

Agriculture and Forestry

Adopted Adjustments (\$ in millions)				
	FY 2015 Adopted		FY 2016 Adopted	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2014-16 Base Budget, Ch. 806	\$46.5	\$41.0	\$46.5	\$41.0
Increases	3.0	5.0	3.9	5.0
Decreases	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
\$ Net Change	3.0	5.0	3.9	5.0
Chapter 2 (HB 5002, as Adopted)	\$49.4	\$46.0	\$50.3	\$46.0
% Change	6.3%	12.3%	8.3%	12.3%
FTEs	497.59	328.41	498.59	328.41
# Change	7.00	25.00	8.00	25.00

- **Department of Agriculture and Consumer Services**
 - *Computer Security Standards.* Provides \$531,325 GF the first year and \$379,736 GF the second year and 1.0 FTE position for an application engineer position, server upgrades and procurement of disaster recovery services for the agency's computer systems.
 - *Enhance Food Safety Inspection Program.* Provides \$262,409 GF the second year and 3.0 FTE positions to increase the number of food safety inspectors to reduce the number of retail food establishments that each inspector must cover.
 - *Accreditation of Animal Health Laboratories.* Provides \$203,774 GF the second year to support efforts to obtain national accreditation of the agency's animal health laboratories to ensure Virginia livestock and poultry remain trusted and competitive in domestic and international markets.
 - *Virginia Wine Promotion Fund.* Includes an increase of \$62,433 GF each year to the fund to reflect increased wine liter tax collections that are dedicated by statute to the fund, bringing the total to \$1.8 million per year.

- ***Commodity Grading Services.*** Provides an increase of \$1.2 million NGF each year and 15.0 FTE positions to support grading and inspection services for commodity exports. These positions are supported by fees paid by producers, revenue from which has increased as exports have grown. As exports have grown, so has the need for additional inspectors.
- ***Eliminate Charitable Gaming Positions.*** Includes a reduction of \$150,000 GF each year in Central Appropriations from elimination of 2.0 FTE positions in the Charitable Gaming inspection and enforcement unit. Funding for these positions was provided by the 2013 General Assembly but the Administration never authorized filling of the positions and the agency proposed the strategy as part of the reduction plans submitted this fall.
- ***Supplant GF for Grain Marketing Positions.*** Includes a reduction of \$132,000 GF each year in Central Appropriations from supplanting general funds with fees charged to producers. A corresponding amendment within the Department's budget authorizes 15.0 additional NGF FTEs.

- **Department of Forestry**

- ***Reforestation of Timberlands.*** Provides an increase of \$513,718 GF the second year for the Reforestation of Timberlands program. Also provides \$200,000 NGF each year from anticipated increases in forest products tax revenue based on increased sales of forest products.
- ***Forest Firefighting Equipment.*** Provides \$394,605 GF each year for debt service payments to allow the Department to purchase wildfire emergency response equipment through the Master Equipment Lease Purchase (MELP) program. A related amendment in Capital Outlay provides \$760,000 in bond authorization the first year to build 24 garages in which to store the firefighting equipment.
- ***Accounts Receivable System.*** Includes language allowing the Department to use \$147,500 from the Reforestation of Timberlands Program in FY 2015 for the agency's accounts receivable system. A corresponding action in Chapter 1 of the 2014 Special Session I Acts of Assembly (HB 5001) provides \$92,500 for the system. This usage was approved by the 2013 General Assembly but because of project delays, the timing has been adjusted as the majority of the costs will now be in FY 2015.

- **Virginia Racing Commission**

- ***Transfer Virginia Racing Commission to Agriculture and Forestry Secretariat.*** Includes a series of amendments that transfer the Virginia Racing Commission from the Secretary of Commerce and Trade to the Secretary of Agriculture and

Forestry. The Racing Commission is set out as a new item within the Agriculture Secretariat and a companion amendment eliminates this item from the Commerce and Trade secretariat.

- ***Reduce Operating Expenditure.*** Includes a reduction of \$290,837 NGF the first year and \$301,565 NGF the second year to the agency's equine research incentives and a reduction of the anticipated transfer to the general fund by \$634,346 the first year and \$684,346 the second year based on reduced revenue estimates from pari-mutual wagering.