

Agriculture and Forestry

Governor's Proposed Amendments				
(\$ in millions)				
	FY 2021 Proposed		FY 2022 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2020-22 Current Budget (Ch. 56, 2020 Special Session I)	\$64.0	\$57.4	\$62.3	\$57.4
Proposed Increases	0.0	0.0	2.7	0.0
Proposed Decreases	<u>(1.3)</u>	<u>0.0</u>	<u>(2.2)</u>	<u>0.0</u>
\$ Net Change	(1.3)	0.0	0.5	0.0
HB 1800/SB 1100, as Introduced	\$62.6	\$57.4	\$62.8	\$57.4
% Change	(2.3%)	0.0%	0.8%	0.0%
FTEs	512.59	337.41	517.58	337.42
# Change	0.00	0.00	5.00	0.00

- **Department of Agriculture and Consumer Services**

- ***Food Assistance Program.*** Recommends \$600,000 GF the second year to establish a Virginia Agriculture Food Assistance Program, which will provide funding to cover farmers' and food producers' costs associated with the harvesting, processing, packaging, and transporting of agriculture products in order to donate those items to charitable food assistance organizations. The existing tax credit, established in 2016 for this purpose, is currently undersubscribed. Legislation is expected to be considered during the 2021 Session to establish the grant program.
- ***Food Safety Program.*** Proposes to restore \$276,636 GF and 3.00 FTE the second year for three food safety inspectors and associated operating costs to enhance the food safety inspection program that had been approved during the 2020 Session, but were subsequently unallotted.
- ***Watershed Implementation Plan.*** Proposes to restore \$245,698 and 2.00 FTE the second year for the implementation of Agricultural Best Management Practices and enhanced auditing of contractor-applied fertilizer on nonagricultural property. This item, related to meeting the Commonwealth's water pollution reduction

targets under Phase III of the Watershed Implementation Plan, was approved during the 2020 Session but was subsequently unallotted.

- ***Wine Promotion Fund.*** Decreases the second year deposit required to be made to the Wine Promotion Fund by \$0.8 million GF based on updated wine and cider liter tax revenue collections attributable to Virginia wines and ciders. Bringing the total to approximately \$2.0 million the revenues dedicated by statute to promotion of Virginia’s viticulture industry.
- ***Distribute Budget Reductions from Central Appropriations to Agency Budgets.*** Reduces the agency’s budget by \$757,222 GF the first year and \$441,722 the second year to reflect approved budget reductions in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005). These reductions were originally unallotted in Chapter 1289 of the 2020 Acts of Assembly (HB 30) and subsequently converted to budget reductions in the 2020 Special Session I.

- **Department of Forestry**

- ***Multi-agency Incident Management Team.*** Proposes \$316,146 GF the second year to provide funding to establish a new program to work in partnership with the Virginia Department of Emergency Management to build a multi-agency Incident Management Team for enhanced response capacity for large-scale emergency incidents.
- ***Watershed Implementation Plan.*** Proposes to restore \$478,185 GF the second year to manage conservation easements, tree planting and forest conservation strategies included in Phase III of the Watershed Implementation Plan to help Virginia meet its 2025 Chesapeake Bay cleanup targets. This funding had been approved during the 2020 Session, but were subsequently unallotted.
- ***Hardwood Habitat Program.*** Proposes to restore \$521,842 GF the second year for the establishment of a new hardwood forest habitat program, modeled on the Reforestation of Timberlands program, to incentivize landowners to invest in the regeneration of hardwood trees. The existing program is limited to pine forests. General Fund amounts for both programs would match industry participant contributions. Funding would provide for initial staffing of the program with a report detailing the potential landowner incentives and best management practices for the Hardwood Habitat program required by October 15, 2021. This funding had been approved during the 2020 Session, but was subsequently unallotted.
- ***Hardwood Seedlings.*** Recommends an additional \$290,000 GF the second year in order to expand the agency’s hardwood tree seedling capacity.

- ***Charlotte County Forest Phase II.*** Proposes an additional \$6.8 million NGF in Capital Outlay for the acquisition of approximately 2,500 acres new State Forest in Charlotte County. Phase I, adopted in the 2020 Session, provided \$5.1 million from the State Forest Mitigation Acquisition Fund for initial acquisition of land by the Department of Forestry.

- ***Distribute Budget Reductions from Central Appropriations to Agency Budgets.*** Reduces the agency’s budget by \$0.6 million GF in the first year and \$1.0 million the second year to reflect approved budget reductions in Chapter 56 of the 2020 Acts of Assembly, Special Session I (HB 5005). These reductions were originally unallotted in Chapter 1289 of the 2020 Acts of Assembly (HB 30) and subsequently converted to budget reductions in the 2020 Special Session.