

**FIRST ENGROSSMENT
with House Amendments**

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2021

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the extension
2 service, northern crops institute, upper great plains transportation institute, and the agricultural
3 experiment station; to provide statements of legislative intent; to provide for a report to the
4 budget section; and to amend and reenact sections 4-05.1-16, 4-05.1-17, 4-05.1-19, and
5 4-05.1-21 of the North Dakota Century Code, relating to the membership and duties of the state
6 board of agricultural research and education, the compensation of board members, and the
7 agricultural research fund.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
10 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income to the North Dakota state university extension service, the northern crops
13 institute, the upper great plains transportation institute, and the North Dakota agricultural
14 experiment station for the purpose of defraying the expenses of their various divisions, for the
15 biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

16 Subdivision 1.

17 NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

18 Total all funds	\$33,628,046
19 Less estimated income	<u>19,298,301</u>
20 Total general fund appropriation	\$14,329,745

21 Subdivision 2.

22 NORTHERN CROPS INSTITUTE

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1	Total all funds	\$1,457,123
2	Less estimated income	<u>732,697</u>
3	Total general fund appropriation	\$724,426

4 Subdivision 3.

5 UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

6	Salaries and wages	\$4,057,364
7	Operating expenses	2,418,063
8	Equipment	263,000
9	Grants	<u>1,150,000</u>
10	Total all funds	\$7,888,427
11	Less estimated income	<u>7,383,348</u>
12	Total general fund appropriation	\$505,079

13 Subdivision 4.

14 MAIN RESEARCH CENTER

15	Total all funds	\$54,818,597
16	Less estimated income	<u>26,812,612</u>
17	Total general fund appropriation	\$28,005,985

18 Subdivision 5.

19 RESEARCH CENTERS

20	Dickinson research center	\$3,782,653
21	Central grasslands research center	1,413,982
22	Hettinger research center	1,559,583
23	Langdon research center	1,916,894
24	North central research center	1,511,068
25	Williston research center	1,493,786
26	Carrington research center	<u>3,259,679</u>
27	Total all funds	\$14,937,645
28	Less estimated income	<u>6,903,485</u>
29	Total general fund appropriation	\$8,034,160

30 Subdivision 6.

31 AGRONOMY SEED FARM

1	Agronomy seed farm	<u>\$1,259,140</u>
2	Total special funds appropriation	\$1,259,140
3	Grand total general fund appropriation S.B. 2021	\$51,599,395
4	Grand total special funds appropriation S.B. 2021	\$62,389,583
5	Grand total all funds appropriation S.B. 2021	\$113,988,978

6 **SECTION 2. ADDITIONAL INCOME - APPROPRIATION.** Any additional income
7 including funds from federal acts, private grants, gifts and donations, or from other sources
8 received by the North Dakota agricultural experiment station, northern crops institute, upper
9 great plains transportation institute, and the North Dakota state university extension service,
10 except as otherwise provided by law, is appropriated for the purpose designated in the act,
11 grant, or donation for the biennium beginning July 1, 2001, and ending June 30, 2003.

12 **SECTION 3. TRANSFER AUTHORITY.** Upon approval of the state board of
13 agricultural research and education and appropriate research extension center directors, the
14 director of the North Dakota agricultural experiment station may transfer appropriation authority
15 within subdivisions 4, 5, and 6 of section 1 of this Act and shall notify the office of management
16 and budget within ten days following the transfer.

17 **SECTION 4. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS.** The board of
18 higher education is authorized to adjust or increase full-time equivalent positions as needed,
19 subject to availability of funds. The board shall report any adjustments to the office of
20 management and budget prior to the submission of the 2003-05 budget request.

21 **SECTION 5. LEGISLATIVE INTENT - LANGDON LEARNING CENTER.** It is the
22 intent of the legislative assembly that the Langdon research extension center begin
23 construction on the Langdon learning center only when the station has \$500,000 in cash or
24 pledges for the learning center for the biennium beginning July 1, 2001, and ending June 30,
25 2003.

26 **SECTION 6. LEGISLATIVE INTENT - CARRINGTON RESEARCH CENTER.** It is the
27 intent of the legislative assembly that the agricultural experiment station develop a modern
28 feedmill and feedlot at the Carrington research extension center that will address genetic,
29 management, marketing, coproduct, and environmental research needs of beef producers.

30 **SECTION 7. LEGISLATIVE INTENT - MALT BARLEYS.** It is the intent of the
31 fifty-seventh legislative assembly that the agricultural experiment station allocate from the main

1 research center \$288,000 of funding for the purpose of developing western North Dakota malt
2 barleys for the biennium beginning July 1, 2001, and ending June 30, 2003.

3 **SECTION 8. LEGISLATIVE INTENT - BEEFLINE INITIATIVE.** It is the intent of the
4 fifty-seventh legislative assembly that the agricultural experiment station allocate at least
5 \$445,000 of funding for the beefline initiative for the biennium beginning July 1, 2001, and
6 ending June 30, 2003.

7 **SECTION 9. LEGISLATIVE INTENT - NEW BARLEY VARIETIES.** It is the intent of
8 the fifty-seventh legislative assembly that the agricultural experiment station allocate at least
9 \$228,000 of funding for the purpose of conducting research to develop new feed barley
10 varieties for the biennium beginning July 1, 2001, and ending June 30, 2003.

11 **SECTION 10. REPORT TO THE BUDGET SECTION.** The state board of agricultural
12 research and education shall present a status report to the budget section of the legislative
13 council during the biennium beginning July 1, 2001, and ending June 30, 2003. The report
14 must include:

- 15 1. The number of employees and expenditures for each research extension center
16 and the main station.
- 17 2. The expenditures from all funds for each state board of agricultural research and
18 education gas tax research initiative.
- 19 3. A statement for each agricultural experiment station research project indicating the
20 economic impact of each project to the state of North Dakota and how the project
21 relates to the vision statement "North Dakota is to become the trusted provider of
22 the highest quality agricultural products in the world," and a statement regarding
23 North Dakota state university extension service's dissemination of information
24 regarding each agricultural experiment station research project.
- 25 4. A report on cooperative projects undertaken by the agricultural research center,
26 extension centers, and the main station.
- 27 5. A report identifying the source of income at the research and extension centers,
28 the use of those funds, and the extent the research projects are affected by each
29 income source.

30 **SECTION 11. UNEXPENDED GENERAL FUND - EXCESS INCOME.** Any
31 unexpended general fund appropriation authority to and any excess income received by entities

1 listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any
2 unexpended funds from these appropriations or revenues are available and may be expended
3 during the biennium beginning July 1, 2003, and ending June 30, 2005.

4 **SECTION 12. AMENDMENT.** Section 4-05.1-16 of the 1999 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **4-05.1-16. State board of agricultural research and education - Membership -**
7 **Terms.**

- 8 1. The state board of agricultural research and education consists of:
- 9 a. The president of North Dakota state university or the president's designee;
 - 10 b. The vice president of agricultural affairs at North Dakota state university;
 - 11 c. The administrator of the agricultural experiment station;
 - 12 d. The five persons appointed to the agricultural consultation board by the ag
13 coalition and serving in that capacity on July 1, 1997;
 - 14 e. The five persons appointed to the agricultural consultation board by the
15 extension service's multicounty program units and serving in that capacity on
16 July 1, 1997;
 - 17 f. The two persons appointed to the agricultural consultation board by the
18 president of North Dakota state university as representatives of the state's
19 research extension centers and serving in that capacity on July 1, 1997;
 - 20 g. The agriculture commissioner, who serves in an ex officio nonvoting capacity;
21 and
 - 22 h. The director of the North Dakota state university extension service.
- 23 2. a. The initial five members appointed by the ag coalition shall select their terms
24 by lot so that one member serves for one year, one member serves for two
25 years, one member serves for three years, one member serves for four years,
26 and one member serves for five years.
- 27 b. The initial five members appointed by the extension service's multicounty
28 program units shall select their terms by lot so that one member serves for
29 one year, one member serves for two years, one member serves for three
30 years, one member serves for four years, and one member serves for five
31 years.

- 1 c. The two persons appointed as representatives of the state's research
2 extension centers shall serve only through June 30, 1998.
- 3 3. At the completion of each initial term, the term of office for each member is five
4 years, beginning on July first. No person may be appointed to a second five-year
5 term.
- 6 4. a. At least ninety days before the conclusion of the initial term of each member
7 appointed by the ag coalition, the ag coalition shall provide to the state board
8 of higher education a list of one or more names from which the state board of
9 higher education shall appoint a successor. Future appointments to these
10 five positions must be made in the same manner. The state board of higher
11 education shall ensure that four out of the five seats are held by agricultural
12 producers.
- 13 b. At least ninety days before the conclusion of the initial term of each member
14 appointed by the extension service's multicounty program units, the units
15 through their advisory groups shall provide to the state board of higher
16 education a list of one or more names from which the state board of higher
17 education shall appoint a successor. Future appointments to these five
18 positions must be made in the same manner. The state board of higher
19 education shall ensure that four out of the five seats are held by agricultural
20 producers.

21 **SECTION 13. AMENDMENT.** Section 4-05.1-17 of the 1999 Supplement to the North
22 Dakota Century Code is amended and reenacted as follows:

23 **4-05.1-17. Compensation of board members - Expenses.** Each appointed member
24 of the state board of agricultural research and education is entitled to receive ~~sixty-two~~
25 seventy-five dollars and fifty cents per day as compensation for the time actually spent devoted
26 to the duties of office and is entitled to receive necessary expenses in the same manner and
27 amounts as state officials for attending meetings and performing other functions of office.

28 **SECTION 14. AMENDMENT.** Section 4-05.1-19 of the 1999 Supplement to the North
29 Dakota Century Code is amended and reenacted as follows:

30 **4-05.1-19. State board of agricultural research and education - Duties.** Within the
31 policies of the state board of higher education, the state board of agricultural research and

1 education is responsible for ~~the budgeting, supervision, and policymaking responsibilities~~
2 associated with the ~~supervision of the~~ agricultural experiment station and the North Dakota
3 state university extension service. The board of agricultural research and education board
4 shall:

- 5 1. Determine the causes of any adverse economic impacts on crops and livestock
6 produced in this state;
- 7 2. Develop ongoing strategies for the provision of research solutions and resources
8 to negate adverse economic impacts on crops and livestock produced in this state;
- 9 ~~3. Make available financial resources, including grants and salaries, and make~~
10 ~~available equipment and facilities to implement~~ Develop ongoing strategies for the
11 dissemination of research information through the extension service;
- 12 4. Implement the strategies developed under subsection subsections 2 and 3,
13 subject to approval by the state board of higher education;
- 14 ~~4.~~ 5. Develop an annual budget for the operation of, with the agricultural experiment
15 station and the North Dakota state university extension service, an annual budget
16 for the operations of these entities;
- 17 ~~5.~~ 6. Develop, with the agricultural experiment station and the North Dakota state
18 university extension service, a biennial budget request and submit that request to
19 the president of North Dakota state university and the state board of higher
20 education on or before March first of each even-numbered year;
- 21 ~~6.~~ 7. Maximize the use of existing financial resources, equipment, and facilities to
22 generate the greatest economic benefit from research and extension efforts and to
23 promote efficiency;
- 24 ~~7.~~ 8. Annually evaluate the results of research and extension activities and expenditures
25 and report the findings to the legislative council and the state board of higher
26 education;
- 27 ~~8.~~ 9. Advise the administration president of North Dakota state university regarding the
28 recruitment and, selection, and performance of the vice president of agricultural
29 affairs, the extension service director, and the station director; and

1 9- 10. ~~Develop ongoing strategies for the dissemination of research information and the~~
2 ~~best practices for management of the extension service~~ Present a status report to
3 the budget section of the legislative council.

4 **SECTION 15. AMENDMENT.** Section 4-05.1-21 of the 1999 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **4-05.1-21. State board of agricultural research and education - Apportionment of**
7 **research funds.**

8 1. The state board of agricultural research and education may use up to ten percent
9 of the proceeds of the agricultural research fund, not to exceed fifty thousand
10 dollars, for administrative expenses and annually shall apportion the remaining
11 proceeds of the agricultural research fund as follows:

12 a. Seventy percent to research activities affecting North Dakota agricultural
13 commodities that account for at least two percent of the gross sales of all
14 agricultural commodities grown or produced in the state. The percentage of
15 the dollars available for each agricultural commodity under this section may
16 not exceed the percentage that the gross sales of the agricultural commodity
17 bear to the North Dakota gross sales of all agricultural commodities grown or
18 produced during the previous year, as determined by the agricultural statistics
19 service;

20 b. Eighteen percent to research activities affecting North Dakota animal
21 agriculture; and

22 c. Twelve percent to research activities affecting new and emerging crops in
23 North Dakota.

24 2. The state board of agricultural research and education shall solicit proposals for
25 research from the public and private sectors and shall appoint committees to
26 review the proposals and award the agricultural research grants on a competitive
27 basis. Each committee must consist of a majority of agricultural producers
28 selected in consultation with the agricultural commodity groups representing
29 commodities that are the subjects of the proposed research and may include
30 researchers and other individuals knowledgeable about the proposed area of

1 research. Whenever possible, the committees shall require that a grant recipient
2 commit matching funds.

3 3. The state board of agricultural research and education shall develop policies
4 regarding the award of research grants, including requirements for matching funds,
5 cooperation with other in-state and out-of-state researchers, and coordination with
6 other in-state and out-of-state proposed or ongoing research projects.

7 **SECTION 16. TRANSFER AUTHORITY.** Upon approval from the state board of
8 agricultural research and education, the director of the North Dakota agricultural experiment
9 station may transfer appropriation authority within subdivisions 1, 4, and 5 of section 1 of this
10 Act of up to \$90,000 of estimated income for beef quality assurance and up to \$60,000 of
11 estimated income for applied research initiatives, for the biennium beginning July 1, 2001, and
12 ending June 30, 2003.