

Agriculture and Forestry

The proposed appropriation in HB 1500/SB 800 for the Agriculture and Forestry secretariat in the 2010-12 biennium totals \$82.4 million GF and \$86.4 million NGF. General fund amendments recommended for Agriculture and Forestry include increases of \$1.5 GF, offset by decreases of \$927,252 GF as compared to Chapter 874. There is a total increase recommended of \$214,359 NGF and there are no reductions proposed for nongeneral funds.

Amendments included in HB 1500/SB 800 result in the elimination of four positions at the Department of Forestry but an increase of three positions at the Department of Agriculture and Consumer Services.

- **Department of Agriculture and Consumer Services**
 - *Purchase of Development Rights (PDR) Program.* Proposes an increase of \$400,000 GF in FY 2012 to match local funding for purchase of development rights program which is administered by the Office of Farmland Preservation. This amendment will increase the budget for the PDR program from \$100,000 GF to \$500,000 GF in FY 2012.
 - *Wine Promotion Fund.* Increases the appropriation for the Virginia Wine Board in both FY 2011 and FY 2012 by \$278,708 GF. This increase is based on revised wine liter tax collections attributable to the sale of Virginia Farm wines, which are dedicated for the promotion of Virginia farm wines pursuant to legislation passed by the 2010 General Assembly. With this increase, \$1.6 million GF will be available for this purpose each year. This adjustment also reflects the tax revenues from Virginia wines sold at ABC stores which was inadvertently excluded from the calculation last year.
 - *Tax Credit for Establishment or Expansion of Vineyards and Wineries.* Included in the revenue page is a reduction of \$250,000 GF in FY 2012 based on legislation that will be proposed to establish a reimbursable tax credit program for the expansion of vineyards and wineries. This is a recommendation of the Governor's Commission on Economic Development and Job Creation.
 - *Agriculture Stewardship Act Program.* Provides \$185,962 in FY 2012 and two positions as part of the Watershed Implementation Plan submitted by Virginia to the U.S. Environmental Protection Agency for the clean-up of the Chesapeake Bay. These positions will help farmers meet requirements to reduce nutrient and sediment runoff into state waters in the Chesapeake Bay watershed.
 - *Dairy Inspection Position.* Provides \$78,710 GF in FY 2012 and one position for a new dairy inspector to address deficiencies cited by the U.S. Food and Drug Administration.

- ***Restructure Consumer Protection Office.*** Recommends a reduction of \$133,053 GF in FY 2012, offset by a corresponding increase in nongeneral funds from restructuring the consumer protection enforcement unit and transferring two positions to federal funds. However, the introduced budget contains an error as two nongeneral fund positions were subtracted rather than added.
- ***Eliminate Funding for Vacant Positions.*** Reduces funding by \$88,245 GF in FY 2012 by eliminating funding for four vacant positions in the Office of Meat and Poultry Services. However, there is no corresponding adjustment recommended for the number of FTE positions.
- ***Transfer Administrative Position to NGF.*** Recommends a reduction of \$81,306 GF in FY 2012, offset by a corresponding increase in nongeneral funds from transferring 80 percent of the funding for one administrative position in the Office of Consumer Protection to federal funds. However, the introduced budget contains an error as one nongeneral fund position was subtracted rather than added.
- ***Eliminate IT Contract.*** Reduces funding by \$62,806 GF in FY 2012 from eliminating the contract with a systems automation vendor for the bingo manager/caller licensing system in the Office of Charitable Gaming.
- ***Reduce Funding for Milk Commission.*** Reduces funding by \$56,843 GF in FY 2012 for administrative support of the Milk Commission.
- ***USDA Rental Subsidy.*** Reduces funding by \$44,250 GF in FY 2012 from reducing rental assistance provided to the U.S. Department of Agriculture's National Agriculture Statistics Services for office space in the Oliver Hill Building.
- ***Move Office of Charitable Gaming.*** Reduces funding by \$32,929 GF in FY 2012 from moving the Office of Charitable Gaming out of the James Monroe Building and consolidating it with VDACS offices in the Oliver Hill Building.
- ***Eliminate Support for the State Fair.*** Reduces funding by \$32,900 GF in FY 2012 by eliminating support for the State Fair. These funds were used to support Future Farmers of America and 4H Club participation in the State Fair.
- ***Virginia Wine Distribution Company.*** Reduces funding for the Virginia Wine Distribution Company by \$13,675 GF in FY 2012.
- ***Agriculture Statistics Survey.*** Reduces support for the USDA survey of Virginia agribusiness by \$9,883 GF in FY 2012.
- ***Reclassify Manager Position.*** Includes a reduction of \$7,500 GF in FY 2012 from reclassifying a manager position to a lower level in the Commissioner's Office.

- **Department of Forestry**

- *Provide Funding for Replacement of Firefighting Equipment.* Provides \$286,719 GF in FY 2012 to allow for approximately \$1.0 million in purchases to replace outdated equipment through the Master Equipment Lease Program.
- *Elimination of Four Positions.* Reduces funding by \$139,954 GF in FY 2011 and \$279,908 GF in FY 2012 by keeping four positions vacant for the remainder of FY 2011 and eliminating the positions in FY 2012.