

Agriculture and Forestry

The general fund amendments adopted 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 8 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 approved appropriation for Agriculture and Forestry in the FY 2010-12 biennium totals \$81.9 million GF and \$86.2 million NGF, a reduction of \$10.7 million GF offset by a net increase of \$2.1 million NGF compared to Chapter 781. This reflects the continuation of the majority of the September 2009 reduction plan, as well as additional reductions totaling \$2.7 million GF.

In combination, the September 2009 strategies and the reductions included in HB 30 result in the elimination of 20 positions at VDACS and eight at the Department of Forestry.

HB 29 (Chapter 872)

- **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 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 29.

HB 30 (Chapter 874)

- **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.
 - ***Increase Food Inspection Fee.*** Increases the annual food inspection fee from \$40 to \$100 in order to cover the direct costs of the food inspection program. This results in a decrease of \$540,000 GF each year, which is offset with an increase of \$540,000 NGF from the increased fee.
 - ***Purchase of Development Rights Program.*** Reduces funding by \$300,000 GF each year for matching grants for the PDR program in the office of farmland preservation. This amendment will leave \$100,000 GF each year for the program.
 - ***Wine Promotion Fund.*** Increases funding each year by \$745,000 GF for the Virginia Wine Promotion Fund to promote Virginia farm wineries. A companion amendment to Part 3 reduces the amount of ABC taxes transferred to the general fund. These changes reflect legislation passed by the 2010 General Assembly to dedicate the portion of the wine liter tax from farm wineries to the Fund.
 - ***Weights and Measures Inspections.*** Provides language authorizing the Commissioner to accept the results of certified private service agency inspections in lieu of state inspections of weights and measures devices. Such inspections would have to be reported to the Commissioner on at least an annual basis. Any device found to not be in compliance with current regulations could not be used again commercially until it is repaired and re-inspected by either a VDACS inspector or a service agency licensed by VDACS.
 - ***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.
- *Additional Administrative Reductions.* Reduces the agency's appropriation by \$422,536 GF each year for additional administrative reductions, including an unused portion of the agency's funding for the master equipment lease program.
- *Reduce Funding for Reforestation of Timberlands Program.* Reduces funding for the Reforestation of Timberlands Program by 50 percent resulting in savings of \$372,570 GF in FY 2011 and \$447,570 GF in FY 2012.
- *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.