
AGENCY OVERVIEW**Date:** 12/07/2012**602 Department of Agriculture****Time:** 13:58:23

Statutory Authority

North Dakota Century Code Chapters 4-01, 4-05.1, 4-09, 4-12.2, 4-3.1, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-21.1, 4-27, 4-28, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-37, 4-38, 4-39, 4-40, 4-41, 4.1-14, 4.1-47, 6-09.10, 19-13.1, 19-14, 19-18,19-20.1, 19-20.2, 19-20.3, 36-01, 36-04, 36-05, 36-05.1, 36-07, 36-14, 36-14.1, 36-15, 36-21.1, 36-24, 36.25, 61.31 and 63-01.1.

Agency Description

The commissioner is statutorily responsible for enforcing laws and regulations pertaining to pesticides, fertilizers, anhydrous ammonia, livestock sales, dairy production, noxious weed control, plant export certification, and beekeeping. The commissioner is also responsible for the registration of pesticides, fertilizers, animal feeds, and veterinary medicines; the administration of fair and timely mediation services to farmers and ranchers; the collection and elimination of unusable pesticides; the promotion and marketing of North Dakota products; and the administration of a state meat inspection program. The responsibilities have expanded to include a leadership role in the formation of policies affecting the state's agricultural industries; the advocacy of the needs and concerns of farmers and ranchers on state and national levels; and the distribution of information concerning agricultural issues to the Governor, legislature, and the general public. The agriculture commissioner works collaboratively with the Board of Animal Health to protect the health of domestic animals and nontraditional livestock of the state.

Agency Mission Statement

The North Dakota Department of Agriculture fosters the long-term well-being of North Dakota by promoting a healthy economic, environmental and social climate for agriculture and the rural community through leadership, advocacy, education, regulation, and other services. To carry out its mandate, the North Dakota Department of Agriculture is committed to the following responsibilities:

- Serving as an advocate for family farmers and ranchers and for the rural community.
- Providing services that ensure safe, high-quality, and marketable agricultural products.
- Developing and expanding markets for agricultural commodities and value-added products.
- Reducing the risk of financial loss to agricultural producers and to buyers and sellers of agricultural commodities.
- Safeguarding livestock and other domestic animals from communicable diseases.
- Ensuring compliance with laws administered by the Department of Agriculture through understandable regulations, information, education and even-handed enforcement.
- Ensuring human safety and a healthy environment through proper use of pesticides.
- Verifying the contents of fertilizers, soil conditioners, animal feeds, and veterinary medicines.
- Reducing agricultural losses from noxious weeds, predatory animals, insects, and diseases.
- Gathering and disseminating information concerning agriculture to the general public.
- Providing fair and timely dispute resolution services to agricultural producers, creditors, and others.

Agency Performance Measures

The agency performance measures are reflected within the performance measure section for each division.

Major Accomplishments

1. Obtained a university study to help North Dakota farmers, ranchers and farm organizations better understand the economic impact and other possible effects of proposed federal legislation establishing a "cap and trade" system for greenhouse gases.
2. Called and chaired the first meeting of the Advisory Committee on Sustainable Agriculture to provide ideas and advice on developing a sustainable agriculture certification program and on the marketing and packaging of certified products.
3. Helped draft and pass "Meat the Need" at the National Association of State Departments of Agriculture to help U.S. pork and dairy producers.
4. Collected 189,996 pounds of old and unwanted pesticides in 2011 through Project Safe Send. There were 215,594 pounds collected in 2010.
5. Worked collaboratively with local authorities in the long term sheltering of over 500 pets during and following the Souris River flooding of 2011.
6. Developed a grant program for qualifying wineries to promote and develop the state's growing wine industry.

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7. Developed an Age and Source Verification program as directed by legislative intent.
8. Developed a mediation program to address energy development issues.
9. Developed a dispute resolution program to address deer depredation.
10. Led international trade missions to Vietnam, Southeast Asia, and China with North Dakota agriculture businesses meeting with new buyers and increased sales opportunities for the companies.
11. Increased Hunger Free North Dakota Garden Project participation to 68 food pantries and feeding programs across the state with 500,000 pounds of fresh food being donated from home and community gardens.
12. Increased Pride of Dakota members to over 500 and assisted them to enhance strategic planning, online marketing, and other marketing activities.
13. Developed and launched the first Community Orchard Grant program to allow communities and schools the opportunity to access fresh fruits.

Future Critical Issues

Agriculture is the single most important component of North Dakota's economy and society. Future critical issues include development of national and international agricultural policies, especially a new Farm Bill; the ability of producers to contend with increasingly numerous and complex federal regulations; the growing demand for agriculture-based renewable energy, including ethanol, biodiesel, wind and biomass; environmental concerns and policies including the Endangered Species Act, Clean Water Act, livestock waste/nutrient management, worker protection, and on-farm petroleum product storage; developing new and better risk management tools to enable producers to protect their investments; the increasing demand for marketing assistance through the Pride of Dakota program; the increasing public concern about the use of agriculture chemicals needed by farmers to control pests and diseases; the development of livestock and dairy infrastructure to assist rural communities, and increasing public concern over animal welfare standards.

Agriculture remains North Dakota's largest economic driver. As the world's population has now exceeded 7 billion and continues to increase, the demand for North Dakota agriculture products at a domestic and international level will continue to increase. According to the FAO of the UN, 70 percent of the 100 percent increase we need in food production by 2050 will need to come from technology. Future critical issues include the developmental of agricultural policies nationally and internationally that allow for increasing production while best utilizing our resources, addressing transportation issues to bring our ag products to market, increase value added agriculture production and products in North Dakota, increasing our advocacy and education about agriculture to a new and growing North Dakota population as well on national and international level and opening new markets for our North Dakota farmers and ranchers to increase value and demand for their products. The average age of farmers is 58 and the USDA estimates the United States needs 100,000 new farmers. Addressing the issue of new and beginning farmers in North Dakota is critical for a next generation. Growing and expanding our small businesses that are producing North Dakota products through our Pride of Dakota program is critical and we have a need to assist these members in growing their online marketing for domestic and international growth.

REQUEST SUMMARY602 Department of Agriculture
Biennium: 2013-2015

Bill#: HB1009

Date: 12/07/2012

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
By Major Program					
Administrative Services	2,608,904	2,838,721	(34,382)	2,804,339	187,378
Plant Industries	2,747,832	3,643,005	(107,327)	3,535,678	(50,000)
Livestock Development	5,834,124	7,164,621	121,349	7,285,970	147,549
Marketing and Information	2,638,313	3,855,560	141,859	3,997,419	254,596
State Veterinarian	1,640,652	2,218,561	(137,464)	2,081,097	(39,033)
Pesticide and Fertilizer	2,612,921	3,378,138	192,394	3,570,532	0
Total Major Program	18,082,746	23,098,606	176,429	23,275,035	500,490
By Line Item					
Salaries and Wages	7,508,083	9,712,364	382,084	10,094,448	255,524
Operating Expenses	5,090,450	6,451,453	(827,191)	5,624,262	143,999
Capital Assets	0	17,000	(5,000)	12,000	0
Grants	2,532,348	3,206,828	764,000	3,970,828	140,000
Board of Animal Health	1,640,652	2,218,561	(137,464)	2,081,097	(39,033)
Wildlife Services	1,267,399	1,417,400	0	1,417,400	0
Crop Harmonization Board	43,814	75,000	0	75,000	0
Total Line Items	18,082,746	23,098,606	176,429	23,275,035	500,490
By Funding Source					
General Fund	7,488,728	8,261,355	76,443	8,337,798	442,391
Federal Funds	5,834,767	7,479,497	(86,291)	7,393,206	37,956
Special Funds	4,759,251	7,357,754	186,277	7,544,031	20,143
Total Funding Source	18,082,746	23,098,606	176,429	23,275,035	500,490
Total FTE	74.50	77.00	0.00	77.00	0.00

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Salaries and Wages					
Salaries - Permanent	5,314,726	6,641,117	231,137	6,872,254	0
Temporary Salaries	135,433	368,522	42,118	410,640	304,405
Overtime	10,839	37,648	(37,648)	0	0
Fringe Benefits	2,047,085	2,665,077	146,477	2,811,554	68,219
Reduction In Salary Budget	0	0	0	0	(117,100)
Total	7,508,083	9,712,364	382,084	10,094,448	255,524
Salaries and Wages					
General Fund	4,282,496	5,157,988	78,194	5,236,182	197,425
Federal Funds	2,243,383	2,484,112	54,204	2,538,316	37,956
Special Funds	982,204	2,070,264	249,686	2,319,950	20,143
Total	7,508,083	9,712,364	382,084	10,094,448	255,524
Operating Expenses					
Travel	967,178	1,534,090	142,032	1,676,122	3,800
Supplies - IT Software	81,783	125,624	(56,094)	69,530	3,000
Supply/Material-Professional	13,722	16,927	(67)	16,860	3,000
Food and Clothing	8,819	10,160	5,418	15,578	0
Bldg, Ground, Maintenance	3,076	12,085	0	12,085	0
Miscellaneous Supplies	142,051	147,272	20,848	168,120	3,500
Office Supplies	29,272	32,376	982	33,358	1,000
Postage	73,069	89,885	4,588	94,473	500
Printing	91,967	129,203	1,354	130,557	800
IT Equip Under \$5,000	58,102	68,082	14,068	82,150	4,000
Other Equip Under \$5,000	9,284	8,172	(1,086)	7,086	4,000
Office Equip & Furn Supplies	130,405	38,039	(5,184)	32,855	7,000
Insurance	5,462	19,781	(78)	19,703	0
Rentals/Leases-Equip & Other	612	7,541	0	7,541	0
Rentals/Leases - Bldg/Land	230,581	590,528	(4,555)	585,973	0
Repairs	163,496	11,802	250	12,052	0
IT - Data Processing	164,738	258,895	(75,357)	183,538	53,800
IT - Communications	103,535	169,546	(47,510)	122,036	5,200
IT Contractual Srvcs and Rprs	24,502	20,162	79,713	99,875	2,000
Professional Development	140,481	168,392	(1,357)	167,035	(8,001)
Operating Fees and Services	2,590,458	2,941,005	(1,035,199)	1,905,806	10,400
Fees - Professional Services	41,066	51,790	130,083	181,873	50,000
Medical, Dental and Optical	61	0	0	0	0
Other Expenses	16,730	96	(40)	56	0
Total	5,090,450	6,451,453	(827,191)	5,624,262	143,999

REQUEST DETAIL602 Department of Agriculture
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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Operating Expenses					
General Fund	1,380,946	1,326,835	42,389	1,369,224	143,999
Federal Funds	2,186,118	3,002,826	(1,000,000)	2,002,826	0
Special Funds	1,523,386	2,121,792	130,420	2,252,212	0
Total	5,090,450	6,451,453	(827,191)	5,624,262	143,999
Capital Assets					
Equipment Over \$5000	0	17,000	(5,000)	12,000	0
Total	0	17,000	(5,000)	12,000	0
Capital Assets					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	17,000	(5,000)	12,000	0
Total	0	17,000	(5,000)	12,000	0
Grants					
Grants, Benefits & Claims	2,532,348	3,206,828	764,000	3,970,828	140,000
Total	2,532,348	3,206,828	764,000	3,970,828	140,000
Grants					
General Fund	507,378	75,000	0	75,000	140,000
Federal Funds	1,018,612	1,430,554	1,000,000	2,430,554	0
Special Funds	1,006,358	1,701,274	(236,000)	1,465,274	0
Total	2,532,348	3,206,828	764,000	3,970,828	140,000
Board of Animal Health					
Salaries - Permanent	729,292	815,358	27,354	842,712	0
Temporary Salaries	65,592	102,403	(139)	102,264	0
Overtime	1,394	836	(836)	0	0
Fringe Benefits	262,436	308,626	13,830	322,456	0
Travel	87,025	159,942	(62,411)	97,531	2,900
Supplies - IT Software	23,412	10,048	(4,282)	5,766	2,000
Supply/Material-Professional	345	309	0	309	3,000
Bldg, Ground, Maintenance	29	0	0	0	0
Miscellaneous Supplies	21,583	4,100	0	4,100	3,500
Office Supplies	2,595	6,791	0	6,791	1,000
Postage	9,470	11,282	(2,000)	9,282	1,000

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Printing	8,675	11,629	0	11,629	3,000
IT Equip Under \$5,000	440	27,371	(12,371)	15,000	1,000
Other Equip Under \$5,000	6,792	0	0	0	0
Office Equip & Furn Supplies	1,818	0	0	0	0
Insurance	835	2,890	0	2,890	0
Rentals/Leases - Bldg/Land	9,260	10,463	0	10,463	1,000
Repairs	1,282	202	0	202	0
IT - Data Processing	83,426	48,668	27,232	75,900	2,000
IT - Communications	16,468	26,772	(11,892)	14,880	2,000
IT Contractual Srvcs and Rprs	2,487	340	4,660	5,000	1,600
Professional Development	26,545	51,738	(2,000)	49,738	5,000
Operating Fees and Services	91,399	147,946	(10,000)	137,946	1,000
Fees - Professional Services	183,392	470,847	(104,609)	366,238	(69,033)
Medical, Dental and Optical	4,660	0	0	0	0
Total	1,640,652	2,218,561	(137,464)	2,081,097	(39,033)

Board of Animal Health

General Fund	1,019,309	1,402,932	(44,140)	1,358,792	(39,033)
Federal Funds	386,654	562,005	(140,495)	421,510	0
Special Funds	234,689	253,624	47,171	300,795	0
Total	1,640,652	2,218,561	(137,464)	2,081,097	(39,033)

Wildlife Services

Operating Fees and Services	1,266,886	1,415,840	0	1,415,840	0
Fees - Professional Services	513	1,560	0	1,560	0
Total	1,267,399	1,417,400	0	1,417,400	0

Wildlife Services

General Fund	298,599	298,600	0	298,600	0
Federal Funds	0	0	0	0	0
Special Funds	968,800	1,118,800	0	1,118,800	0
Total	1,267,399	1,417,400	0	1,417,400	0

Crop Harmonization Board

Salaries - Permanent	2,549	0	0	0	0
Fringe Benefits	886	0	0	0	0
Travel	4,592	18,628	0	18,628	0
Office Supplies	130	521	0	521	0
Postage	101	262	0	262	0

REQUEST DETAIL

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Repairs	3	0	0	0	0
IT - Communications	14	0	0	0	0
Operating Fees and Services	35,387	55,363	0	55,363	0
Fees - Professional Services	152	226	0	226	0
Total	43,814	75,000	0	75,000	0

Crop Harmonization Board

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	43,814	75,000	0	75,000	0
Total	43,814	75,000	0	75,000	0

Funding Sources

General Fund	7,488,728	8,261,355	76,443	8,337,798	442,391
Federal Funds	5,834,767	7,479,497	(86,291)	7,393,206	37,956
Special Funds	4,759,251	7,357,754	186,277	7,544,031	20,143
Total Funding Sources	18,082,746	23,098,606	176,429	23,275,035	500,490

CHANGE PACKAGE SUMMARY602 Department of Agriculture
Biennium: 2013-2015

Bill#: HB1009

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 1 Remove Johnes Disease Carryover		0.00	(64,609)	0	0	(64,609)
Total One Time Budget Changes		0.00	(64,609)	0	0	(64,609)
Ongoing Budget Changes						
A-A 1 Operating Line Adjustment		0.00	42,389	(113,064)	121,927	51,252
A-A 3 Capital Assets - Noxious Weeds		0.00	0	0	12,000	12,000
A-A 4 Grant Line Adjustment - Livestock		0.00	0	0	(36,000)	(36,000)
A-A 5 Oper/Grant Line Adjust - Livestock (DC/LP3)		0.00	0	0	(191,507)	(191,507)
A-F 2 Capital Assets		0.00	0	0	(17,000)	(17,000)
Base Payroll Change		0.00	98,663	26,773	296,857	422,293
Total Ongoing Budget Changes		0.00	141,052	(86,291)	186,277	241,038
Total Base Budget Changes		0.00	76,443	(86,291)	186,277	176,429
Optional Budget Changes						
Ongoing Optional Changes						
A-C 7 Emergency Program Specialist	4	0.00	137,244	0	0	137,244
A-C 8 Animal Disease Investigating and Surveillance	5	0.00	30,000	0	0	30,000
A-C 9 Marketing Specialist	6	0.00	64,596	0	0	64,596
A-C 10 Livestock Development Admin Support	7	0.00	112,975	0	0	112,975
A-C 11 ND Verified Livestock	8	0.00	24,574	0	0	24,574
A-C 12 Energy Development Mediation Services	9	0.00	50,000	0	0	50,000
A-C 13 Wine and Grape Development	10	0.00	110,000	0	0	110,000
A-C 14 Centennial Farms	11	0.00	80,000	0	0	80,000
A-C 15 Livestock Auction Market News Reporting	12	0.00	10,000	0	0	10,000
A-C 16 ITD Desktop Support	13	0.00	48,000	0	0	48,000
A-C 100 Salary Compression Relief - AC100	14	0.00	25,136	37,956	20,143	83,235
Total Ongoing Optional Changes		0.00	692,525	37,956	20,143	750,624

CHANGE PACKAGE SUMMARY602 Department of Agriculture
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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Total Optional Budget Changes		0.00	692,525	37,956	20,143	750,624
<u>Optional Savings Changes</u>						
A-G 18 ND Mediation Service	1	0.00	(131,101)	0	0	(131,101)
A-G 19 Apiary Research	2	0.00	(50,000)	0	0	(50,000)
A-G 20 Johne's Disease Control	3	0.00	(69,033)	0	0	(69,033)
Total Optional Savings Changes		0.00	(250,134)	0	0	(250,134)

BUDGET CHANGES NARRATIVE

602 Department of Agriculture

Bill#: HB1009

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Change Group: A	Change Type: A	Change No: 1	Priority:
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Operating Line Adjustment

This request has been adjusted to better reflect projected spending in the 2013-2015 biennium.

Change Group: A	Change Type: A	Change No: 3	Priority:
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Capital Assets - Noxious Weeds

This provides funds to purchase a UTV (utility terrain vehicle) to assist in controlling noxious weeds.

Change Group: A	Change Type: A	Change No: 4	Priority:
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Grant Line Adjustment - Livestock

This adjustment removes spending authority used to distribute funds received from a livestock dealer under a stipulation agreement.

Change Group: A	Change Type: A	Change No: 5	Priority:
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Oper/Grant Line Adjust - Livestock (DC/LP3)

The Department is assuming the livestock development duties of the Dairy Coalition. Grant line authority has been transferred to the salary and operating lines. Also, based on advice from the State Procurement Office and the Auditor's Office, the Department is transferring authority from the operating line to the grant line to better reflect the nature of the LP3 expenditures.

Change Group: A	Change Type: C	Change No: 7	Priority: 4
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Emergency Program Specialist

This provides state funds for salary and operating to implement a program to better prepare the Department to respond to emergencies. This position will also oversee the development of the COG and COOP plans. The agriculture commissioner has broad regulatory authority and oversight over many programs intended to protect human and livestock health, and the environment. There is an increasing workload for the Department to directly participate in emergency programs across the state. The Department is not requesting a new FTE for this position. We are shifting an FTE from the North Dakota Mediation Service (NDMS). NDMS is transitioning mediation and negotiation case work to part-time employees and contractors.

Change Group: A	Change Type: C	Change No: 8	Priority: 5
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Animal Disease Investigating and Surveillance

This provides state funds to increase the Animal Health Division's capability to detect and monitor animal disease occurrences and prevent disease introductions. An important component of this increased effort is diagnostic work in animals or animal populations, or for verification that such populations are free of specific diseases for public health, live animal movement purposes, and our ability to export products both interstate and internationally.

Change Group: A	Change Type: C	Change No: 9	Priority: 6
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BUDGET CHANGES NARRATIVE

602 Department of Agriculture

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Marketing Specialist

This provides state funds to replace 50% of federal funds for one marketing specialist salary in order to provide support for the increasing needs of Pride of Dakota, organic agriculture, and Ag in the Classroom.

Change Group: A	Change Type: C	Change No: 10	Priority: 7
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Livestock Development Admin Support

This provides state funds for salary and operating to provide administrative support for the Department's increasing focus on livestock development. The Department of Agriculture will assume the workload formerly granted to the Dairy Coalition. The Department is not requesting a new FTE for this position. We are shifting an FTE from the Meat Inspection program. We anticipate the current level of meat inspectors will address the inspection workload for the next biennium.

Change Group: A	Change Type: C	Change No: 11	Priority: 8
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ND Verified Livestock

This provides state funds to replace 20% of the federal funds for the livestock pollution prevention coordinator salary to administer North Dakota Verified Livestock. This program is a voluntary marketing program created to add value to North Dakota livestock through age and source verification. Age and source verification plays a vital role in accessing export opportunities for foreign markets.

Change Group: A	Change Type: C	Change No: 12	Priority: 9
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Energy Development Mediation Services

This provides state funds for mediation services to address energy development issues, including surface damages, property access, mineral rights, and royalties. These mediation services are considered non-allowable under the ND Mediation Services' grant with the federal government. It is estimated that the ND Mediation Service will mediate 50 energy development cases.

Change Group: A	Change Type: C	Change No: 13	Priority: 10
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Wine and Grape Development

This provides state funds to provide grants to further the development of North Dakota's burgeoning wine and grape industry.

Change Group: A	Change Type: C	Change No: 14	Priority: 11
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Centennial Farms

This provides state funds to provide a grant to fund the Centennial Farm Program administered by the Lewis & Clark Fort Mandan Foundation. This program celebrates our state's agriculture heritage by recognizing families that have lived on and/or owned their farms or ranches for more than a century.

Change Group: A	Change Type: C	Change No: 15	Priority: 12
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Livestock Auction Market News Reporting

BUDGET CHANGES NARRATIVE

602 Department of Agriculture

Bill#: HB1009

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This provides state funds to replacing decreasing federal support for compiling and disseminating valuable information to aid livestock producers, consumers, and distributors in the sale and purchase of livestock.

Change Group: A	Change Type: C	Change No: 16	Priority: 13
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ITD Desktop Support

This provides state funds to meet the needs of the Department's growing desktop support needs.

Change Group: A	Change Type: C	Change No: 100	Priority: 14
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Salary Compression Relief - AC100

This provides state funds and other funds to provide salary compression relief created by the impact of the Hay Study.

Change Group: A	Change Type: E	Change No: 1	Priority:
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Remove Johne's Disease Carryover

This requests removes the Johne's Disease carryover of \$64,609 in the Animal Health Division.

Change Group: A	Change Type: F	Change No: 2	Priority: 1
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Capital Assets

This removes the 2011-2013 capital assets request for the plotter used to produce noxious weed maps.

Change Group: A	Change Type: G	Change No: 18	Priority: 1
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ND Mediation Service

This change removes all general funds from Ag Mediation as part of the optional savings package. AMS provides dispute resolution services for farmers and ranchers. The program assists more than 200 producers each year. The achievement measure of mediation is the rate of agreements which avoid formal administrative appeals, foreclosures and bankruptcies. This program is funded 70% federal funds and 30% state funds. Loss of the general funds places the program's future in jeopardy.

Change Group: A	Change Type: G	Change No: 19	Priority: 2
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Apiary Research

This change decreases general funds for apiary research. Reduction of funds will impact research on the biology and control of honey bee diseases, parasites, and pests - including colony collapse disorder.

Change Group: A	Change Type: G	Change No: 20	Priority: 3
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Johne's Disease Control

BUDGET CHANGES NARRATIVE

602 Department of Agriculture

Bill#: HB1009

Date: 12/07/2012

Time: 13:58:23

This change decreases general funds for Johne's disease control. Johne's disease is primarily a health problem for ruminant species and occurs most frequently in domestic agriculture herds. Testing of animal herds and infection control practices are important management tools to decreasing the impact of this disease on the livestock population in North Dakota. Decrease in funding will impact the testing of livestock herds.

Change Group: R	Change Type: A	Change No: 1	Priority:
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Emergency Program Specialist

Provides compensation and operating funds to hire an Emergency Program Specialist with an existing vacant FTE. The position will allow for proactive disaster response planning, more effective mobilization of agency resources, and enhanced coordination with federal, state and local emergency organizations. This position will also oversee the development of the COG and COOP plans. The agriculture commissioner has broad regulatory authority and oversight over many programs intended to protect human and livestock health, as well as the environment. There is an increasing workload for the department to directly participate in emergency programs and incidents across the state.

An existing vacant FTE, created because the North Dakota Mediation Service is transitioning mediation and negotiation case work to part-time employees and contractors, will be utilized for the position.

Change Group: R	Change Type: A	Change No: 2	Priority:
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Animal Disease Investigating and Surveillance

\$30,000 for operating costs to enhance the State Veterinarian's ability to proactively detect and monitor animal disease occurrences and to prevent disease introductions. Enhanced diagnostic work will provide verification that animals and animal populations are free of specific diseases for public health, live animal movement purposes, and the ability to export products both interstate and internationally.

Change Group: R	Change Type: A	Change No: 3	Priority:
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Marketing Specialist Funding

Provides state general fund dollars for 50% of an existing marketing specialist to support the increasing time demands of state-sponsored programs, such as Pride of Dakota and Ag in the Classroom. Previously, the employee was funded through a federal Specialty Crops grant (Local Foods) that cannot be used for the costs of state programs.

Change Group: R	Change Type: A	Change No: 4	Priority:
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Livestock Development Administrative Support

Provides Environmental and Rangeland Protection fund spending authority for a new Livestock Development Administrative Assistant, utilizing a vacant, unfunded FTE. Duties will cover the increasing focus on livestock development and work previously done by the Dairy Coalition, now being integrated into the Agriculture Department.

The department will use a vacant FTE currently allocated to the Meat Inspection program for this position.

Change Group: R	Change Type: A	Change No: 5	Priority:
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Energy Development Mediation Services

BUDGET CHANGES NARRATIVE

602 Department of Agriculture

Bill#: HB1009

Date: 12/07/2012

Time: 13:58:23

This provides state funds for mediation services to address energy development issues, including surface damages, property access, mineral rights, and royalties, as required in 2011 House Bill 1462. These mediation services are considered non-allowable under the ND Mediation Services' grant with the federal government. The agency estimates a caseload of 50 energy development cases per biennium at a cost of \$1,000 per case.

Change Group: R	Change Type: A	Change No: 6	Priority:
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Centennial Farms Grant

Provides an \$80,000 grant each biennium to the Centennial Farm Program administered by the Lewis and Clark Fort Mandan Foundation. Funds will support operating costs of the program, which recognizes and honors families who have lived on and/or owned farms and ranches for more than a century.

Change Group: R	Change Type: A	Change No: 7	Priority:
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Desktop Support Services

Provides \$48,000 for the agency to continue contracting with ITD to provide desktop support services. The t biennial cost is \$96,000; however, the agency has covered 50 percent of the cost through internal budgetary re-allocations.

Change Group: R	Change Type: A	Change No: 8	Priority:
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Replace Game & Fish Funds

Provides \$100,000 for the Wildlife Services program and \$46,632 for the State Board of Animal Health, in lieu of increasing funding from the Game & Fish special fund.

Change Group: R	Change Type: A	Change No: 9	Priority:
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North Dakota Verified Livestock

Provides state funds for 20% of an existing FTE for the Livestock Pollution Prevention Coordinator's work on the ND Verified Livestock program, which is cannot be charged to the federal ND Livestock Pollution Prevention Program grant. This program is a voluntary marketing program created to add value to North Dakota livestock through age and source verification. Age and source verification plays a vital role in accessing export opportunities for foreign markets.

Change Group: R	Change Type: A	Change No: 100	Priority:
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Executive Compensation Package Adjustment

This budget change provides funding for recommended 2013-15 compensation adjustments. Compensation adjustments for each agency were calculated following the recommendations of the Hay Group developed through the 2011 study of the state's classified employee compensation system. Pursuant to those recommendations, compensation adjustments were calculated to provide funding to allow for both performance-based salary adjustments and market-based salary adjustments. This funding allows for increases of 2% to 4% for employees in the first quartile of the pay range and 1% to 2% for those in the second quartile of the range. For employees in the third and fourth quartiles, which are above the market policy position, no market policy increase is funded. Performance-based increases are assumed to be 3% for employees meeting performance standards and up to 5% for employees exceeding performance standards. No performance-based increases are provided for employees that fail to meet performance standards.