

# Agriculture and Forestry

The proposed general fund amendments for the Agriculture and Forestry secretariat for FY 2010 total \$3.9 million and reflect the Governor's September 2009 Budget Reduction Plan. For the Department of Agriculture and Consumer Services (VDACS), these reductions equal 7 percent of the FY 2010 GF appropriation in Chapter 781 of the 2009 Acts of Assembly. At the Department of Forestry, the GF reduction is 9 percent of the FY 2010 budget as adopted by the 2009 General Assembly.

The proposed appropriation for Agriculture and Forestry in the FY 2010-12 biennium totals \$82.3 million GF and \$87.3 million NGF, a reduction of \$10.2 million GF and \$276,710 NGF compared to Chapter 781. This reflects the continuation of the majority of the September 2009 reduction plan, as well as additional reductions totaling \$2.2 million GF.

Major actions proposed at VDACS include the imposition of a new \$17.50 per device fee to supplement funding for the weights and measures program, and the partial transfer of meat and poultry processing plant inspections to the U.S. Department of Agriculture, which is expected to generate annual GF savings of \$1.0 million once fully implemented. At the Department of Forestry, changes generally are limited to the September 2009 reduction actions, the most significant of which is a \$400,000 reduction to the GF match for the reforestation of timberlands program in FY 2011 and a \$250,000 reduction in FY 2012.

In combination, the September 2009 strategies and the reductions proposed in HB/SB 30 result in the elimination of 57 positions at VDACS and eight at the Department of Forestry.

## **HB/SB 29**

- **Department of Agriculture and Consumer Services**
  - *Governor's September 2009 Budget Reductions.* Includes savings of \$2.3 million GF, offset by \$205,708 of NGF increases, for FY 2010 to implement the September 2009 budget reductions. The largest strategy included in that plan is the elimination of 22 positions, 12 of which resulted in layoffs. The remaining savings were generated by reducing discretionary expenses, as well as targeted reductions which eliminate state funding for the coyote control program and the agricultural statistics survey, reductions in funding for farmland preservation programs and a 15 percent reduction to support for Virginia Tech's agricultural education program. A Part 3 transfer of \$1.4 million in NGF cash balances from VDACS also is included in HB/SB 29.
- **Department of Forestry**
  - *Governor's September 2009 Budget Reductions.* Includes savings of \$1.6 million GF for FY 2010 to implement the September 2009 budget reductions. These strategies included the elimination of 8 vacant positions. Other actions included

the reversion of GF balances from 2009, reductions in discretionary expenditures, deferral of equipment purchases and a targeted reduction of \$400,000 GF for the Reforestation of Timberlands program. A Part 3 transfer of \$64,489 in NGF cash balances from the Department of Forestry also is included in HB/SB 29.

## **HB/SB 30**

- **Department of Agriculture and Consumer Services**
  - *Governor's September 2009 Budget Reductions.* Continues the on-going strategies contained in September 2009 and generates additional savings by shifting certain general fund costs to nongeneral fund support. Also included is the elimination of funding for 3 positions in agricultural education at Virginia Tech that have been funded by VDACS. In combination, these generate savings of \$2.0 million GF in FY 2011 and \$2.9 million in FY 2012.
  - *Distribute Central Appropriations Reductions to Agency.* Reflects technical adjustments transferring GF savings of \$815,117 each in FY 2011 and FY 2012 from changes to benefit contribution rates and other centrally funded items.
  - *Transfer Interstate Meat and Poultry Inspection Program to USDA.* Includes a proposal to transfer responsibility for inspection of meat and poultry processing plants that ship interstate to the U.S. Department of Agriculture for a savings of \$200,313 GF in FY 2011 and \$1.0 million GF in FY 2012. This results in the elimination of 35 positions. The department will continue to inspect plants that ship only within the state.
  - *Weights and Measures Inspections.* Proposes language authorizing the establishment of a \$17.50 per device fee for the annual inspection of weights and measures devices and an NGF appropriation of \$2.1 million in FY 2011 and FY 2012 to reflect revenues anticipated to be generated by this new fee. These amounts are not used to supplant GF support for the program, but to increase funding to allow for more frequent inspection of the devices. At the 2009 Reconvened Session the Governor vetoed language adopted by the General Assembly which called for the privatization of this program.
  - *Food Inspection Back-Up System.* Includes \$135,000 GF in FY 2011 and \$95,000 GF in FY 2012 to move the food inspection computer system to ensure appropriate disaster recovery services to address findings of the Auditor of Public Accounts.
- **Department of Forestry**
  - *Governor's September 2009 Budget Reductions.* In FY 2011, continues all the GF reduction strategies announced in September 2009 for a savings of \$1.6 million. In FY 2012, a number of cuts are reduced, leaving GF savings of \$1.4 million. The

largest change is an increase of \$150,000 in the amount provided to match industry funds for the reforestation of timberlands.

- ***Reflect Appropriation of Local Fee Revenue.*** Includes an appropriation of \$500,000 NGF in FY 2011 and FY 2012 reflecting legislation adopted by the 2009 General Assembly to increase fees charged to localities for forest fire protection and suppression services.
- ***Reflect Updated NGF Revenue Forecast.*** Reduces the agency's special fund appropriation by \$1.25 million in FY 2011 and FY 2012 to reflect the most recent six-year nongeneral fund revenue estimate.