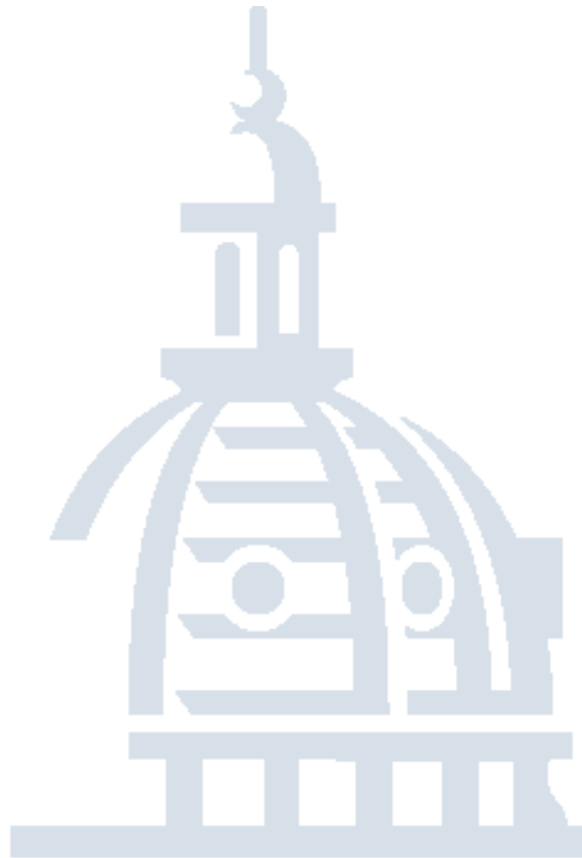

**AGRICULTURE AND NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE
DETAILED ANALYSIS OF THE
FY 2011 GOVERNOR'S RECOMMENDATIONS**



FISCAL SERVICES DIVISION

FEBRUARY 2010



TABLE OF CONTENTS

| | Page |
|---|-------------|
| Subcommittee Members and Staff | 1 |
| Summary of FY 2011 Recommendations | 3 |
| Department of Agriculture and Land Stewardship | 4 |
| Department of Natural Resources | 6 |
| Board of Regents | 8 |
| Department of Economic Development..... | 8 |
| Environment First Fund | 9 |
| Interim Committees, Meetings, and Publications..... | 10 |
| Appendix A – General Fund | 13 |
| Appendix B – Other Funds | 17 |
| Appendix C – FTE positions | 21 |
| Appendix D – FY 2010 – 10.0% Across-the-Board (ATB) Implementation Plans | 25 |
| Appendix E – Other | 31 |
| Department of Agriculture and Land Stewardship Organization Chart | 33 |
| Department of Natural Resources Organization Chart | 35 |

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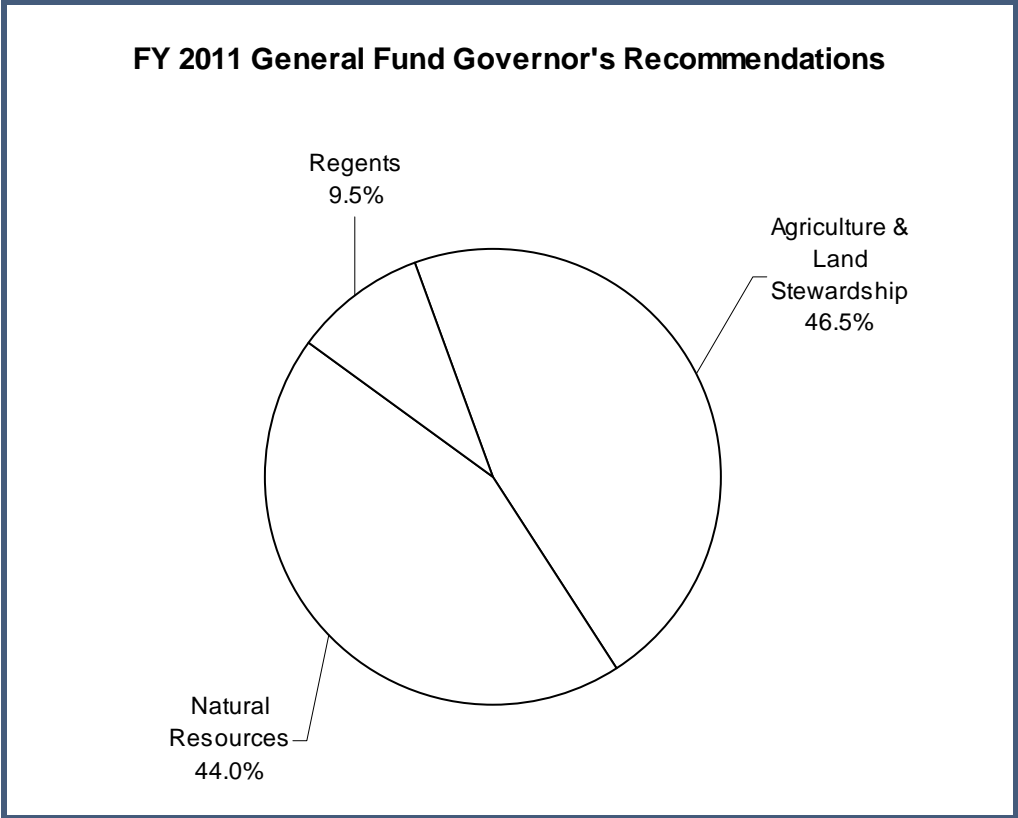
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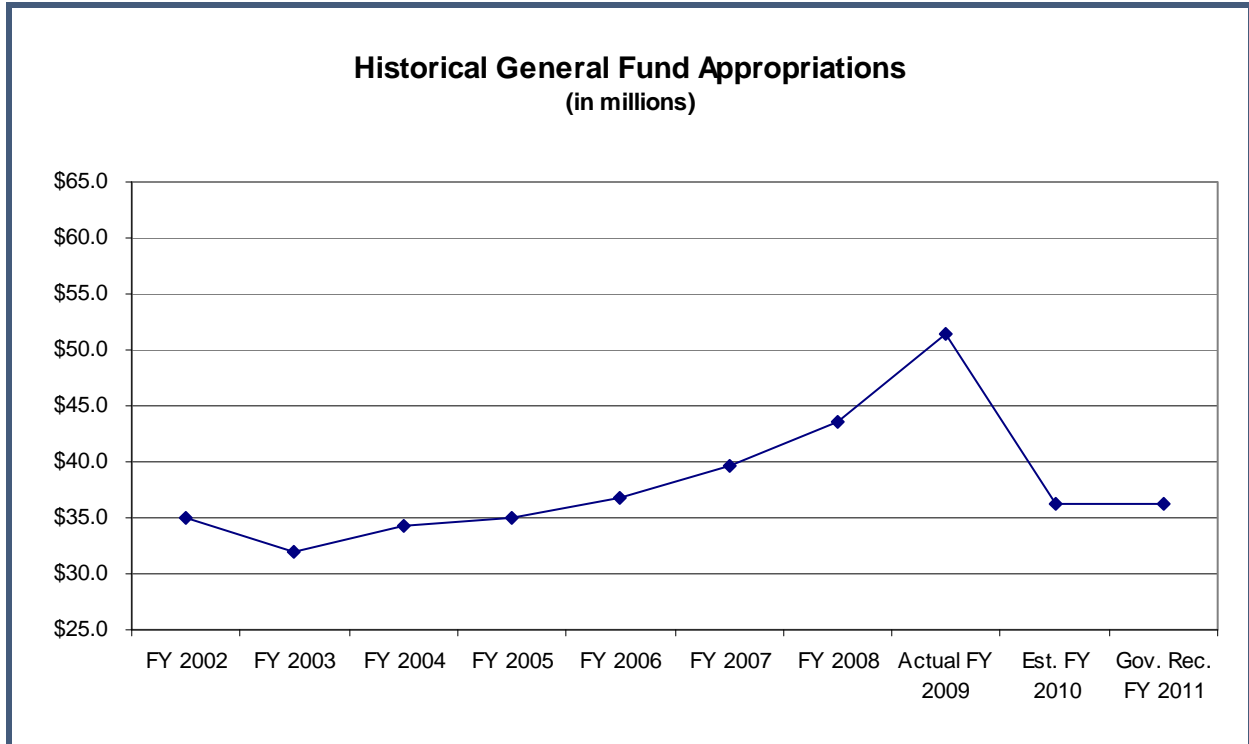
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**AGRICULTURE AND NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**



FY 2011 General Fund Governor's Recommendations

| | |
|--------------------------------|----------------------|
| Agriculture & Land Stewardship | \$ 16,872,308 |
| Natural Resources | 15,968,410 |
| Regents | 3,444,294 |
| | <u>\$ 36,285,012</u> |



FY 2011 GOVERNOR’S RECOMMENDATIONS

Department of Agriculture and Land Stewardship

The Department of Agriculture and Land Stewardship (DALs) was created in 1923 to oversee agriculture in the State. Land stewardship functions were added in 1986. The Department has two operating divisions: the Consumer Protection and Industry Services Division and the Soil Conservation Division.

The Governor is recommending FY 2011 General Fund appropriations totaling \$16.9 million. This is an increase of \$18,000 compared to estimated FY 2010 to replace funding that was previously reduced in the Avian Influenza Program. The Governor is also recommending FY 2011 other fund appropriations totaling \$14.3 million. This is a decrease of \$2.0 million (12.4%) compared to estimated FY 2010.

General Fund Recommendations

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|--|------------------------------|----------------------------|-----------------------------------|
| <u>Agriculture and Land Stewardship</u> | | | |
| Administrative Division | \$ 16,872,308 | \$ 16,872,308 | \$ 0 |
| Avian Influenza | -18,077 | 0 | 18,077 |
| Total Agriculture and Land Stewardship | <u>\$ 16,854,231</u> | <u>\$ 16,872,308</u> | <u>\$ 18,077</u> |

Other Fund Recommendations

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|--|------------------------------|----------------------------|-----------------------------------|
| <u>Agriculture and Land Stewardship</u> | | | |
| Agriculture and Land Stewardship | | | |
| Native Horse and Dog Program | \$ 305,516 | \$ 305,516 | \$ 0 |
| Motor Fuel Inspection-RFIF | 300,000 | 300,000 | 0 |
| Conservation Reserve Enhance-EFF | 1,500,000 | 1,500,000 | 0 |
| Watershed Protection Fund-EFF | 2,550,000 | 1,500,000 | -1,050,000 |
| Farm Management Demo.-EFF | 800,000 | 750,000 | -50,000 |
| Agricultural Drainage Wells-EFF | 1,500,000 | 1,000,000 | -500,000 |
| Cost Share-EFF | 7,000,000 | 7,000,000 | 0 |
| Conservation Reserve Prog.-EFF | 1,500,000 | 1,221,600 | -278,400 |
| So. Iowa Conservation & Dev.-EFF | 300,000 | 250,000 | -50,000 |
| Total Agriculture and Land Stewardship | \$ 15,755,516 | \$ 13,827,116 | \$ -1,928,400 |
| Loess Hills Dev. and Conservation | | | |
| Loess Hills-EFF | \$ 600,000 | \$ 500,000 | \$ -100,000 |
| Total Agriculture and Land Stewardship | \$ 16,355,516 | \$ 14,327,116 | \$ -2,028,400 |

Changes include:

- A decrease of \$1.1 million for the Watershed Protection Fund.
- A decrease of \$50,000 for the Farm Management Demonstration Program.
- A decrease of \$500,000 for the Agricultural Drainage Wells Program.
- A decrease of \$278,000 for the Conservation Reserve Program.
- A decrease of \$50,000 for the Southern Iowa Conservation and Development Authority.
- A decrease of \$100,000 for the Loess Hills Development and Conservation Authority.

Issues

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$561,000 was transferred to the Department for payment of salaries and operations for FY 2010.

Watershed Protection Fund – The Department works with Soil and Water Conservation Districts to identify problem watersheds to reduce soil erosion, protect water quality, provide flood reduction, and protect natural resources. Currently there are 50 watershed projects that have leveraged over \$1.3 million in funding from other sources. The Governor is recommending funding of \$1.5 million from the Environment First Fund for FY 2011. This is decrease of \$1.1 million compared to estimated FY 2010.

I-JOBS Soil Conservation Projects – The Department was appropriated one-time funding of \$11.5 million from the Revenue Bonds Capital Fund for the following soil conservation projects:

- \$4.0 million for the Conservation Reserve Enhancement Program (CREP)/Iowa Drainage & Wetlands Landscape Systems Initiative.
- \$3.0 million for the repair of conservation practices due to flooding that were not covered by a maintenance agreement.

Agriculture and Natural Resources Appropriations Subcommittee

- \$3.5 million for a Targeted Watersheds Program that focuses on reducing future flooding and improving water quality in selected watersheds.
- \$500,000 for wetland mitigation banks that are wetlands, streams, or other aquatic resource areas that have been restored, established, or enhanced, to compensate for unavoidable impacts to aquatic resources as outlined in Section 404 of the federal Clean Water Act.
- \$500,000 for the abandoned coal mines reclamation projects and money will be leverage to obtain federal funds and private funding.
- The Governor is not recommending funding for FY 2011.

Department of Natural Resources

The Department of Natural Resources (DNR) is responsible for maintaining State parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources in Iowa.

The Governor is recommending FY 2011 General Fund appropriations totaling \$16.0 million. This is an increase of \$9,000 (0.1%) compared to estimated FY 2010 to replace funding that was reduced in the Redemption Center Grants Program. The Governor is recommending other fund appropriations of \$42.5 million. This is no change compared to estimated FY 2010. The Governor is also recommending \$21.3 million for capital projects. This is a decrease of \$4.5 million (17.4%) compared to estimated FY 2010.

General Fund Recommendations

| | Estimated FY 2010 | Gov Rec FY 2011 | Gov Rec vs Est FY 2010 |
|--|------------------------------|-----------------------------|-----------------------------------|
| <u>Natural Resources, Dept. of</u> | | | |
| Natural Resources Operations | \$ 15,968,410 | \$ 15,968,410 | \$ 0 |
| Redemption Center | -8,843 | 0 | 8,843 |
| Supplemental to Fish & Wildlife Trust Fund | 0 | 0 | 0 |
| Total Natural Resources, Dept. of | <u>\$ 15,959,567</u> | <u>\$ 15,968,410</u> | <u>\$ 8,843</u> |

Other Fund Recommendations

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|---|------------------------------|-----------------------------|-----------------------------------|
| <u>Natural Resources, Dept. of</u> | | | |
| Natural Resources | | | |
| Fish & Game-DNR Admin Expenses | \$ 38,793,154 | \$ 38,793,154 | \$ 0 |
| Snowmobile Registration Fees | 100,000 | 100,000 | 0 |
| UST Administration Match | 200,000 | 200,000 | 0 |
| GWF-Storage Tanks Study-DNR | 100,303 | 100,303 | 0 |
| GWF-Household Hazardous Waste-DNR | 447,324 | 447,324 | 0 |
| GWF-Well Testing Admin 2%-DNR | 62,461 | 62,461 | 0 |
| GWF-Groundwater Monitoring-DNR | 1,686,751 | 1,686,751 | 0 |
| GWF-Landfill Alternatives-DNR | 618,993 | 618,993 | 0 |
| GWF-Waste Reduction and Assistance | 192,500 | 192,500 | 0 |
| GWF-Solid Waste Authorization | 50,000 | 50,000 | 0 |
| GWF-Geographic Information System | 297,500 | 297,500 | 0 |
| Total Natural Resources, Dept. of | <u>\$ 42,548,986</u> | <u>\$ 42,548,986</u> | <u>\$ 0</u> |
| <u>Natural Resources Capital</u> | | | |
| Natural Resources Capital | | | |
| REAP-EFF | \$ 18,000,000 | \$ 12,000,000 | \$ -6,000,000 |
| Volunteers and Keepers of Land-EFF | 100,000 | 100,000 | 0 |
| Park Operations & Maintenance-EFF | 2,470,000 | 4,000,000 | 1,530,000 |
| GIS Information for Watershed-EFF | 195,000 | 195,000 | 0 |
| Water Quality Monitoring-EFF | 2,955,000 | 2,955,000 | 0 |
| Water Quality Protection-EFF | 500,000 | 500,000 | 0 |
| Air Quality Monitoring-EFF | 425,000 | 425,000 | 0 |
| Water Quantity-EFF | 495,000 | 495,000 | 0 |
| Resource Conservation and Dev.-EFF | 250,000 | 0 | -250,000 |
| Animal Feeding Operations-EFF | 360,000 | 608,400 | 248,400 |
| Total Natural Resources Capital | <u>\$ 25,750,000</u> | <u>\$ 21,278,400</u> | <u>\$ -4,471,600</u> |

Changes include:

- A decrease of \$6.0 million to the Resource Enhancement and Protection Fund (REAP).
- An increase of \$1.5 million for State Park operations and maintenance.
- A decrease of \$250,000 for the Resource Conservation and Development Authority.
- An increase of \$248,000 for regulation of animal feeding operations.

Issues

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$273,000 was transferred from the DNR from furlough and deferred compensation savings to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Public Works Report – The Public Works Report recommended the elimination of the Underground Storage Tank Board and to transfer the Board’s administrative functions to the Department of Natural Resources. The recommendation estimated annual administrative expenditures at \$1.4 million per year

Agriculture and Natural Resources Appropriations Subcommittee

and that the Department could perform these tasks for \$600,000 per year. Cost savings to the State would be \$800,000 per year.

State Park Operations – The DNR estimated there were over 14.0 million visitors and 715,000 campers at the 84 State Parks in FY 2009. Due to General Fund budget reductions, seasonal staff was reduced from 300 to 32 individuals and in turn routine maintenance such as cutting the grass and trash removal has been reduced. Although numerous volunteer organizations have assisted the DNR in performing these tasks, many parks are not being maintained as well as in previous years. The Governor is recommending funding of \$4.0 million from the Environment First Fund for State Park maintenance and operations. This is an increase of \$1.5 million compared to estimated FY 2010.

Animal Feeding Operations – The DNR estimates there were over 5,000 manure management plans in FY 2009. Due to General Fund budget cuts, the staff in the Animal Feeding Operations Program has been reduced from 23.0 FTE positions to 11.5 FTE positions. The Governor is recommending \$608,000 from the Environment First Fund for Animal Feeding Operations. This is an increase of \$248,000 compared to estimated FY 2010.

Board of Regents

The Board of Regents oversees the three State universities, including Iowa State University (ISU). The Veterinary Diagnostic Laboratory at ISU historically received funding through the Agriculture and Natural Resource Appropriations Subcommittee. The Governor is recommending a \$3.4 million appropriation for FY 2011 for the Veterinary Diagnostic Laboratory. This is no change compared to estimated FY 2010.

General Fund Recommendations

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|--|------------------------------|----------------------------|-----------------------------------|
| <u>Regents, Board of</u> | | | |
| ISU - Veterinary Diagnostic Laboratory | <u>\$ 3,444,294</u> | <u>\$ 3,444,294</u> | <u>\$ 0</u> |
| Total Regents, Board of | <u>\$ 3,444,294</u> | <u>\$ 3,444,294</u> | <u>\$ 0</u> |

Department of Economic Development

The Department of Economic Development (DED) promotes economic development policies and practices that stimulates and sustains Iowa's economic growth and climate and that integrate efforts across public and private sectors. The Agriculture and Natural Resource Appropriations Subcommittee appropriated funds to DED in FY 2009 from the Environment First Fund for the Brownfields Redevelopment Program. The Governor is recommending no funding from the Environment First Fund for FY 2011. This is a decrease of \$500,000 (100.0%) compared to estimated FY 2010.

Other Fund Recommendations

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|--|------------------------------|----------------------------|-----------------------------------|
| <u>Economic Development, Dept. of</u> | | | |
| Economic Development, Dept. of | | | |
| Brownfields Redevelopment-EFF | \$ 500,000 | \$ 0 | \$ -500,000 |
| Total Economic Development, Dept. of | <u>\$ 500,000</u> | <u>\$ 0</u> | <u>\$ -500,000</u> |

Environment First Fund

The Environment First Fund was created by the 2000 General Assembly to provide funding for environmental programs. A standing appropriation of \$35.0 million was established in FY 2001 for the Fund from the Rebuild Iowa Infrastructure Fund (RIIF). The standing appropriation was increased to \$40.0 million for FY 2008 and \$42.0 million for FY 2009. The Agriculture and Natural Resources Appropriations Subcommittee made recommendations to the General Assembly regarding programs that should receive appropriations from the Fund. The Governor is recommending funding of \$35.0 million to the Environment First Fund. This is a decrease of \$7.0 million (16.7%) compared to estimated FY 2010. The following is a summary of the recommendations:

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|---|------------------------------|----------------------------|-----------------------------------|
| <u>Dept. of Agriculture and Land Stewardship</u> | | | |
| Conservation Reserve Enhancement | \$ 1,500,000 | \$ 1,500,000 | \$ 0 |
| Watershed Protection Fund | 2,550,000 | 1,500,000 | -1,050,000 |
| Farm Management Demonstration | 800,000 | 750,000 | -50,000 |
| Agricultural Drainage Wells | 1,500,000 | 1,000,000 | -500,000 |
| Cost Share | 7,000,000 | 7,000,000 | 0 |
| Conservation Reserve Program | 1,500,000 | 1,221,600 | -278,400 |
| So. Iowa Conservation & Dev. Authority | 300,000 | 250,000 | -50,000 |
| Loess Hills Authority | 600,000 | 500,000 | -100,000 |
| Total Dept. Agriculture and Land Steward. | <u>\$ 15,750,000</u> | <u>\$ 13,721,600</u> | <u>\$ -2,028,400</u> |

| | <u>Estimated FY 2010</u> | <u>Gov Rec FY 2011</u> | <u>Gov Rec vs Est FY 2010</u> |
|---|------------------------------|----------------------------|-----------------------------------|
| <u>Dept. of Natural Resources</u> | | | |
| REAP | \$ 18,000,000 | \$ 12,000,000 | \$ -6,000,000 |
| Volunteers and Keepers of Land | 100,000 | 100,000 | 0 |
| Park Operations & Maintenance | 2,470,000 | 4,000,000 | 1,530,000 |
| GIS Information for Watershed | 195,000 | 195,000 | 0 |
| Water Quality Monitoring | 2,955,000 | 2,955,000 | 0 |
| Water Quality Protection | 500,000 | 500,000 | 0 |
| Air Quality Monitoring | 425,000 | 425,000 | 0 |
| Animal Feeding Operations | 360,000 | 608,400 | 248,400 |
| Global Climate Change | 0 | 0 | 0 |
| Water Quantity | 495,000 | 495,000 | 0 |
| Resource Conservation and Development | 250,000 | 0 | -250,000 |
| Total Dept. of Natural Resources | \$ 25,750,000 | \$ 21,278,400 | \$ -4,471,600 |
| <u>Economic Development, Department of</u> | | | |
| Env DED Brownfields | \$ 500,000 | \$ 0 | \$ -500,000 |
| Total Economic Development, Dept. of | \$ 500,000 | \$ 0 | \$ -500,000 |
| Total Environment First Fund | \$ 42,000,000 | \$ 35,000,000 | \$ -7,000,000 |

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Care of Animals in Commercial Enterprises Study Committee

The Care of Animals in Commercial Enterprises Study Committee was created with the charge to consider regulation and other issues connected with the care of dogs, cats, and other pets in nonagricultural commercial establishments and enterprises. The Committee met on September 29, 2009, and made the following recommendations:

- Upon complaint, the State may inspect an establishment with a federal license who is issued a State Certificate of Inspection.
- A federal licensee that is issued a State Certificate of Inspection as a commercial breeder must obtain continuing training if the commercial breeder violates the federal Animal Welfare Act.
- The General Assembly may increase fees imposed upon federal licensees who are being issued a State Certificate of Registration and that the Department of Agriculture and Land Stewardship (DALs) retain the fees to be used for regulating commercial establishments.
- The General Assembly provide methods necessary to better identify persons operating a commercial establishment that has not been issued a State license or State Certificate of Registration as required by law.
- The General Assembly requires a veterinarian to report to the State any serious violation with regards to the standard of care after examining an animal in their office.
- The Department of Revenue consistently enforce the collection of the sales tax currently imposed on persons that sell companion animals on a retail basis, including enforcement on persons operating commercial establishments that fail to remit the sales tax on the sale of dogs as required by law.

- That the State Veterinarian investigates the possibility of requiring veterinarians to issue certificates of inspection or health certificates when dogs are moved within the State, and report the results of that investigation to the General Assembly.
- That the Legislative Services Agency research provisions in Colorado statutes that address issues discussed by the Committee during its meeting, and report the results of that research to the Committee.
- That the Legislative Services Agency draft a letter for submission by the co-chairpersons on behalf of the Committee to members of Iowa's congressional delegation, and to the Secretary of Agriculture, United States Department of Agriculture, which expresses concern regarding the failure of a federal inspector in Iowa to adequately report violations of the federal Animal Welfare Act and USDA regulations in inspection reports, and to encourage the delegation to meet with the Secretary or the appropriate undersecretary responsible for the department's Animal and Plant Health Inspection Service.

Comprehensive Recycling Planning Task Force

The General Assembly created the Comprehensive Recycling Task Force in HF 826 (FY 2010 Recycling Planning Task Force Act). The Task Force met to make recommendations to the General Assembly related to the creation and enhancement of sustainable recycling programs in Iowa that addressed waste generated from the residential, commercial and industrial sectors. A final report was submitted to the Governor and the General Assembly on December 21, 2009. For more information on the Task Force, refer to the following website at: <http://www.iowadnr.gov/waste/sw/taskforce.html>.

Upland Game Bird Study Advisory Committee

The Upland Game Bird Study Advisory Committee was created in HF 722 (FY 2010 Natural Resource Conservation Act). The Committee began meeting in September to determine ways to restore sustainable populations of pheasants and quail in Iowa in order to maximize the economic value of upland game bird hunting to Iowa's economy. A final report with recommendations will be submitted to the Governor and the General Assembly in February 2010.

Water Resources Coordinating Council

The Water Resources Coordinating Council was established in HF 2400 (FY 2009 Watershed Quality Task Force Policy Act). The Council is under the Office of the Governor with the purpose to preserve and protect Iowa's water resources, and to coordinate the management of those resources in a sustainable and fiscally responsible manner. The General Assembly passed HF 756 (FY 2010 Rebuild Iowa Policy Act) that added to the responsibilities of floodplain mitigation to the Council and specified that recommendations on flooding issues be submitted to the Governor and the General Assembly by November 15, 2009. For more information on the Council that includes the report, refer to the following website: <http://www.rio.iowa.gov/wrcc/council.html>.

Watershed Improvement Review Board

The Watershed Improvement Review Program was established during the 2005 General Assembly in SF 200 (Agriculture Powers, Duties, and Watershed Improvement Act). The legislation also created a Watershed Improvement Review Fund and a Watershed Improvement Review Board. The purpose of

Agriculture and Natural Resources Appropriations Subcommittee

the Board is to review applications and award grants for projects that will encourage public participation and input for determining priorities to improve the State's water quality. Beginning in FY 2006, \$5.0 million has been appropriated each year for grants.

Funding for the Watershed Improvement Review Fund is appropriated to the State Treasurer each year. The State Treasurer is requesting \$5.0 million from the Rebuild Iowa Infrastructure Fund for FY 2011 to continue the funding for the Program. For more information on the Watershed Improvement Review Board, refer to the following website: <http://www.iowaagriculture.gov/IWIRB.asp>.

LSA Publications

The following *Fiscal Topics* have been issued by the LSA that relate to the Agriculture and Natural Resources Appropriations Subcommittee:

- [Environment First Fund](#)
- [Resource Enhancement and Protection Fund](#)

Staff Contact: Debra Kozel (515-281-6767) debra.kozel@legis.state.ia.us

Appendix A

General Fund Tracking

Agriculture and Natural Resources General Fund

| | Actual FY 2009 (1) | Estimated FY 2010 (2) | Gov Rec Supp FY 2010 (3) | Gov Rec Net FY 2010 (4) | Gov Rec FY 2011 (5) | Gov Rec FY 11 vs Gov Rec Net FY 10 (6) | Percent Change (7) |
|---|--------------------------|-----------------------------|--------------------------------|-------------------------------|---------------------------|--|--------------------------|
| <u>Agriculture and Land Stewardship</u> | | | | | | | |
| Agriculture and Land Stewardship | | | | | | | |
| Administrative Division | \$ 19,044,179 | \$ 16,872,308 | \$ 0 | \$ 16,872,308 | \$ 16,872,308 | \$ 0 | 0.0% |
| Chronic Wasting Disease | 98,500 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Regulatory Dairy Products | 935,750 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Avian Influenza | 27,750 | -18,077 | 0 | -18,077 | 0 | 18,077 | -100.0% |
| Apiary Program | 73,875 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Gypsy Moth Control - GF | 49,250 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Emerald Ash Borer Public Awareness | 49,250 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Soil Commissioners Expense | 394,000 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Sr. Farmers Market Program | 73,875 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Emergency Veterinarian Rapid Response | 128,050 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Organic Agricultural Products | 49,250 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Grape & Wine Development Fund | 275,800 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Farm to School Program | 73,160 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Total Agriculture and Land Stewardship | \$ 21,272,689 | \$ 16,854,231 | \$ 0 | \$ 16,854,231 | \$ 16,872,308 | \$ 18,077 | 0.1% |
| <u>Natural Resources, Dept. of</u> | | | | | | | |
| Natural Resources | | | | | | | |
| Natural Resources Operations | \$ 22,091,049 | \$ 15,968,410 | \$ 0 | \$ 15,968,410 | \$ 15,968,410 | \$ 0 | 0.0% |
| Redemption Center | 985,000 | -8,843 | 0 | -8,843 | 0 | 8,843 | -100.0% |
| Supplemental to Fish & Wildlife Trust Fund - GF | 4,070,000 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Total Natural Resources, Dept. of | \$ 27,146,049 | \$ 15,959,567 | \$ 0 | \$ 15,959,567 | \$ 15,968,410 | \$ 8,843 | 0.1% |
| <u>Regents, Board of</u> | | | | | | | |
| Regents, Board of | | | | | | | |
| ISU - Veterinary Diagnostic Laboratory | \$ 3,080,159 | \$ 3,444,294 | \$ 0 | \$ 3,444,294 | \$ 3,444,294 | \$ 0 | 0.0% |
| Total Regents, Board of | \$ 3,080,159 | \$ 3,444,294 | \$ 0 | \$ 3,444,294 | \$ 3,444,294 | \$ 0 | 0.0% |
| Total Agriculture and Natural Resources | \$ 51,498,897 | \$ 36,258,092 | \$ 0 | \$ 36,258,092 | \$ 36,285,012 | \$ 26,920 | 0.1% |

Appendix B

Other Funds Tracking

Agriculture and Natural Resources

Other Funds

| | Actual FY 2009 (1) | Estimated FY 2010 (2) | Gov Rec FY 2011 (3) | Gov Rec vs Est FY 2010 (4) | Percent Change (5) |
|--|--------------------------|-----------------------------|---------------------------|----------------------------------|--------------------------|
| <u>Agriculture and Land Stewardship</u> | | | | | |
| Agriculture and Land Stewardship | | | | | |
| Native Horse and Dog Program | \$ 305,516 | \$ 305,516 | \$ 305,516 | \$ 0 | 0.0% |
| Motor Fuel Inspection-RFIF | 300,000 | 300,000 | 300,000 | 0 | 0.0% |
| Conservation Reserve Enhance-EFF | 1,500,000 | 1,500,000 | 1,500,000 | 0 | 0.0% |
| Watershed Protection Fund-EFF | 2,550,000 | 2,550,000 | 1,500,000 | -1,050,000 | -41.2% |
| Farm Management Demo.-EFF | 850,000 | 800,000 | 750,000 | -50,000 | -6.3% |
| Agricultural Drainage Wells-EFF | 1,500,000 | 1,500,000 | 1,000,000 | -500,000 | -33.3% |
| Cost Share-EFF | 7,000,000 | 7,000,000 | 7,000,000 | 0 | 0.0% |
| Conservation Reserve Prog.-EFF | 1,500,000 | 1,500,000 | 1,221,600 | -278,400 | -18.6% |
| So. Iowa Conservation & Dev.-EFF | 300,000 | 300,000 | 250,000 | -50,000 | -16.7% |
| Open Feedlots-Ag Remediation | 50,000 | 0 | 0 | 0 | 0.0% |
| Soil & Water Conservation Needs Assessment | 15,000 | 0 | 0 | 0 | 0.0% |
| Total Agriculture and Land Stewardship | \$ 15,870,516 | \$ 15,755,516 | \$ 13,827,116 | \$ -1,928,400 | -12.2% |
| Loess Hills Dev. and Conservation | | | | | |
| Loess Hills-EFF | \$ 600,000 | \$ 600,000 | \$ 500,000 | \$ -100,000 | -16.7% |
| Total Agriculture and Land Stewardship | \$ 16,470,516 | \$ 16,355,516 | \$ 14,327,116 | \$ -2,028,400 | -12.4% |
| <u>Natural Resources, Dept. of</u> | | | | | |
| Natural Resources | | | | | |
| ATV Fund Transfer | \$ 775,000 | \$ 0 | \$ 0 | \$ 0 | 0.0% |
| Snowmobile Fund Transfer | 950,000 | 0 | 0 | 0 | 0.0% |
| Fish & Game-DNR Admin Expenses | 38,793,154 | 38,793,154 | 38,793,154 | 0 | 0.0% |
| Snowmobile Registration Fees | 100,000 | 100,000 | 100,000 | 0 | 0.0% |
| UST Administration Match | 200,000 | 200,000 | 200,000 | 0 | 0.0% |
| NPDES Permit Application Processing | 700,000 | 0 | 0 | 0 | 0.0% |
| GWF-Storage Tanks Study-DNR | 100,303 | 100,303 | 100,303 | 0 | 0.0% |
| GWF-Household Hazardous Waste-DNR | 447,324 | 447,324 | 447,324 | 0 | 0.0% |
| GWF-Well Testing Admin 2%-DNR | 62,461 | 62,461 | 62,461 | 0 | 0.0% |
| GWF-Groundwater Monitoring-DNR | 1,686,751 | 1,686,751 | 1,686,751 | 0 | 0.0% |
| GWF-Landfill Alternatives-DNR | 618,993 | 618,993 | 618,993 | 0 | 0.0% |
| GWF-Waste Reduction and Assistance | 192,500 | 192,500 | 192,500 | 0 | 0.0% |
| GWF-Solid Waste Authorization | 50,000 | 50,000 | 50,000 | 0 | 0.0% |
| GWF-Geographic Information System | 297,500 | 297,500 | 297,500 | 0 | 0.0% |
| Total Natural Resources, Dept. of | \$ 44,973,986 | \$ 42,548,986 | \$ 42,548,986 | \$ 0 | 0.0% |

Agriculture and Natural Resources Other Funds

| | Actual FY 2009 <u>(1)</u> | Estimated FY 2010 <u>(2)</u> | Gov Rec FY 2011 <u>(3)</u> | Gov Rec vs Est FY 2010 <u>(4)</u> | Percent Change <u>(5)</u> |
|--|---------------------------------|------------------------------------|----------------------------------|---|---------------------------------|
| <u>Natural Resources Capital</u> | | | | | |
| Natural Resources Capital | | | | | |
| REAP-EFF | \$ 18,000,000 | \$ 18,000,000 | \$ 12,000,000 | \$ -6,000,000 | -33.3% |
| Volunteers and Keepers of Land-EFF | 100,000 | 100,000 | 100,000 | 0 | 0.0% |
| Park Operations & Maintenance-EFF | 2,470,000 | 2,470,000 | 4,000,000 | 1,530,000 | 61.9% |
| GIS Information for Watershed-EFF | 195,000 | 195,000 | 195,000 | 0 | 0.0% |
| Water Quality Monitoring-EFF | 2,955,000 | 2,955,000 | 2,955,000 | 0 | 0.0% |
| Water Quality Protection-EFF | 500,000 | 500,000 | 500,000 | 0 | 0.0% |
| Air Quality Monitoring-EFF | 325,000 | 425,000 | 425,000 | 0 | 0.0% |
| Water Quantity-EFF | 495,000 | 495,000 | 495,000 | 0 | 0.0% |
| Resource Conservation and Dev.-EFF | 250,000 | 250,000 | 0 | -250,000 | -100.0% |
| Animal Feeding Operations-EFF | 360,000 | 360,000 | 608,400 | 248,400 | 69.0% |
| Ambient Air Quality-FES | 195,000 | 0 | 0 | 0 | 0.0% |
| Global Climate Change-EFF | 50,000 | 0 | 0 | 0 | 0.0% |
| Water Trails & Low Head Dam | 250,000 | 0 | 0 | 0 | 0.0% |
| Total Natural Resources Capital | \$ 26,145,000 | \$ 25,750,000 | \$ 21,278,400 | \$ -4,471,600 | -17.4% |
| <u>Economic Development, Dept. of</u> | | | | | |
| Economic Development, Dept. of | | | | | |
| Brownfields Redevelopment-EFF | \$ 500,000 | \$ 500,000 | \$ 0 | \$ -500,000 | -100.0% |
| Total Economic Development, Dept. of | \$ 500,000 | \$ 500,000 | \$ 0 | \$ -500,000 | -100.0% |
| Total Agriculture and Natural Resources | \$ 88,089,502 | \$ 85,154,502 | \$ 78,154,502 | \$ -7,000,000 | -8.2% |

Appendix C

FTE Positions Tracking

Agriculture and Natural Resources

FTE

| | Actual FY 2009 <u>(1)</u> | Final Action FY 2010 <u>(2)</u> | Estimated FY 2010 <u>(3)</u> | Est FY 2010 vs Final Action <u>(4)</u> | Gov Rec FY 2011 <u>(5)</u> | Gov Rec vs Final Action FY 10 <u>(6)</u> |
|--|---------------------------------|---------------------------------------|------------------------------------|--|----------------------------------|--|
| <u>Agriculture and Land Stewardship</u> | | | | | | |
| Agriculture and Land Stewardship | | | | | | |
| Administrative Division | 356.45 | 408.00 | 365.77 | -42.23 | 365.77 | -42.23 |
| Grape & Wine Development Fund | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Motor Fuel Inspection-RFIF | 2.81 | 0.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Gw-AG Drain Wells/Sinkholes | 1.75 | 0.00 | 2.15 | 2.15 | 2.15 | 2.15 |
| Water Protection Fund | 17.26 | 0.00 | 21.38 | 21.38 | 21.38 | 21.38 |
| EPA Non Point Source Pollution | 11.40 | 0.00 | 10.25 | 10.25 | 10.25 | 10.25 |
| Abandoned Mined Lands Grant | 4.42 | 0.00 | 5.45 | 5.45 | 5.45 | 5.45 |
| Pseudorabies | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Brucellosis Eradication | 0.05 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Emergency Veterinarian Rapid Response | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Agriculture and Land Stewardship | 395.49 | 408.00 | 408.00 | 0.00 | 408.00 | 0.00 |
| <u>Natural Resources, Dept. of</u> | | | | | | |
| Natural Resources | | | | | | |
| Natural Resources Operations | 1,105.94 | 1,168.95 | 1,133.95 | -35.00 | 1,168.95 | 0.00 |
| Total Natural Resources, Dept. of | 1,105.94 | 1,168.95 | 1,133.95 | -35.00 | 1,168.95 | 0.00 |
| <u>Regents, Board of</u> | | | | | | |
| Regents, Board of | | | | | | |
| ISU - Veterinary Diagnostic Laboratory | 29.95 | 24.36 | 68.36 | 44.00 | 44.00 | 19.64 |
| Total Regents, Board of | 29.95 | 24.36 | 68.36 | 44.00 | 44.00 | 19.64 |
| Total Agriculture and Natural Resources | 1,531.37 | 1,601.31 | 1,610.31 | 9.00 | 1,620.95 | 19.64 |

Appendix D

FY 2010 – 10.0%

Across-the-Board (ATB)

Reduction

Implementation Plans

AGRICULTURE AND NATURAL RESOURCES SUBCOMMITTEE

Department of Agriculture and Land Stewardship

| | Estimated FY 2010 | ATB Reduction FY 2010 | Est Net FY 2010 |
|--|----------------------|--------------------------|----------------------|
| <u>Agriculture and Land Stewardship</u> | | | |
| Administrative Division | \$ 18,747,009 | \$ -1,874,701 | \$ 16,872,308 |
| Chronic Wasting Disease | 0 | 0 | 0 |
| Regulatory Dairy Products | 0 | 0 | 0 |
| Avian Influenza | 0 | -18,077 | -18,077 |
| Apiary Program | 0 | 0 | 0 |
| Gypsy Moth Control - GF | 0 | 0 | 0 |
| Emerald Ash Borer Public Awareness | 0 | 0 | 0 |
| Soil Commissioners Expense | 0 | 0 | 0 |
| Sr. Farmers Market Program | 0 | 0 | 0 |
| Emergency Veterinarian Rapid Response | 0 | 0 | 0 |
| Organic Agricultural Products | 0 | 0 | 0 |
| Grape & Wine Development Fund | 0 | 0 | 0 |
| Farm to School Program | 0 | 0 | 0 |
| Total Agriculture and Land Stewardship | \$ 18,747,009 | \$ -1,892,778 | \$ 16,854,231 |

- ATB Implementation Plan: A plan was presented on December 2, 2009, that included the following reductions:
 - \$90,000 from the Iowa Farmers Market Nutrition Program.
 - \$20,000 from the Farm to School Program.
 - \$34,000 reduction in reimbursement for expenses to District Soil and Water Commissioners.
 - \$25,000 cut to Emerald Ash Borer (EAB) and Gypsy Moth eradication Programs
 - \$112,000 for 12 furlough days for the Department’s 38.0 noncontract FTE positions.
- Positions Eliminated: 5.0. This includes 5.0 layoffs with total General Fund savings of \$212,000.
- Portion of the FY 2010 budget funded by the General Fund: The Department has a budget of approximately \$30.1 million in FY 2010 prior to the 10.0% across-the-board reduction. Of this total, \$18.8 million (62.2%) comes from General Fund appropriations. The remaining revenue comes from federal funds, other fund appropriations, and fees. The Department has budgeted \$28.2 million (93.6% of total revenues) for general operations for FY 2010 (salaries and benefits, travel, supplies, equipment, advertising, and outside contracts). The Department has budgeted \$1.9 million (6.4%) for State aid.
- Impact to federal funds: Undetermined. The following is a list of the federal programs included in the Administrative Division’s estimated FY 2010 budget that are over \$100,000:
 - \$756,000 for Plant and Animal Disease and Pest Control.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- \$610,000 for Market Protection and Promotion.
- \$109,000 for Specialty Crop Block Grant Program.
- \$1.8 million for Meat and Poultry Inspection.
- \$1.1 million for Farmer’s Market Nutrition Program.
- \$841,000 for Performance Partnership Grants.
- Other areas that are budgeted for federal funding include: Abandoned Mines Land Grants at \$450,000, Pseudorabies at \$340,000, and Abandoned Mines Reclamation Fund at \$1.4 million.
- Other impacts: To address previous budget reductions, the Department implemented three permanent layoffs and mandatory leave without pay for 38.0 FTE positions that are noncontract employees. The Department has a voluntary leave without pay option for all employees. The reduction of employees and the number of hours worked will cause delays in services provided.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$561,000 was transferred from the General Fund to pay for salaries and operations for FY 2010.

Department of Natural Resources

| <u>Natural Resources, Dept. of</u> | <u>Estimated FY 2010</u> | <u>ATB Reduction FY 2010</u> | <u>Est Net FY 2010</u> |
|---|------------------------------|----------------------------------|----------------------------|
| Natural Resources Operations | \$ 17,742,678 | \$ -1,774,268 | \$ 15,968,410 |
| Redemption Center | 0 | -8,843 | -8,843 |
| Supplemental to Fish & Wildlife Trust Fund - GF | 0 | 0 | 0 |
| Total Natural Resources, Dept. of | \$ 17,742,678 | \$ -1,783,111 | \$ 15,959,567 |

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 4.0. This includes no layoffs and 4.0 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The Department has a budget of approximately \$121.6 million in FY 2010 prior to the 10.0% across-the-board reduction. Of this total, \$17.7 million (14.6%) comes from General Fund appropriations. The remaining revenue comes from federal funds, other fund appropriations, and fees. The Department has budgeted \$119.6 million (98.4% of total revenues) for general operations for FY 2010 (salaries and benefits, travel, supplies, equipment, advertising, and outside contracts). The Department has budgeted \$2.0 million for reimbursements (1.6%)
- Impact to federal funds: Undetermined. The following is a list of the federal programs included in the Natural Resources Operations’ estimated FY 2010 budget that are over \$100,000:
 - \$1.2 million for Cooperative Forestry Assistance.
 - \$433,000 for Fish Restoration.
 - \$329,000 for Highway Research, Planning, and Construction.
 - \$497,000 for Title VI Revolving Loan Fund.
 - \$20.8 million for consolidated Environmental Programs.

- \$341,000 for Disaster Assistance.
- Other areas that are budgeted for federal funds include: Snowmobile Fund at \$90,000; Resource Enhancement and Protection Fund at \$350,000; Fish and Wildlife Trust Fund at \$11.0 million; Federal Funds Pass Through at \$1.6 million; and Marine Fuel Tax Capitals Fund at \$400,000.
- Other impacts:
 - Savings = \$686,000. Portions of State Parks will be closed and closing entire State Parks may be necessary if additional budget reductions are required. Seasonal employees will be reduced as well as maintenance at State Parks.
 - Savings = \$271,000. The DNR is moving 2.0 FTE positions in the Air Quality Bureau from the Minor Source Emissions Inventory Program to the Major Source Emissions Inventory Program.
 - Savings = \$218,000. The Montrose State Nursery will be closed and equipment purchases will be delayed.
 - Savings = \$144,000. The DNR is moving 2.0 FTE positions from the Animal Feeding Operations Field Staff to federally funded wastewater and drinking water compliance activities. The DNR is discontinuing on-site inspections for Manure Management Plans.
 - Savings = \$92,000. The DNR is reducing water quality monitoring sampling and data analysis. This information is used to support decision making regarding permits, rules, and standards.
 - Savings = \$85,000. The workload for staff in the Geographic Information Systems (GIS) will include federally funded watershed improvement programs and the Floodplain Program funded with infrastructure funds.
 - Savings = \$84,000. Adjust 1.0 FTE position funded by the General Fund wastewater construction permit engineering activities to federal State Revolving Fund (SRF) engineering.
 - Savings = \$77,000. Reduce Department travel expenditures.
 - Savings = \$58,000. Reduce purchase of information technology products and maintenance.
 - Savings = \$46,000. Cancel hydrogeology and environmental studies that include drilling contract work. This will delay in the collection of geological information needed for long-term environmental and resource needs.
 - Savings = \$15,000. The DNR has a voluntary leave without pay program. Employees can volunteer to take time off without pay.
 - The Department is meeting with the federal Environmental Protection Agency (EPA) to reduce the required match needed for the Air Quality Program. A meeting was held with personnel from EPA Region 7 on November 17, and the Department will submit a report with budget reductions to the EPA in November.
- Funding backfill needs: None.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$273,000 was transferred from the DNR from furlough and deferred compensation savings to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Board of Regents

| <u>Regents, Board of</u> | <u>Estimated FY 2010</u> | <u>ATB Reduction FY 2010</u> | <u>Est Net FY 2010</u> |
|--|------------------------------|----------------------------------|----------------------------|
| ISU - Veterinary Diagnostic Laboratory | \$ 3,826,993 | \$ -382,699 | \$ 3,444,294 |
| Total Regents, Board of | \$ 3,826,993 | \$ -382,699 | \$ 3,444,294 |

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. No positions have been eliminated but furloughs are being implemented to reduce operating costs. This may delay the processing of diagnostic tests.
- Portion of the FY 2010 budget funded by the General Fund: The Veterinary Diagnostic Laboratory (VDL) is funded by the General Fund.
- Impact to federal funds: None. The VDL does receive grants from the U.S. Department of Agriculture (USDA) to fund diagnostic services conducted for the USDA through cooperative agreements.
- Other impacts: Core functions and services are still being provided by the VDL, however, expenditures on new technology and other operating expenditures are being delayed.
- Funding backfill needs and recommendations: None.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$4,000 was transferred from the ISU Veterinary Diagnostic Laboratory from furlough and deferred compensation savings to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Appendix E

Other Attachments

**Secretary of Agriculture
BILL NORTHEY**

Executive Assistant/Rule Making
MARGARET THOMSON

Legislative Liaison
SUSAN FENTON
Communications Director
DUSTIN VANDE HOEF

**Deputy Secretary of Agriculture
KAREY CLAGHORN**

**Consumer Protection &
Industry Services
JOHN WHIPPLE,
DIRECTOR**

**Food Safety
& Animal Health
JOHN WHIPPLE,
ACTING DIRECTOR**

**Administration
KAREY CLAGHORN**

**Soil
Conservation
CHUCK GIPP**

Agricultural Div & Market Dev
MAURY WILLS

Agriculture Marketing Bureau
HAROLD HOMMES

Hort & Farmers Market Bureau
MIKE BEVINS

Auditing
JIM PANTHER

Horse & Dog Breeding Program
JILL PAXTON

Weights and Measures Bureau
JILL PAXTON

Entomology & Plant Science
ROBIN PRUISNER

Grain Warehouse Bureau
RICH WAHL

Animal Industry Bureau
DR. DAVID SCHMITT

Dairy Products Control Bureau
DAVID BROWN

Meat & Poultry Inspect Bureau
DR. GARY M. JOHNSON

Commercial Feed & Fertilizer Bureau
TERRY JENSEN

Pesticide Bureau
CHUCK ECKERMANN

Iowa Laboratory Bureau
TRAVIS KNIGHT

**MARILYN BEELER
PAULINE HARTMAN**

Accounting Bureau
ERINN SPROUSE

Human Resources
GLORIA STINSON

Media & Technology Coordinator
SHAUNA HUMRICH

Agriculture Statistics
GREG THESEN

Climatology Bureau
HARRY HILLAKER

Homeland Security
**DR. DAVID SCHMITT
DR. RANDY WHEELER
KEVIN KLOMMHAUS
KATIE HYDE**

Century/Heritage Farms
LINDA ROSKY

Field Services Bureau
JIM GILLESPIE

Mines & Mineral Bureau
TODD COFFELT

Water Resources Bureau
DEAN LEMKE



Department of Natural Resources

