

# Department of Agriculture

Analyst: Houston

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2015 Total App</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Approp</b>	<b>FY 2017 Request</b>	<b>FY 2017 Gov Rec</b>
<b>BY PROGRAM</b>					
Administration	2,497,900	2,477,800	2,631,400	2,651,000	2,697,300
Animal Industries	5,192,700	3,970,900	5,538,100	5,880,000	5,981,700
Agricultural Resources	3,534,300	2,878,300	3,669,600	3,635,000	3,696,800
Plant Industries	11,285,000	7,704,000	10,955,600	10,408,900	10,512,300
Agricultural Inspections	10,269,200	9,953,300	10,390,300	12,482,200	12,503,500
Market Development	2,535,300	1,950,000	2,568,700	3,594,400	3,610,600
Animal Damage Control	596,900	345,700	543,100	547,100	543,100
Sheep and Goat Health Board	164,900	145,400	168,700	175,400	179,200
<b>Total:</b>	<b>36,076,200</b>	<b>29,425,400</b>	<b>36,465,500</b>	<b>39,374,000</b>	<b>39,724,500</b>
<b>BY FUND CATEGORY</b>					
General	7,791,200	7,791,200	8,049,800	8,367,000	8,485,300
Dedicated	22,515,100	19,063,400	22,648,200	25,123,600	25,324,500
Federal	5,769,900	2,570,800	5,767,500	5,883,400	5,914,700
<b>Total:</b>	<b>36,076,200</b>	<b>29,425,400</b>	<b>36,465,500</b>	<b>39,374,000</b>	<b>39,724,500</b>
Percent Change:		(18.4%)	23.9%	8.0%	8.9%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	20,756,700	17,590,900	21,515,000	23,253,200	23,624,100
Operating Expenditures	9,331,800	7,408,300	9,402,900	10,360,700	10,340,300
Capital Outlay	1,239,500	906,900	853,200	1,065,700	1,065,700
Trustee/Benefit	4,748,200	3,519,300	4,694,400	4,694,400	4,694,400
<b>Total:</b>	<b>36,076,200</b>	<b>29,425,400</b>	<b>36,465,500</b>	<b>39,374,000</b>	<b>39,724,500</b>
Full-Time Positions (FTP)	190.05	190.05	196.05	200.00	200.00

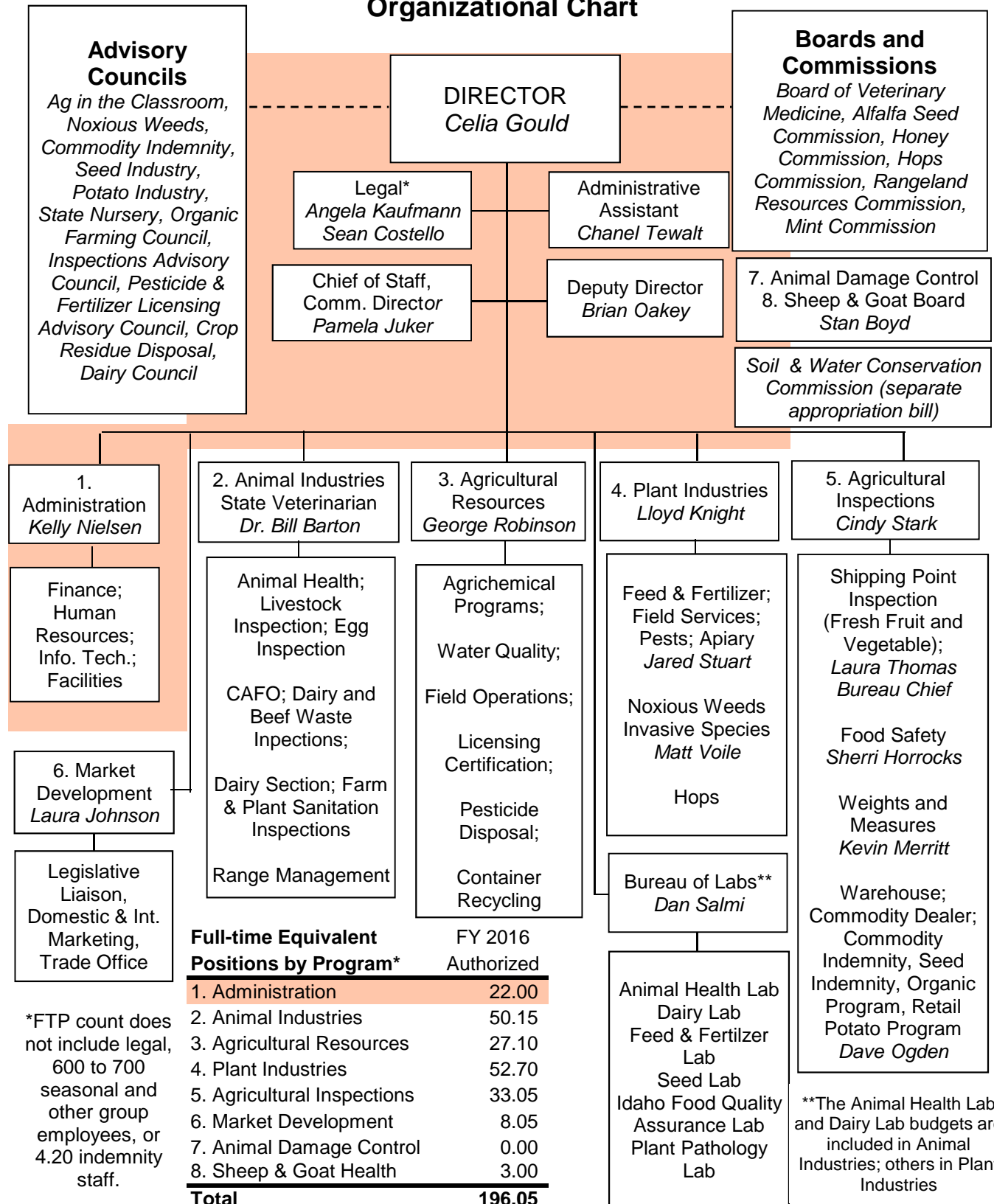
## Division Description

The mission of the Idaho State Department of Agriculture is to guarantee that Idaho agricultural products are of high quality, disease-free, and meet federal and state laws, rules and regulations. The department protects consumers and producers from fraud and provides marketing assistance to the industry. There are eight budgeted programs: 1) The Administration Program coordinates the accounting, payroll, legal, and personnel functions. 2) Animal Industries is responsible for veterinary services, range management, dairy laboratory and dairy inspection, animal laboratory, livestock inspection, egg inspection, and animal waste management. 3) Agricultural Resources protects the public health, environment, livestock, and wildlife of the state from possible adverse effects resulting from the improper use of pesticides and fertilizers. 4) Plant Industries includes the plant, fertilizer, and seed laboratories and programs, noxious weeds, the Honey Commission, and the Invasive Species Program. 5) Agricultural Inspections includes the Bureau of Shipping Point Inspections, the Bureau of Warehouse Control, the Retail Potato Program, Hops Program, Organic Foods Program, and the Bureau of Weights and Measures. 6) The Marketing and Development Program assists Idaho food producers to increase their profitability by enhancing the marketing opportunities for their products. In FY 2009, Idaho Rural Partnership (IRP), an independent public body corporate and politic, was moved to the supervision of the Department of Agriculture. In FY 2014, IRP was moved off-budget. 7) The United States Department of Agriculture's, Animal and Plant Health Inspection Service, Wildlife Services Program operates in Idaho under a memorandum of understanding with the Idaho State Animal Damage Control Board. 8) The Sheep and Goat Health Board provides a comprehensive program involving disease and predator control. The program enables the sheep and goat industries to maintain high production standards and economic returns.

# Department of Agriculture Agency Profile

Analyst: Houston

## Organizational Chart



# Department of Agriculture

## Agency Profile

Analyst: Houston

Sources of Funds	FY 2015 Appropriation	FY 2015 Expenditures	Percent of Total	Unused Appropriation	Unused Percent	FY 2016 Appropriation
1. <b>General Fund (0001)</b>	\$ 7,791,200	\$ 7,791,200	26.5%	\$ -	0.0%	\$ 8,049,800
Individual income tax, corporate income tax, sales tax, and miscellaneous taxes, fees, and interest.						
2. <b>Animal Damage Control</b>	215,700	100,000	0.3%	(115,700)	(53.6%)	215,700
<b>Fund (0052-00):</b> Cash transfers from the Department of Fish and Game.						
3. <b>Admin. and Accounting</b>	1,133,200	1,122,100	3.8%	(11,100)	(1.0%)	1,213,100
<b>(0125-01):</b> Indirect costs from federal grants, other dedicated funds, rent receipts, and sales.						
4. <b>Facilities Maintenance</b>	319,800	310,800	1.1%	(9,000)	(2.8%)	321,200
<b>Fund (0125-02):</b> Allocations between bureaus and Health & Welfare for building maintenance.						
5. <b>Agricultural Inspection</b>	1,644,300	931,900	3.2%	(712,400)	(43.3%)	1,683,100
<b>Fund (0330-00):</b> Moneys received from inspections, taxes on bees, and livestock market operators.						
6. <b>Weights and Measures</b>	468,900	398,000	1.4%	(70,900)	(15.1%)	642,500
<b>Inspection (0330-12):</b> Fees for licensing of weighing and measuring devices.						
7. <b>Invasive Species</b>	1,461,500	1,346,700	4.6%	(114,800)	(7.9%)	1,487,300
<b>Fund (0330-13):</b> Fees generated from boating stickers for prevention of quagga and zebra mussels.						
8. <b>Ag Fees - Sheep &amp; Goat</b>	269,900	189,900	0.6%	(80,000)	(29.6%)	271,400
<b>(0332-03):</b> Assessments on wool, cattle, horses, and mules. Includes support for Animal Damage Control.						
9. <b>Ag Fees - Commercial</b>	1,686,100	1,316,900	4.5%	(369,200)	(21.9%)	1,377,100
<b>Feed &amp; Fert. (0332-04):</b> Feed and fertilizer registration and inspection fees.						
10. <b>Ag Fees - Pesticides</b>	2,697,600	2,178,300	7.4%	(519,300)	(19.3%)	2,822,200
<b>(0332-05):</b> Pesticide registration and applicator licenses and exam fees.						
11. <b>Ag Fees - Livestock</b>	806,800	510,600	1.7%	(296,200)	(36.7%)	875,800
<b>Disease Ctrl (0332-06):</b> Brand inspections, insemination licenses, sale of pigs, and cervidae producers.						
12. <b>Ag Fees - Dairy</b>	1,625,100	1,441,200	4.9%	(183,900)	(11.3%)	1,761,300
<b>Inspection (0332-07):</b> Dairy/milk inspection fees. Hauler permits, business, testers and graders licenses.						
13. <b>Ag Fees - Honey</b>	16,700	6,100	0.0%	(10,600)	(63.5%)	16,700
<b>Advertising (0332-08):</b> Fees per hive or colony of bees.						
14. <b>Ag Fees - Egg</b>	165,100	62,800	0.2%	(102,300)	(62.0%)	167,400
<b>Inspection (0332-09):</b> Egg distributor licenses, egg candler licenses, and assessments per dozen eggs.						
15. <b>Ag Fees - Organic Food</b>	313,800	288,100	1.0%	(25,700)	(8.2%)	340,600
<b>Products (0332-10):</b> Registration fees, gross sale fees, inspection, and mileage fees.						
16. <b>Ag Fees - Commercial</b>	9,900	700	0.0%	(9,200)	(92.9%)	9,900
<b>Fisheries (0332-11):</b> License fee on aquaculture facilities.						
17. <b>Ag Fees - Poultry</b>	89,700	0	0.0%	(89,700)	(100.0%)	89,700
<b>Inspection Fund (0332-12):</b> Inspection fee on poultry facilities.						
18. <b>Seminars and Publications (0401-01):</b>	343,900	129,500	0.4%	(214,400)	(62.3%)	343,900
Cost recovery moneys from private industry and trade associations. Sale of trichomoniasis test pouches.						
19. <b>USDA Publications</b>	64,900	1,800	0.0%	(63,100)	(97.2%)	24,900
<b>(0401-02):</b> National Agricultural Statistics Service grant to distribute USDA market publications.						
20. <b>Quality Assurance Lab. Services (0402-00):</b>	386,600	293,900	1.0%	(92,700)	(24.0%)	393,600
Fees charged for laboratory analysis and industry support.						
21. <b>Rural Econ. Dev. Int. Freight Trans. (0403-03):</b>	169,300	39,700	0.1%	(129,600)	(76.6%)	169,300
Interest from fund balances and outstanding loans used for administrative costs						
22. <b>Ag Fees - Fresh Fruit &amp; Veg. Inspection (0486):</b>	8,598,700	8,394,300	28.5%	(204,400)	(2.4%)	8,393,900
Fees collected from interested parties for inspection of fruits and vegetables prepared for shipment.						
23. <b>Agricultural Loans</b>	27,600	100	0.0%	(27,500)	(99.6%)	27,600
<b>(0490-00):</b> Federal Rural Rehabilitation Corporation loans and grants for rural agricultural development.						
24. <b>Federal Grant</b>	5,769,900	2,570,800	8.7%	(3,199,100)	(55.4%)	5,767,500
<b>Fund (0348-00):</b> Moneys received from the USDA and various federal agencies for a range of purposes.						
<b>Total Appropriated Fund: \$ 36,076,200 \$ 29,425,400 100.0% \$ (6,650,800) (18.4%) \$ 36,465,500</b>						
Transfers from the General Fund to the Pest Control Deficiency Fund are continuously appropriated.						
The Commodity Indemnity Fund and the Seed Indemnity Fund are also continuously appropriated.						

# Department of Agriculture

Analyst: Houston

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2016 Original Appropriation</b>	<b>196.05</b>	<b>8,049,800</b>	<b>36,465,500</b>	<b>196.05</b>	<b>8,049,800</b>	<b>36,465,500</b>
1. Methyl Bromide Investigation	0.00	250,000	250,000	0.00	250,000	250,000
2. Fresh Fruit & Vegetable Program	0.00	0	1,699,200	0.00	0	1,699,200
3. Organic Food Program	1.00	0	65,300	1.00	0	65,300
4. Specialty Crop Program Funding	0.00	0	0	0.00	0	0
5. Janitorial Services	0.00	0	0	0.00	0	0
6. Sheep & Goat Board Shortfall	0.00	43,000	43,000	0.00	0	0
Pest Control Deficiency Warrants	0.00	324,000	324,000	0.00	324,000	324,000
Cash Transfers & Adjustments	0.00	(324,000)	(324,000)	0.00	(324,000)	(324,000)
<b>FY 2016 Total Appropriation</b>	<b>197.05</b>	<b>8,342,800</b>	<b>38,523,000</b>	<b>197.05</b>	<b>8,299,800</b>	<b>38,480,000</b>
Noncognizable Funds and Transfers	(0.05)	0	0	(0.05)	0	0
<b>FY 2016 Estimated Expenditures</b>	<b>197.00</b>	<b>8,342,800</b>	<b>38,523,000</b>	<b>197.00</b>	<b>8,299,800</b>	<b>38,480,000</b>
Removal of One-Time Expenditures	0.00	(294,600)	(1,155,100)	0.00	(251,600)	(1,127,100)
<b>FY 2017 Base</b>	<b>197.00</b>	<b>8,048,200</b>	<b>37,367,900</b>	<b>197.00</b>	<b>8,048,200</b>	<b>37,352,900</b>
Benefit Costs	0.00	26,500	82,100	0.00	68,800	216,300
Replacement Items	0.00	0	1,031,800	0.00	0	1,031,800
Statewide Cost Allocation	0.00	5,000	28,900	0.00	5,000	28,900
Annualizations	0.00	0	20,800	0.00	0	21,500
Change in Employee Compensation	0.00	41,300	181,300	0.00	120,600	415,200
27th Payroll	0.00	148,900	439,100	0.00	148,900	439,100
<b>FY 2017 Program Maintenance</b>	<b>197.00</b>	<b>8,269,900</b>	<b>39,151,900</b>	<b>197.00</b>	<b>8,391,500</b>	<b>39,505,700</b>
1. Organic Food Program	1.00	93,100	93,100	1.00	93,800	93,800
2. Brucellosis Lab Staffing	2.00	0	60,000	2.00	0	60,000
3. Food Quality Assurance Laboratory	0.00	0	65,000	0.00	0	65,000
4. Predator Report	0.00	4,000	4,000	0.00	0	0
<b>FY 2017 Total</b>	<b>200.00</b>	<b>8,367,000</b>	<b>39,374,000</b>	<b>200.00</b>	<b>8,485,300</b>	<b>39,724,500</b>
Change from Original Appropriation	3.95	317,200	2,908,500	3.95	435,500	3,259,000
% Change from Original Appropriation		3.9%	8.0%		5.4%	8.9%

# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2016 Original Appropriation</b>	196.05	8,049,800	22,648,200	5,767,500	36,465,500

## 1. Methyl Bromide Investigation

### Plant Industries

The potato pest, pale cyst nematode, was detected in Eastern Idaho in 2006. In response, the ISDA and USDA established a collaborative eradication program that has involved the regulation of about 52,500 acres. The program has included a suite of treatments including fumigation with methyl bromide (MeBr) on 2,200 acres. MeBr is an allowed use to treat the quarantine level pest and all applications were made within the EPA-approved label restrictions. However, starting in 2014, a family noticed health problems in their cattle. After extensive veterinary care and investigation, laboratory tests confirmed very high levels of bromide in alfalfa hay grown on the treated fields. Subsequently, a second family's hay, grown on treated fields, also showed high levels of bromide residue. The ISDA and USDA worked quickly to secure test samples on wheat, barley, potatoes, alfalfa, litchi tomato, corn, and straw grown on treated fields. All samples showed some level of inorganic bromide. ISDA approached BSU and the UI about conducting a collaborative research project to answer questions about bromide uptake. The research project request in the amount of \$350,000 was submitted to the USDA on September 14, 2015. Meanwhile, in the fall, ISDA moved forward with an investigation and is requesting funding as follows: \$120,000 for disposal of nearly 2,000 tons of infested hay; \$25,000 for water sampling and testing; \$45,000 for testing for infected cattle; \$10,000 for field test plot preparation and soil sampling; and \$50,000 to Boise State University for literature review, research, and analysis. [One-time]

Agency Request	0.00	250,000	0	0	250,000
Governor's Recommendation	0.00	250,000	0	0	250,000

## 2. Fresh Fruit & Vegetable Program

### Agricultural Inspections

This supplemental will allow the department to catch the Fresh Fruit and Vegetable (FF&V) Fund appropriation up with current expenditures, and allow the program to expand as the demand for services expands. Agricultural production has increased the need for additional hours worked by the staff of the FF&V Program. Food safety audit requests have also increased which requires additional training and hours worked by staff. Furthermore, potato processing facilities are asking the Fresh Fruit and Vegetable Program to staff and perform specialized tests at the raw lab stations. Experience has shown that fully trained staff is needed. The current fund balance and forecast revenue will support this ongoing request of \$735,200 in personnel costs and \$964,000 in operating expenditures from the dedicated Fresh Fruit and Vegetable Inspection Fund. Pursuant to Section 76-5303, Idaho Code, all inspectors of the fresh fruit and vegetable inspection service of the Idaho Department of Agriculture, except those positions involved in the management of the program, are non-classified employees. Although the Legislature appropriates the moneys, these positions have traditionally been exempted from the FTP count. [Ongoing]

Agency Request	0.00	0	1,699,200	0	1,699,200
Governor's Recommendation	0.00	0	1,699,200	0	1,699,200

## 3. Organic Food Program

### Agricultural Inspections

This supplemental request is for the Idaho Organic Food Program in the amount of \$65,300 from the dedicated Organic Food Products Fund. The request is for one full-time inspector funded for four months at a cost of \$24,000; operating expenditures of \$17,400 for Twin Falls office space, travel, and training; \$15,000 for audit costs; and \$8,900 one-time for a rugged laptop and vehicle costs. In 2015, two large manufacturers, Amy's Kitchen and Cliff Bar, moved into Idaho and significantly increased demand for organic products from Idaho certified organic producers. Also, Idaho's largest milk processors contracted with ISDA to certify their facilities. Furthermore, ISDA has seen interest from many processing sectors including oilseed, feed products, breweries, distilleries, vegetable processors, and cosmetic companies. The current staff of three is strained to meet certification and inspection needs and has declined services to Nevada and Utah producers. Fees from registration, inspection, and gross sales (Section 22-1106, Idaho Code) are adequate to cover the increased ongoing expenses, including the \$20,800 annualization which brings the total costs to \$86,100. [\$8,900 one-time]

Agency Request	1.00	0	65,300	0	65,300
----------------	------	---	--------	---	--------

*The Governor recommends \$23,900 one-time and adjusts the annualization for a total of \$86,800.*

Governor's Recommendation	1.00	0	65,300	0	65,300
---------------------------	------	---	--------	---	--------

# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>4. Specialty Crop Program Funding</b>					<b>Plant Industries, Market Development</b>
<p>This supplemental request is to transfer \$1 million in federal appropriation from the Plant Industries Program to the Market Development Program (\$500,000 in operating expenditures and \$500,000 in trustee and benefit payments). Several plant grants have been reduced over the last three years leaving unneeded appropriation. At the same time, specialty crop grant requests have exceeded the FY 2016 appropriation. The specialty crop grant program has grown beyond expectations from \$121,000 in FY 2006, to \$166,000 in FY 2008, to \$1 million in FY 2014, to nearly \$2 million in FY 2015. Eligible entities include for-profit organizations, governments, universities, and non-profit organizations. The number of sub-recipients exceeds 50. Specialty crops include fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops, including floriculture. Value-added processing of eligible crops also qualifies. Projects are evaluated on how well they enhance the competitiveness of Idaho's specialty crops, soundness and quality of the project plan, measurable outcomes, and return on investment. [Ongoing]</p>					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>5. Janitorial Services</b>					<b>Administration</b>
<p>This supplemental would transfer \$8,000 from operating expenditures to personnel costs. The animal, dairy, and plant pathology laboratories are located on the second floor of the Health and Welfare building south of the Department of Agriculture's Boise headquarters. Effective November 1, 2015, the contract for janitorial services for the second floor of the Health and Welfare building expired. The Department of Agriculture hires temporary staff to clean the other buildings on campus and expanded their responsibilities to clean the second floor as well. Health and Welfare has secured a contract for the remainder of their building. This supplemental would transfer eight months of the budgeted costs, or \$8,000, from operating expenditures to personnel costs in the Facilities Maintenance Fund. The remaining four months are included in an FY 2017 annualization. [Ongoing]</p>					
Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>6. Sheep &amp; Goat Board Shortfall</b>					<b>Sheep and Goat Health Board</b>
<p>This supplemental request seeks \$43,000 one-time to cover a shortfall in the Sheep &amp; Goat Health Board's dedicated fund. The board's dedicated fund, as authorized in Section 25-131, Idaho Code, is from an annual assessment not to exceed 12 cents per pound of wool on sheep and an assessment on goats on a per head basis at a rate that is comparable to the assessment on wool. The current assessment is eight cents which is apportioned at three cents for animal health (fund 0332-03), three cents for predator control (included in the Animal Damage Control Program in fund 0332-03), and two cents for wolf control (fund 0053-01). Revenues have declined due to a shrinking industry. The board is taking steps to reduce ongoing costs for the animal health program through a reduction in hours from 40 to 30 for the one inspector and reducing operating expenditures. These reductions are expected to cover ongoing issues but the current balance is impacting the ADC Board because the Sheep and Goat Board is using the ADC allocation to cover the shortfall, which, therefore, cannot be distributed to the districts for animal damage control. Last year, the Sheep &amp; Goat Health Board spent \$83,000 of the \$102,500 dedicated appropriation on assessments of \$51,200.</p>					
Agency Request	0.00	43,000	0	0	43,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Pest Control Deficiency Warrants</b>					<b>Plant Industries</b>
Funding is requested to reimburse actual expenditures incurred in FY 2015 for exotic or invasive species monitoring and control including potato cyst nematode, Japanese Beetle, and other exotic pests. The existence of exotic or invasive pests in the state, and the lack of information about the distribution of those pests, can cause economic losses to the public by the direct effects of the pests and the placement of quarantines and import restrictions by other states and countries. Although some funding is provided in the base budget for water milfoil and quagga mussel prevention, there is little funding in the base budget for other survey, control and eradication activities. These programs are carried out under the deficiency warrant authority provided in Chapters 19 and 20, Title 22, Idaho Code. FY 2015 costs included \$18,100 for exotic pest monitoring, \$289,900 for Japanese Beetle treatment, and \$16,000 for potato cyst nematode monitoring. [One-time]					
Agency Request	0.00	324,000	0	0	324,000
Governor's Recommendation	0.00	324,000	0	0	324,000
<b>Cash Transfers &amp; Adjustments</b>					
Transfer General Fund cash to the Pest Deficiency Warrant Fund where actual costs were incurred.					
Agency Request	0.00	(324,000)	0	0	(324,000)
Governor's Recommendation	0.00	(324,000)	0	0	(324,000)
<b>FY 2016 Total Appropriation</b>					
Agency Request	197.05	8,342,800	24,412,700	5,767,500	38,523,000
Governor's Recommendation	197.05	8,299,800	24,412,700	5,767,500	38,480,000
<b>Noncognizable Funds and Transfers</b>					
Removes unfunded vacant position to round out FTP count.					
Agency Request	(0.05)	0	0	0	0
Governor's Recommendation	(0.05)	0	0	0	0
<b>FY 2016 Estimated Expenditures</b>					
Agency Request	197.00	8,342,800	24,412,700	5,767,500	38,523,000
Governor's Recommendation	197.00	8,299,800	24,412,700	5,767,500	38,480,000
<b>Removal of One-Time Expenditures</b>					
Removes replacement funding provided for FY 2016 including \$98,600 for the Administration Program; \$106,100 for the Animal Industries Program; \$218,600 for the Agricultural Resources Program; \$112,900 for the Plant Industries Program; \$306,900 for the Agricultural Inspections Program; and \$3,300 for the Market Development Program. Removes \$6,800 provided for Animal Industries FY 2016 line items. Also, removes \$8,900 requested one-time for the Organic Food Program as a supplemental, \$43,000 requested for the Sheep and Goat Health Board as a supplemental, and \$250,000 for methyl bromide investigation requested as a supplemental.					
Agency Request	0.00	(294,600)	(846,100)	(14,400)	(1,155,100)
Governor's Recommendation	0.00	(251,600)	(861,100)	(14,400)	(1,127,100)
<b>FY 2017 Base</b>					
Agency Request	197.00	8,048,200	23,566,600	5,753,100	37,367,900
Governor's Recommendation	197.00	8,048,200	23,551,600	5,753,100	37,352,900
<b>Benefit Costs</b>					
Employer-paid benefit changes including a 3% increase (or \$340 per eligible FTP) for health insurance, reductions in unemployment insurance, and adjustments in workers' compensation that vary by agency. For the Department of Agriculture, health insurance increases represent \$65,000 or 79% of the total.					
Agency Request	0.00	26,500	53,100	2,500	82,100
<i>Based on the most recent actuarial analysis, the Governor recommends \$1,040 for each eligible FTP for a 9.3% increase in health insurance, and discontinuing thriveidaho, the state's wellness program.</i>					
Governor's Recommendation	0.00	68,800	140,800	6,700	216,300

# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
-------------------------	-----	---------	-----------	---------	-------

## Replacement Items

ADMINISTRATION PROGRAM: From the Administration and Accounting Services Fund: \$14,300 for 11 desktop computers with monitors, \$15,000 for three switches, \$3,000 for five universal power supply backups, and \$1,800 for a laptop computer for a total of \$34,100.

ANIMAL INDUSTRIES PROGRAM: From the Livestock Disease Control Fund: \$47,200 for two pickups with toppers, \$9,600 for three rugged laptop computers, \$5,500 for five desktop computers, \$600 for three monitors, \$16,000 for two incubators for a total of \$78,900. Replacement items for the Dairy Program include: \$50,800 for two 1/2-ton pickups with toppers, \$5,200 for four desktop computers, \$9,600 for three rugged laptop computers, and \$75,500 for laboratory equipment for a total of \$141,100 from the Dairy Inspections Fund. The total program replacement item request is \$220,000.

AGRICULTURAL RESOURCES PROGRAM: From the Pesticides Fund: \$50,800 for two 1/2-ton pickups with toppers, \$16,900 for 13 laptop computers, \$5,200 for four desktop computers, \$3,600 for two LCD projectors, and \$1,500 for office furniture for a total of \$78,000.

PLANT INDUSTRIES PROGRAM: From the Agricultural Inspection Fund: \$5,200 for four desktop computers and \$36,700 for laboratory equipment. From the Invasive Species Fund: \$75,300 for three pickup trucks with shells and \$3,900 for computer equipment. From the Feed and Fertilizer Fund: \$50,200 for two pickups with shells, \$3,300 for three desktop computers, \$16,800 for 14 tablets, \$8,000 for a water bath, and \$10,000 for a centrifuge. From the Laboratory Services Fund: \$2,600 for two computers with monitors and \$75,000 for laboratory equipment. From federal funds: \$10,000 for two ATVs and \$28,800 for a 3/4 ton pickup. The total request is \$325,800 for this program.

AGRICULTURAL INSPECTIONS: From the Weights and Measures Fund: \$16,000 for five laptop computers, \$4,600 for four 5-gallon stainless-steel gas measures, \$99,800 for an LPG prover, \$17,200 for scales, and \$35,000 for software for a total of \$172,600. From the Organic Food Fund: \$1,200 for one desktop computer and \$1,400 for a laptop for a total of \$2,600. From the Fresh Fruit and Vegetable Inspection Fund: \$5,500 for five desktop computers, \$5,600 for four laptops, \$6,000 for three laser printers, \$1,000 for five monitors, \$128,000 for 40 toughbook computers, and \$47,600 for two pickups for a total of \$193,700. The total request for the Agricultural Inspections Program is \$368,900 (excludes continuously appropriated indemnity funds).

MARKET DEVELOPMENT: From the Agricultural Inspection Fund: \$2,400 to replace two desktop computers and monitors.

SHEEP AND GOAT HEALTH BOARD: From the Sheep and Goat Health Fund: \$2,600 to replace two desktop computers and monitors.

Agency Request	0.00	0	993,000	38,800	1,031,800
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>993,000</i>	<i>38,800</i>	<i>1,031,800</i>

## Statewide Cost Allocation

This request includes adjustments to recover the costs of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Includes a decrease of \$10,300 for Attorney General fees, an increase of \$35,000 for risk management costs, an increase of \$5,200 for State Controller fees, and a decrease of \$1,000 for State Treasurer fees for a total increase of \$28,900. The request reflects a 7.0% increase from the \$415,500 SWCAP Base.

Agency Request	0.00	5,000	23,900	0	28,900
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>5,000</i>	<i>23,900</i>	<i>0</i>	<i>28,900</i>



# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Annualizations</b>					
			<b>Administration, Agricultural Inspections</b>		
This annualization is in two parts. First, it transfers \$4,000 from operating expenditures to personnel costs in the Facilities Maintenance Fund to account for the remaining four months of the janitorial contract addressed in the supplemental request. This allows the department to bring janitorial services in-house. Second, it transfers \$16,600 from OE to PC and adds \$20,800 in the Organic Food Products Fund to account for the full year costs of the position requested to administer the Organic Food Program. [Ongoing]					
Agency Request	0.00	0	20,800	0	20,800
<i>The Governor adds \$700 to account for the increased costs of employer-paid health insurance premiums.</i>					
Governor's Recommendation	0.00	0	21,500	0	21,500

## Change in Employee Compensation

For calculation purposes agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees. The total includes \$4,900 for the one-time cost of a 1% CEC on the 27th payroll.

Agency Request	0.00	41,300	124,800	15,200	181,300
<i>The Governor recommends a 3% increase in compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The total includes \$14,700 for the one-time cost of a 3% CEC on the 27th payroll.</i>					
Governor's Recommendation	0.00	120,600	252,300	42,300	415,200

## 27th Payroll

Includes the cost of the 27th payroll that will occur in FY 2017 for all state agencies using a bi-weekly payroll. Payroll costs accrue, but are unpaid at the rate of one day per year for ten years, to be paid out in the eleventh year. This request is calculated using FY 2016 payroll costs.

Agency Request	0.00	148,900	276,400	13,800	439,100
Governor's Recommendation	0.00	148,900	276,400	13,800	439,100

## FY 2017 Program Maintenance

Agency Request	197.00	8,269,900	25,058,600	5,823,400	39,151,900
Governor's Recommendation	197.00	8,391,500	25,259,500	5,854,700	39,505,700

## 1. Organic Food Program

## Agricultural Inspections

This line item request is for the Idaho Organic Food Program in the amount of \$93,100 from the General Fund. The request is for one full-time inspector funded at a cost of \$62,400; operating expenditures of \$15,800 for eastern Idaho office space, travel and training; and \$8,900 one-time for a rugged laptop and vehicle costs. In 2015, two large manufacturers, Amy's Kitchen and Cliff Bar, moved into Idaho and significantly increased demand for organic products from Idaho certified organic producers. Also, Idaho's largest milk processors contracted with ISDA to certify their facilities. Furthermore, ISDA has seen interest from many processing sectors including oilseed, feed products, breweries, distilleries, vegetable processors, and cosmetic companies. The current staff is strained to meet certification and inspection needs and has declined services to Nevada and Utah producers. Fees from registration, inspection, and gross sales (Section 22-1106, Idaho Code) are not adequate to cover the increased costs for this growing program. The organic food program serves a growing industry that contributes to Idaho's economy. Furthermore, the program provides a service to consumers who purchase certified organic food products. [\$8,900 one-time]

Agency Request	1.00	93,100	0	0	93,100
<i>The Governor adds \$700 for additional health insurance costs, and recommends one-time General Fund support until fees can be generated to support this position. Application fees are based on the previous year's gross sales.</i>					
Governor's Recommendation	1.00	93,800	0	0	93,800

# Department of Agriculture

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>2. Brucellosis Lab Staffing</b>					<b>Animal Industries</b>
<p>Up to four beef processing facilities are expected to start operating within the next year; the largest located near Kuna. These facilities will require that brucellosis samples be taken and processed by a certified lab. The sample numbers could be as high as 2,500 samples per day. The ISDA animal health lab currently processes 2,000 samples a month. This increase in sample processing will require at least three more staff to process these samples in a timely manner. The funding for these samples will be paid through a cooperative agreement with the USDA. The request is to add a microbiologist and two laboratory technicians. However, an existing vacant position and unused federal appropriation due to reductions in federal programs over the past two years mean that, with a few minor adjustments, the animal industry budget can absorb most of this need. The request includes 2.00 FTPs, the transfer of \$165,700 in federal appropriation from operating expenditures to personnel costs, that nets to zero, and adds \$60,000 in one-time appropriation to purchase a large capacity centrifuge.</p>					
Agency Request	2.00	0	0	60,000	60,000
<i>Governor's Recommendation</i>	2.00	0	0	60,000	60,000
<b>3. Food Quality Assurance Laboratory</b>					<b>Plant Industries</b>
<p>The Idaho Food Quality Assurance Laboratory (IFQAL) in Twin Falls has been gradually reducing staff and services since the end of Potato Cyst Nematode testing there. However, in the current year, the IFQAL has expanded their services for water testing for the department and the onion industry. The increase in services is resulting in more operating costs for the equipment and for the supplies necessary to do the testing. The increase of services helps the lab meet their high fixed costs and will allow the lab to breakeven for now. The request is \$65,000 in operating expenditures from fees deposited to the Idaho Food Quality Assurance Laboratory Fund. [Ongoing]</p>					
Agency Request	0.00	0	65,000	0	65,000
<i>Governor's Recommendation</i>	0.00	0	65,000	0	65,000
<b>4. Predator Report</b>					<b>Animal Damage Control</b>
<p>In the past, the Animal Damage Control Board has received a report from the National Agriculture Statistical Service (NASS) on the impact of predators and wolves on the sheep industry. This service is no longer offered for free from NASS and the annual fee will be \$4,000. Currently, there is no funding source available to the industry or to the board to pay for this report. This report will be provided to all the surrounding states at a similar fee. This report is a valuable tool to the sheep industry in Idaho and throughout the northwest, and provides valuable information regarding the impact of predators on the industry and the results of the ADC program and other similar programs. The request is to pay NASS \$4,000 per year from the General Fund for the Annual Predator Report. [Ongoing]</p>					
Agency Request	0.00	4,000	0	0	4,000
<i>Not recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	0.00	0	0	0	0
<b>FY 2017 Total</b>					
Agency Request	200.00	8,367,000	25,123,600	5,883,400	39,374,000
<i>Governor's Recommendation</i>	200.00	8,485,300	25,324,500	5,914,700	39,724,500
Agency Request					
Change from Original App	3.95	317,200	2,475,400	115,900	2,908,500
% Change from Original App	2.0%	3.9%	10.9%	2.0%	8.0%
<i>Governor's Recommendation</i>					
Change from Original App	3.95	435,500	2,676,300	147,200	3,259,000
% Change from Original App	2.0%	5.4%	11.8%	2.6%	8.9%