DEPARTMENT OF AGRICULTURE AND FOOD

NATURAL RESOURCES, AGRICULTURE, & ENVIRONMENTAL QUALITY APPROPRIATIONS SUBCOMMITTEE
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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

Loan Administration

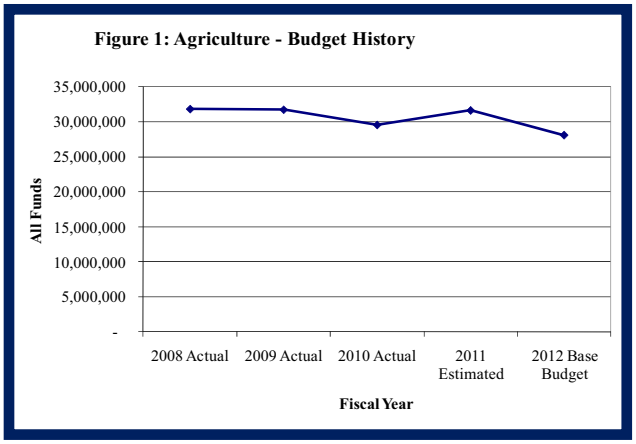
The Department of Agriculture and Food manages two major revolving loan funds: the Agriculture Resource Development Loan Fund (ARDL) and the Rural Rehabilitation Loan Funds (State, Federal, and Dairy). These loan funds assist the people in the agriculture community when loan opportunities are not available through commercial lenders. The workload for the loan program has increased with the increase of loan funds in FY 2009 ($1 million in the ARDL and $8.5 million in Rural Rehab). In order to keep up with the increased workload and hire one loan officer and one secretary, the Department has requested the following appropriations from the Rural Rehab restricted account:

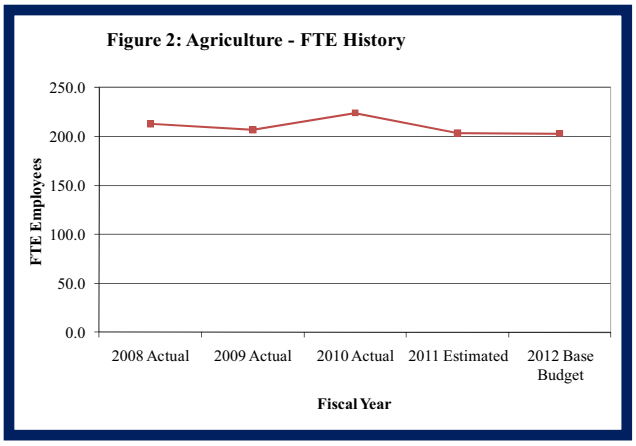
- $77,300 supplemental for FY 2011, and
- $77,300 ongoing appropriation for FY 2012.

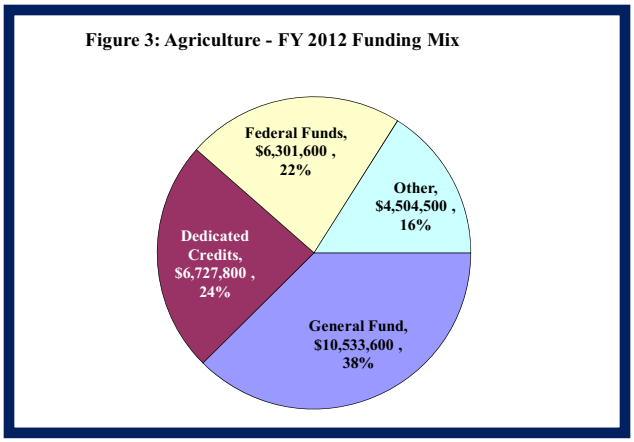
The Analyst recommends the Legislature consider funding these requests.

Predator Control Restricted Fund Reduction

The funding for the Wildlife Damage Prevention restricted account comes from fees assessed on sheep, goats, cattle, and turkeys (UCA 4.23-7.5), as well as from the Division of Wildlife Resources (UCA 4-23-9). The money is used to control predators which affect sheep, goat, cattle, and turkey owners, along with wildlife managed by the DWR. For the past several years the Legislature has appropriated substantially more funding from this account than the available funding in the account. To avoid the over-appropriation from this funding source, the Analyst recommends the Legislature reduce the FY







2012 ongoing appropriation from the Wildlife Damage Prevention restricted account to the Predatory Animal Control Line Item by $247,100. The new appropriation amount will be $325,000, which more accurately represents the anticipated revenue in the account.

Intent Language

General Administration: $1,718,500

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for General Administration in Item 188, Chapter 2, Laws of Utah 2010, shall not lapse at the close of FY 2011. Expenditures of these funds are limited to: Capital Equipment or Improvements $118,000; Computer Equipment/Software $93,000; Employee Training/Incentives $179,000; Equipment/Supplies $95,500; Vehicles $20,000; Special Projects/Studies $1,213,000.

Predator Control: $200,000

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Predator Control in Item 191, Chapter 2, Laws of Utah 2010, shall not lapse at the close of FY 2011. Expenditures of these funds are limited to: Equipment/Supplies $50,000; Special Projects/Studies $150,000.

Resource Conservation: $135,000

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Resource Conservation in Item 192, Chapter 2, Laws of Utah 2010, shall not lapse at the close of FY 2011. Expenditures of these funds are limited to: Capital Equipment or Improvements $30,000; Computer Equipment/Software $25,000; Employee Training/Incentives $20,000; Equipment/Supplies $20,000; Vehicles $25,000; Special Projects/Studies $15,000.

Utah State Fair Corporation: $24,500

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Utah State Fair Corporation in Item 190, Chapter 2, Laws of Utah 2011, shall not lapse at the close of FY 2011. Expenditures of these funds are limited to: Building & Grounds Maintenance $10,000, and Other Contractual & Professional Services $14,500.

Rangeland Improvement: $1,346,000

Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Rangeland Improvement in Item 194, Chapter 2, Laws of Utah 2010, shall not lapse at the close of FY 2011. Expenditures of these funds are limited to rangeland improvement projects $1,346,000.

BUDGET DETAIL TABLE

Agriculture						
Sources of Finance	**FY 2010 Actual**	**FY 2011 Appropriated**	**Changes**	**FY 2011 Revised**	**Changes**	**FY 2012 Base Budget**
General Fund	11,835,400	11,427,800	0	11,427,800	(894,200)	10,533,600
General Fund, One-time	(310,500)	15,000	0	15,000	(15,000)	0
Federal Funds	5,757,600	5,604,600	(8,700)	5,595,900	705,700	6,301,600
Dedicated Credits Revenue	6,863,500	6,704,500	0	6,704,500	23,300	6,727,800
GFR - Horse Racing	50,000	30,000	0	30,000	(10,000)	20,000
GFR - Invasive Species Mitigation	1,100,000	0	0	0	0	0
GFR - Livestock Brand	925,100	932,500	0	932,500	0	932,500
GFR - Rangeland Improvement	4,046,300	1,241,700	0	1,241,700	0	1,241,700
GFR - Wildlife Damage Prev	600,900	641,600	0	641,600	(15,000)	626,600
Agri Resource Development	812,000	812,100	0	812,100	0	812,100
Utah Rural Rehab Loan	63,000	63,000	0	63,000	0	63,000
Transfers	1,599,800	551,700	59,100	610,800	(57,000)	553,800
Pass-through	191,500	116,000	(59,100)	56,900	57,000	113,900
Beginning Nonlapsing	1,959,300	151,200	3,516,500	3,667,700	(3,502,300)	165,400
Closing Nonlapsing	(3,667,700)	(169,100)	3,700	(165,400)	140,900	(24,500)
Lapsing Balance	(2,292,600)	0	0	0	0	0
Total	**$29,533,600**	**$28,122,600**	**$3,511,500**	**$31,634,100**	**($3,566,600)**	**$28,067,500**
Line Items						
Administration	19,903,300	19,422,700	1,588,500	21,011,200	(1,758,100)	19,253,100
Building Operations	305,000	305,000	0	305,000	0	305,000
Utah State Fair Corporation	3,953,800	3,962,600	0	3,962,600	110,800	4,073,400
Predatory Animal Control	1,359,000	1,362,400	150,000	1,512,400	(150,000)	1,362,400
Invasive Species Mitigation	716,500	0	379,600	379,600	(379,600)	0
Rangeland Improvement	1,366,400	1,241,700	1,346,000	2,587,700	(1,346,000)	1,241,700
Resource Conservation	1,615,800	1,514,200	47,400	1,561,600	(43,700)	1,517,900
Loans	313,800	314,000	0	314,000	0	314,000
Total	**$29,533,600**	**$28,122,600**	**$3,511,500**	**$31,634,100**	**($3,566,600)**	**$28,067,500**
Categories of Expenditure						
Personnel Services	13,409,900	14,032,400	(400,200)	13,632,200	(682,500)	12,949,700
In-state Travel	283,100	272,500	28,900	301,400	0	301,400
Out-of-state Travel	90,900	122,000	(800)	121,200	0	121,200
Current Expense	2,659,800	2,081,700	2,306,500	4,388,200	(1,863,500)	2,524,700
DP Current Expense	597,200	653,300	(54,200)	599,100	20,000	619,100
DP Capital Outlay	8,400	0	0	0	0	0
Capital Outlay	200,700	4,008,300	(3,966,800)	41,500	0	41,500
Other Charges/Pass Thru	12,283,600	6,952,400	5,598,100	12,550,500	(1,040,600)	11,509,900
Total	**$29,533,600**	**$28,122,600**	**$3,511,500**	**$31,634,100**	**($3,566,600)**	**$28,067,500**
Other Data						
Budgeted FTE	224.0	199.0	4.5	203.5	(11.4)	192.1
Actual FTE	199.1	0.0	0.0	0.0	0.0	0.0
Vehicles	119	114	0	114	0	114