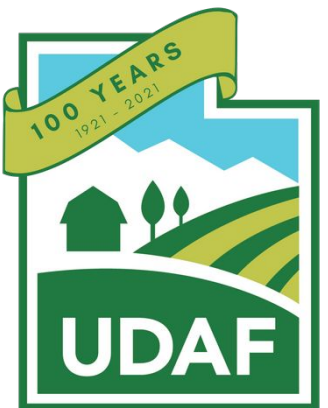




Accountable Budget Review

Utah Department of Agriculture and Food

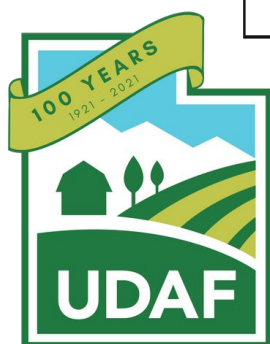
August 16, 2022



Accountable Budget Review

We at UDAF support the Accountable Budget Review and the recommendations from the Office of the Legislative Fiscal Analyst. We appreciate the positive discussions that have taken place.

We would like to share some feedback on a few of the recommendations for the Committee's consideration.



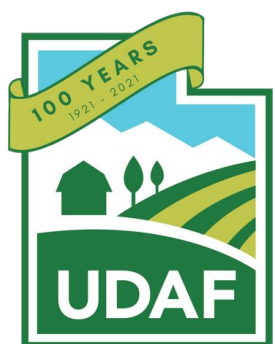
Issue: Title 4 is Confusing and Outdated

Title 4 is one of the oldest parts of Utah Code. UDAF Code is challenging to associate with division responsibilities. There are also many boards and committees without a clear assignment within the Department.

Recommendation

The Legislature should consider a recodification effort for Title 4.

- **Conditionally Support.** The current statutory structure gives the Department flexibility to arrange divisions as needed to meet the needs of agricultural industries. The Department also desires flexibility to distribute appropriations according to need. If recodification is desired, we recommend working with LRGC to help determine the best way to re-codify and still maintain the flexibility that is needed.





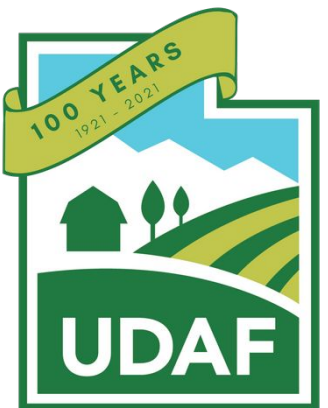
Issue: ARDL Balance is Declining

The ARDL fund balance is declining due to non-statutorily authorized uses, and high loan awards relative to the fund balance (in aggregate).

Recommendation

The Conservation Division should create rules for loan fund balance minimums, ability to charge service fees, recalculating interest rates, and for the grant awards authorized in 4-18-108.

- **Partially Support.** The Division is open to reinstating a service fee for the ARDL program and limiting the funds that can be loaned out. We can update policies to allow for these changes. The main reason for the declining ARDL balance is the use of the funds to pay for non-ARDL staff. The Department would like to find other funding sources to cover these costs.



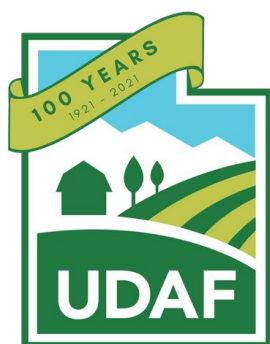
Issue: Pesticide Fees Exceed Program Costs

The Plant Industry Division collects a large number of pesticide revenues each year, in FY 2022 roughly \$1.6 million more than the cost of the program. Because the fees and program are related in subject, registration fees (or a portion) could support the ISM program.

Recommendation

The Legislature should consider depositing a portion of the registration fees for Pesticides into the Invasive Species Mitigation Account.

- **Conditionally Support.** We are open to this idea but note that Pesticide fees currently support the GLP program and the Plant Pest Emergency Fund. The revenue also gives the division the flexibility to fill vacancies as needed. We would like more information on how this change may be structured.



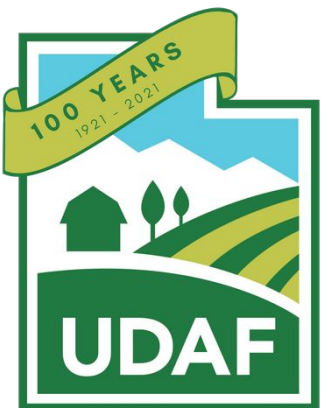
Issue: ARDL Fund Use

The ARDL fund balance is declining due to non-statutory uses and high loan awards. The Resource Conservation line item currently is appropriated \$938,700 for staff. UDAF personnel are not a currently authorized use of the fund, but the fund currently supports approximately \$1.2 million in appropriations for staff. The Department has requested additional General Fund for the ARDL program. ARDL funds lapsed in FY 2021.

Recommendation

The Legislature should consider reversing funding from ARDL in the Resource Conservation line item in the base budget to alleviate strain on the fund balance and align the uses of the fund with UAC 4-18-1.

- **Conditionally Support.** Other funding will need to be found to replace ongoing staff costs.



Questions? Thank you

Utah Department of Agriculture and Food

