DEPARTMENT OF AGRICULTURE AND FOOD

NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
STAFF: IVAN DJAMBOV

BUDGET BRIEF

SUMMARY

The Department of Agriculture and Food (DAF) is responsible for the administration of Utah's agricultural laws, which mandate a wide variety of activities including inspection, regulation, information, rulemaking, loan issuance, marketing and development, pest and disease control, improving the economic position of agriculture, and consumer protection. Though not a part of DAF, the Utah State Fair Corporation has been included as a line item in DAF's budget since FY 2003.

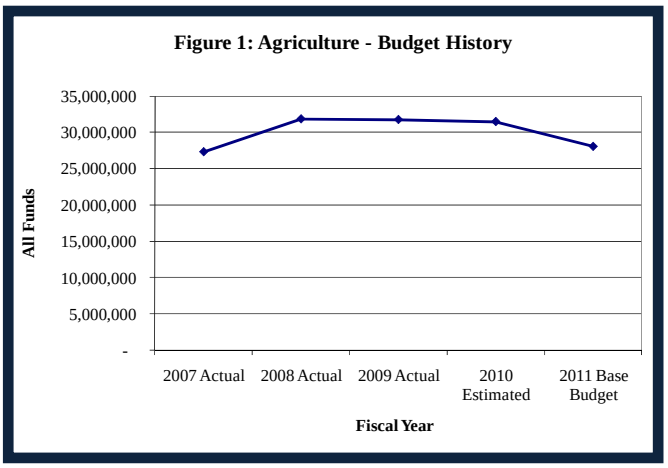
ISSUES AND RECOMMENDATIONS

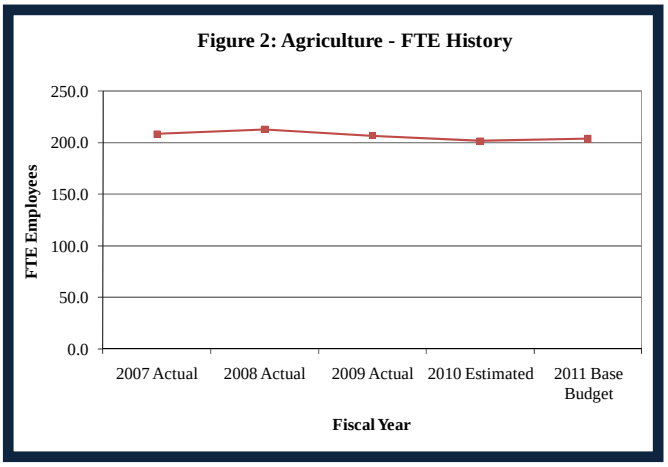
Rangeland Improvement Fund

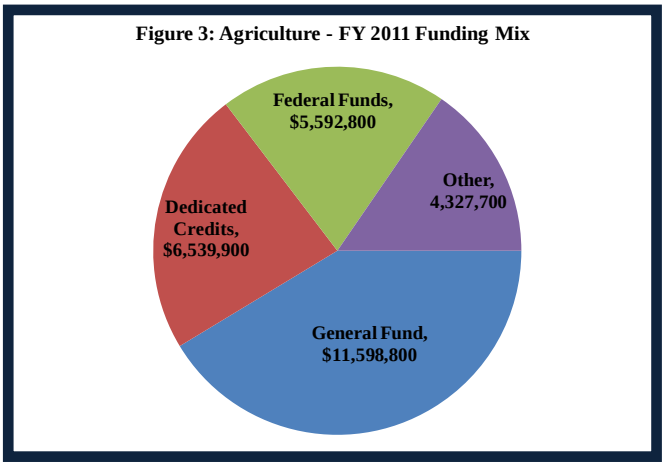
During the 2009 General Session the Legislature changed the nature of the Rangeland Improvement Fund, from a Special Revenue Fund (which did not require legislative appropriation) to a General Fund Restricted account. As a result of that change, the Department now has to have the money appropriated from the new account, before they can spend it. The Analyst recommends that the Legislature provide a supplemental appropriation of $2.7 million from the Rangeland Improvement Fund to the Department, in order to make the funding available for staff to complete the projects started before the change in statute.

Invasive Species Mitigation Fund

During the 2009 General Session the Legislature changed the nature of the Invasive Species Mitigation Fund, from a Special Revenue Fund (which did not require legislative appropriation) to a General Fund Restricted account. As a result of that change, the Department now has to have the money appropriated from the new account, before they can spend it. The Analyst recommends that the Legislature provide a supplemental appropriation of $600,000 from the Invasive Species Mitigation Fund to the Department, in order to make the funding available for staff to complete the projects started before the change in statute.







BUDGET DETAIL

Intent Language

General Administration

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for General Administration in Item 194, Chapter 396, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds are limited to: Capital Equipment or Improvements $308,000; Computer Equipment/Software $93,000; Employee Training/Incentives $97,000; Equipment/Supplies $105,500; Vehicles $50,000; Special Projects/Studies $943,000.

Predator Control

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Predator Control in Item 197, Chapter 396, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds are limited to: Equipment/Supplies $25,000; Special Projects/Studies $125,000.

Resource Conservation

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Resource Conservation in Item 198, Chapter 396, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds is limited to: Capital Equipment or Improvements $25,000; Computer Equipment/Software $20,000; Employee Training/Incentives $15,000; Equipment/Supplies $15,000; Vehicles $20,000; Conservation District Elections $3,700; Special Projects/Studies $10,000.

Utah State Fair Corporation

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Utah State Fair Corporation in Item 196, Chapter 396, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds are limited to: Current Expense $20,900; Computer Equipment/Software $10,000; Building & Grounds Maintenance $36,000; Other Contractual & Professional Services $20,000; Weather Provision $15,000; Special Projects/Studies $30,000; Equipment / Supplies $20,000.

Rangeland Improvement

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Rangeland Improvement in Item 24, Chapter 7, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds are limited to rangeland improvement projects $1,346,000.

Invasive Species

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Invasive Species in Item 23, Chapter 7, Laws of Utah 2009, shall not lapse at the close of FY 2010. Expenditures of these funds are limited to invasive species projects $500,000.

Base Budget Bill and Budget Reductions

As a result of the projected 2% revenue shortfall in FY 2011, the Executive Appropriations Committee (EAC) adopted for FY 2011 General and Education Fund revenue estimates that are 2% less than the original FY 2010 ongoing appropriations. This will be reflected in the FY 2011 base budget bills (S.B. 1 and H.B. 1), which reduce appropriations for all programs proportionately by 2%. If enacted, these base budget bills will ensure a passage of a balanced budget for FY 2011 in the beginning of the 2010 Legislative Session. The Budget Detail Table at the end of this Brief presents the FY 2011 base budget for this agency, as included in the base budget bill (see the column on the far right).

However, the FY 2011 base budget will be further adjusted during the course of the General Session through supplemental appropriation bills, giving a chance for some of the initial, across-the-board reductions to be restored and others to be increased, all within the available forecasted revenues. To prepare for these adjustments, EAC allocated 95% of original FY 2010 ongoing appropriations to each subcommittee and directed the subcommittees to compile a list of options equal to a 5% ongoing cut. Items from these lists will then be used by EAC, and the whole Legislature, to finalize the reductions and make sure that the state has a balanced budget for FY 2011.

BUDGET DETAIL TABLE

Agriculture						
Sources of Finance	**FY 2009 Actual**	**FY 2010 Appropriated**	**Changes**	**FY 2010 Revised**	**Changes**	**FY 2011* Base Budget**
General Fund	13,042,100	11,835,400	0	11,835,400	(236,600)	11,598,800
General Fund, One-time	682,900	161,500	0	161,500	(161,500)	0
Federal Funds	7,332,400	5,103,000	834,600	5,937,600	(344,800)	5,592,800
Dedicated Credits Revenue	5,887,200	6,687,200	0	6,687,200	(147,300)	6,539,900
GFR - Horse Racing	50,000	50,000	0	50,000	(20,000)	30,000
GFR - Invasive Species Mitigati	0	500,000	0	500,000	(500,000)	0
GFR - Livestock Brand	935,700	929,200	0	929,200	0	929,200
GFR - Rangeland Improvement	0	1,346,300	0	1,346,300	(104,600)	1,241,700
GFR - Wildlife Damage Prev	608,800	603,100	0	603,100	0	603,100
Agri Resource Development	812,000	812,000	0	812,000	0	812,000
Utah Rural Rehab Loan	62,800	63,000	0	63,000	0	63,000
Transfers	1,593,300	678,600	(128,700)	549,900	0	549,900
Pass-through	216,000	0	118,600	118,600	(2,600)	116,000
Beginning Nonlapsing	3,103,800	132,000	1,827,300	1,959,300	(1,807,400)	151,900
Closing Nonlapsing	(1,959,300)	(11,300)	(87,700)	(99,000)	(70,100)	(169,100)
Lapsing Balance	(632,900)	0	0	0	0	0
Total	$31,734,800	$28,890,000	$2,564,100	$31,454,100	($3,394,900)	$28,059,200
Line Items						
Administration	23,967,000	19,169,800	2,513,700	21,683,500	(2,223,800)	19,459,700
Building Operations	305,000	305,000	0	305,000	(6,100)	298,900
Utah State Fair Corporation	4,113,700	4,303,900	(133,800)	4,170,100	(221,000)	3,949,100
Predatory Animal Control	1,471,500	1,333,100	139,900	1,473,000	(167,100)	1,305,900
Invasive Species Mitigation	0	500,000	0	500,000	(500,000)	0
Rangeland Improvement	0	1,346,300	0	1,346,300	(104,600)	1,241,700
Resource Conservation	1,564,200	1,618,000	44,300	1,662,300	(172,300)	1,490,000
Loans	313,400	313,900	0	313,900	0	313,900
Total	$31,734,800	$28,890,000	$2,564,100	$31,454,100	($3,394,900)	$28,059,200
Categories of Expenditure						
Personnel Services	14,248,100	13,674,700	193,100	13,867,800	(329,000)	13,538,800
In-state Travel	301,200	387,400	(114,800)	272,600	(100)	272,500
Out-of-state Travel	122,100	112,200	(35,100)	77,100	44,900	122,000
Current Expense	3,038,100	2,120,800	598,100	2,718,900	(178,500)	2,540,400
DP Current Expense	893,300	754,300	(4,300)	750,000	(96,700)	653,300
DP Capital Outlay	5,700	0	0	0	0	0
Capital Outlay	101,900	60,000	368,700	428,700	3,566,100	3,994,800
Other Charges/Pass Thru	13,024,400	11,780,600	1,558,400	13,339,000	(6,401,600)	6,937,400
Total	$31,734,800	$28,890,000	$2,564,100	$31,454,100	($3,394,900)	$28,059,200
Other Data						
Budgeted FTE	206.8	205.1	(3.5)	201.6	2.4	204.0
Vehicles	120.0	114.0	0.0	114.0	0.0	114.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.