during fiscal year 1999. The grant allocations made in fiscal years 1999 and 2000 are:

	Fiscal Year 1999	Fiscal Year 2000
Agricultural commodities research (70%)		
Wheat	\$192,374	\$183,712
Sunflowers	36,139	53,005
Soybeans	32,248	46,381
Barley	31,692	32,524
Sugar beets	29,468	40,961
Corn	20,572	25,301
Dry beans	17,236	31,321
Potato	17,236	26,505
Hay	12,788	14,456
Canola	0	21,685
Total agricultural commodities research	\$389,753	\$475,851
Animal agricultural research (18%)	100,222	122,362
New and emerging crops research (12%)	66,815	81,574
Total grant allocations	\$556,790	\$679,787

Each year's grant allocation is based upon total revenue collections during the previous fiscal year less administrative costs. The State Board of Agricultural Research and Education withholds up to \$50,000 each fiscal year for administrative costs. Actual administrative costs were \$28,352 for fiscal year 1999 and \$48,453 for fiscal year 2000. The total funds available were \$606,790 for fiscal year 1999 and \$729,787 for fiscal year 2000, which includes \$15,000 of unspent administrative costs from fiscal year 1999. The remaining unspent administrative cost balance remains in the agricultural research fund for unforeseen circumstances.

The State Board of Agricultural Research and Education solicits proposals for research from the public and private sectors and appoints committees to review the proposals and award the agricultural research grants on a competitive basis. The grant committees are to require matching funds from the grant recipients whenever possible. Grants made to major commodity projects require a minimum match of 25 percent for projects led by individuals in North Dakota and a 100 percent match for projects led by individuals outside North Dakota. Matching funds are not required for animal agriculture or new and emerging crops proposals.

The fiscal year 2001 estimated amount available for grants from the agricultural research fund is \$616,253 (\$666,253 of revenues less \$50,000 of administrative costs). The preliminary grant allocation based on these estimates is:

Agricultural commodities research (70%)	
Wheat	\$152,213
Sunflowers	49,844
Soybeans	43,596
Sugar beets	38,015
Dry beans	30,577
Potato	28,239
Corn	26,292
Canola	24,847
Barley	24,827
Hay	12,927
Total agricultural commodities research	\$431,377
Animal agricultural research (18%)	110,926
New and emerging crops research (12%)	73,950
Total grant allocations	\$616,253