Department of Agriculture

- GRF funding for FY 2002 is only 0.1% greater than FY 2001.
- $2,915,635 appropriated for the biennium for the new Livestock Regulation Program.

OVERVIEW

Ohio's Department of Agriculture (AGR) is primarily a regulatory agency responsible for the quality of the State's food supply. The agency's other priorities include promoting Ohio's agricultural products in domestic and international markets, controlling livestock diseases, and inspecting food supplies both at the producer level and at retail establishments. The department administers these activities through 11 separate program areas that are highlighted in the "Executive Proposal" section of this red book. The department currently employs 485 staff. This number is expected to increase to 492 during FYs 2002 and 2003 due to the new Livestock Regulation Program and responsibilities associated with State Issue 1.

Executive Recommendations for the FY 2002-2003 Biennium

Recommended appropriations for FY 2002 total $41,952,538, 5.6% above FY 2001 estimated disbursements of $39,718,219. Recommended FY 2003 appropriations are 3.4% higher than FY 2002 with $43,371,903. Some of this increase is attributable to the new Livestock Regulation Program, which was granted approximately $1.5 million for each year in the upcoming biennium. The total GRF funding increases by only 0.1% from FY 2001 to FY 2002.

In both fiscal years, GRF funding accounts for approximately 55 percent of the total recommended appropriations. State Special Revenue funding, or income derived from fees and licenses, accounts for a further 24 percent of the total recommendation in each fiscal year. Federal revenue makes up the remaining 20 percent of proposed funding in both FY 2002 and FY 2003.

Assessment of Major Policy Issues

Hazard Analysis and Critical Control Point (HACCP) Inspection

By 2000, the meat and poultry plants inspected by the Ohio Department of Agriculture were equipped to perform a nationally-standardized inspection. This inspection system is the Hazard Analysis and Critical Control Points (HACCP). HACCP is an inspection process in which the department works with plants to control hazards in food production by targeting points along the production line where problems could occur.

Concentrated Animal Feeding Facilities

With the enactment of Substitute S.B. 141, the authority to permit and regulate concentrated animal feeding facilities/operations (CAFF) was transferred from the Ohio Environmental Protection Agency to the Ohio Department of Agriculture. The Department of Agriculture was granted the authority to issue National Pollutant Discharge Elimination System permits (NPDES) concerning manure and storm water discharge. The bill also establishes the Concentrated Animal Feeding Facility Advisory Committee, a 21 member advisory committee that deals with issues concerning CAFF. The department pays the costs of the committee. The bill specifies that a CAFF has a capacity to hold more than 1,000 animal units, while a "Major" CAFF can hold more than 10,000. An animal unit "is a standard measure, based on feed requirements, used to combine various classes of livestock according to size, weight, age, and use." The department was granted approximately $2.9 million for the new Livestock Regulation Program that was created to oversee the CAFF operations.

State Issue 1

Issue 1 deals with brownfield cleanup, the preservation of farmland and rivers, and the expansion of outdoor recreational activities. Ohio voters approved the issue this past November. The Executive recommended increasing the Farmland Preservation line item, 700-409, by approximately $600,000 for the upcoming biennium due to the passage of State Issue 1. The department has added 3 positions as a result of its new responsibilities.

H.B. 223

H.B. 223 has made the state's food safety system "more streamlined, sensible, and easier to administer by a partnership of ODA, the Ohio Department of Health, and the local public health districts." The bill creates a statewide licensing program and requires that retail food establishments adopt statewide standards. The implementation and enforcement responsibilities lie with the boards of health of each city and general health district. The bill has shifted responsibility from the department to local health inspectors. State employees now do the training.

Gypsy Moth

Last year's drought-like conditions led to an increase in the population and spread of the Gypsy Moth. The Gypsy Moth is an insect that is highly destructive to forests, trees, and landscapes throughout the nation. It also decreases timber value, lowers the quality of life for people living in infected areas, affects water quality, and damages wildlife habitats. Currently, Ohio has "the largest contiguous advancing front of gypsy moth infestation in the nation." It is an introduced pest and as such has few natural enemies. The department's Gypsy Moth program, under the Division of Plant Industry, is focusing on: regulation of quarantine, surveying to find infestations, minimizing the impacts of the pest, and suppression. The department has 5 full-time employees concentrating on this problem and was granted approximately $646,000 (line item 700-413) for each year in the upcoming biennium. States with similar or smaller moth infestations have many more employees dedicated to suppression techniques and receive much greater funding. For instance, Pennsylvania has 12 employees and $2.3 million and West Virginia has 24 employees and $1.1 million.

ADDITIONAL FACTS AND FIGURES

Department of Agriculture Filled Positions						
					Estimated	
Program	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Administration	53	51	51	45	48	48
Ride Inspection	11	11	11	11	11	11
Animal Industry	64	64	64	63	63	63
Food Safety	35	35	35	35	34	34
Plant Industry	72	73	73	84	84	84
Weights and Measures	19	17	17	20	19	19
Meat Inspection	133	131	131	133	130	130
Consumer Analytical Lab	33	32	32	38	38	38
Grape Industries	1	1	1	1	1	1
Dairy Division	35	30	30	36	36	36
International Trade	13	15	15	15	14	14
Livestock Regulation	0	0	0	0	14	14
Totals	**469**	**460**	**460**	**485**	**492**	**492**

- An additional 3 positions are added in Administration for FYs 2002 and 2003 to support State Issue I.
- The new Livestock Regulation Program will have 14 employees.

ANALYSIS OF EXECUTIVE PROPOSAL

GENERAL AGRICULTURE *Program Series 1*

Purpose The General Agriculture program is designed to preserve the state's agricultural heritage. The programs within this division include support for county agricultural societies across the state, breeder awards, and the Ohio Farm Loan program.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-501	County Agricultural Societies	$434,163	$410,821
336	700-617	Ohio Farm Loan Revolving Fund	181,774	181,774
4E4	700-606	Utility Radiological Safety	69,016	73,059
Total funding: General Agriculture			**$684,953**	**$665,654**

COUNTY AGRICULTURAL SOCIETIES

Program Description: Most likely the program was established in the 1920s to supplement funding for youth activities at the state's 94 county and independent fairs.

Funding Source: GRF 700-501 County Agricultural Societies.

Implication of Recommendation: Appropriations for this line item are used for operating subsidies for the 94 county and independent junior fair societies. The allotment depends on the number of fairs that apply for the supplement and the total funds available in the account. The funding request for this line item was $438,831 for FY 2002 and $449,802 for FY 2003. The department also requested a supplement. The Executive recommended $434,802 for FY 2002, which is a 7% decrease from FY 2001 appropriations and $410,821 for FY 2003, which is a 5.4% decrease from FY 2002 appropriations. The supplement was not granted. As a result, the county junior fairs will be unable to absorb the full costs of promoting and operating the fairs.

RIDE INSPECTION *Program Series 2*

Purpose The Ride Inspection program series involves the inspection and licensure of all amusement rides in the state, as well as the regulation of games of skill at the state's 94 county and independent fairs.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-402	Amusement Ride Safety	$226,451	$230,769
578	700-620	Ride Inspection Fees	634,099	650,774
Total funding: Ride Inspection			**$860,550**	**$881,543**

Amusement Ride Safety

Program Description: This program deals with the inspection of amusement rides throughout the state on a year-round basis. The staff inspects both permanent installations as well as portable rides, averaging some 2,000 inspections annually. As well as site-inspection, division personnel review safety records with ride operators and ensure that operators are informed of any maintenance updates or safety bulletins that may apply to certain rides. The division also sponsors ride safety training programs in order to garner cooperation with ride operators throughout the state. Annual license receipts have ranged from $353,184 in FY 1998 to $345,209 in FY 2000.

Funding Sources: There are two sources of funding for this program series:

GRF line item 700-402 Amusement Ride Safety

State Special Revenue Fund 578 700-620, Ride Inspection

Implication of Recommendation: The Executive recommended $860,550 for FY 2002 and $881,543 for FY 2003. The Amusement Ride Safety line item was decreased by 29.4% from FY 2001 to FY 2002. In FY 2001, the line item received approximately $321,000. On the other hand, Fund 578 was increased from approximately $404,000 in FY 2001 to $634,099 in FY 2002. The Executive's recommendation provided for lower GRF and higher SSR funding than requested by the department. As a result, the department may need to increase fees in FY 2003 to support the costs of operation.

FOODS, DAIRIES, DRUGS *Program Series 3*

Purpose Funding included in the Foods, Dairies, and Drugs program series supports the operations of the Food Safety, Dairy Inspection, and Fruits and Vegetables programs.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2000	FY 2001
GRF	700-403	Dairy Division	$1,601,119	$1,742,732
GRF	700-407	Food Safety	1,452,039	1,406,078
4P7	700-610	Food Safety Inspection	559,611	575,797
4R2	700-637	Dairy Inspection Fund	1,183,358	1,174,591
493	700-603	Fruits and Vegetables	212,764	171,772
Total funding: Foods, Dairies, Drugs			**$5,008,891**	**$5,070,970**

This analysis will focus on two specific programs funded through this program series:

- ***Food Safety Division***
- ***Dairy Division***

Food Safety Division

Program Description: The Division of Food Safety enforces statutes related to food processing, retail stores, and other facilities that must be licensed to produce, process, label, store or distribute foods in the state. The division also receives and investigates consumer complaints regarding food safety. Another responsibility of the division is to inspect retail food establishments and provide enforcement support to the 143 local health departments. With the enactment of House Bill 223, the Food Safety personnel have been reorganized into functional areas. The duties have shifted to local health inspectors with state employees now doing the training of local employees.

Funding Source: There are three sources of revenue that support the Division of Food Safety:

GRF 700-407 Food Safety, accounts for about 65 percent of funding in each fiscal year. Personnel and maintenance expenses are funded from this line item.

4P7 700-610 Food Safety Inspection, comprising license fees, which have ranged from about $346,000 in FY 1998 to $308,000 in FY 2000. These fees will cover 25 percent of recommended funding in each fiscal year.

493 700-603 Fruits and Vegetables, which charges fruit and vegetable industries for inspection services, makes up the remaining 10 percent.

Implication of Recommendation: The Food Safety line item is being reduced by 4.5% for FY 2002 and 3.2% for FY 2003. It was $1,519,869 in FY 2001. It has been reduced to $1,452,039 in FY 2002 and $1,406,078 in FY 2003. The department will freeze one vacant position and readjust expenditures among GRF and Fund 4P7.

Dairy Division

Program Description: This regulatory and licensure program ensures that all milk and milk products emanating from Ohio dairies are safe for human consumption. This involves the licensure and inspection of dairies, milk haulers and dealers in Ohio. Grade A milk inspection is one of the division's major responsibilities and encompasses 3,100 Grade A milk producers, 700 milk haulers, 32 milk processors, and 7 milk transfer or receiving stations. The manufactured milk section is made up of 1,500 manufactured dairy farms, 18 frozen dessert manufactures, 20 cheese plants, and 850 weighers and samplers. The Dairy Industry is beginning to implement a HACCP system. This system helps to control hazards in food production by targeting each point in production where food safety problems can occur.

Funding Sources: Funding for the Dairy Division comes from GRF, state special revenue (SSR) and license revenues. The line items include:

- 4R2 700-637 Dairy Inspection Fund, a State Special Revenue Fund;
- GRF 700-403 Dairy Division

Implication of Recommendation: Receipts to the Dairy Inspection Fund have ranged from $1.34 million in FY 1998 to $1.2 million in FY 2000. The Dairy Division's core request was for $2,784,477 in FY 2002 and $2,917,323 in FY 2003, while the Executive granted $2,745,690 and $2,881,540 respectively.

MARKET DEVELOPMENT *Program Series 4*

Purpose The activities and programs funded in this program series are directed toward boosting the sales of Ohio's agricultural products in domestic and international markets.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-404	Ohio Proud	$227,404	$232,924
GRF	700-411	International Trade and Market Development	1,009,816	1,018,431
GRF	700-503	Swine and Cattle Breeder Awards	115,469	109,261
4R0	700-636	Ohio Proud Marketing	125,297	133,614
4T7	700-613	International Trade Fund	161,991	166,356
494	700-612	Agricultural Commodity Marketing Program	166,536	169,867
496	700-626	Ohio Grape Industries	1,048,667	1,071,099
Total funding: Market Development			**$2,855,180**	**$2,901,552**

This analysis will focus on the following three programs supported by funding in the Market Development program series:

- ***Ohio Proud***
- ***International Trade Marketing Program***
- ***Grape Industries***

Ohio Proud

Program Description: The Department developed this marketing program in 1993 in an effort to increase sales of agricultural goods grown or processed in the state. One of the most prominent features of the marketing program is the "Ohio Proud" shelf tags and labels affixed to products displayed in grocery stores. According to the department, 204 companies from 61 counties are participating. Consumer awareness has risen steadily since its inception. In 1994, 9 percent of consumers were aware of Ohio Proud as opposed to 30 percent in 1999.

The program entails two distinct components. The larger of the two is the marketing initiative, which the department intends to expand via agreements with producers, processors, and retailers statewide. The second component is a licensing system designed to raise revenues that partially offset the expenses of the marketing initiative.

The Ohio Proud program does many special promotions, especially during June, the Ohio Proud Month. In June 2000, the program increased consumer awareness by participating in the Ohio Hunger Task Force with Kroger stores. The event was marketed in Kroger's weekly advertisement, which reaches 1.3 million Ohioans. The event was also promoted on the radio, signs, and two media shopping sprees.

The participation in two domestic trade shows in Cincinnati and Louisville,

Kentucky increased sales of Ohio products across the nation and also in Ohio. The participation in the Spring International Fancy Food and Confection Show in Chicago generated over 800 leads. In addition, one company expects to increase sales by $1.5 to $2 million in 2001 alone as a result of this trade show.

Funding Sources: 64% of recommended funding in each fiscal year of the biennium is derived from GRF. The remaining 36% is derived from licensing revenue. The following line items are involved:

- GRF 700-404 Ohio Proud;
- 4R0 700-636 Ohio Proud Marketing, SSR

Implication of Recommendation: Including GRF and SSR, the total funding recommendations for Ohio Proud are $352,701 in FY 2002 and $366,538 in FY 2003. The Executive's recommendations decrease the GRF funding in favor of increasing SSR funding. The Ohio Proud line item was reduced from approximately $272,000 in FY 2001 to $227,404 in FY 2002. This is a difference of 16.4%.

International Trade and Marketing

Program Description: The International Trade and Marketing Program promotes Ohio agricultural products in Ohio, the United States, and worldwide through trade missions, visits from trade officials from other countries, and seminars for Ohio businesses wishing to expand sales. According to the Markets Division, exports of Ohio's agricultural products yielded $1.6 billion in sales in 1997.

Select staff members have traveled to trade shows in the US and abroad. The International Hardwood Trade Specialist attended the IWF Trade Show in Atlanta, SIBO Trade Fair in Quebec, Canada, and the Woodworking and Machinery Supply Show in Toronto. Participating companies noticed increases in sales exceeding $1.43 million. Sales are anticipated to be $1.52 million during the year following the shows. Another trade show attended by the Department of Agriculture was the US Food Export Showcase in Chicago. One company is now exporting over 1.5 million pounds of meat a year to the Dominican Republic due to their involvement in the trade show.

Funding Sources: Recommended GRF appropriations constitute 86 percent of the International markets program funding. The remaining 14 percent in revenue comes from fees charged to businesses that participate in the department's international marketing efforts.

- GRF 700-411 International Trade and Market Development;
- 4T7 700-613 International Trade and Market Development Rotary.

Implication of Recommendation: The division sought $1,154,561 for FY 2002 and $1,205,430 for FY 2003. The recommendations were for $1,171,807 for FY 2002 and $1,184,787 for FY 2003. According to the Executive, Fund 4T7, International Trade and Market Development Rotary, was increased to $161,991 in FY 2002 due to an increase in company participation in the department's exporting programs. GRF funding for this program was reduced from $1,176,063 in FY 2001 to $1,009,816 in FY 2002. The program will absorb this reduction by freezing one position for both years and reducing maintenance expenditures.

Ohio Grape Industries

Program Description: According to materials submitted with its budget request, the mission of the committee (OGIP) is "to serve Ohio grape and wine producers through research, focused on expanded grape production, and marketing programs that focus building a demand for wines and grape products." The number of licensed wineries has grown since 1985 to over 60. An executive secretary oversees day-to-day operations.

The research done by OGIP focuses on disease management, pest control, and development of vines suitable to Ohio weather. The research is made available to Ohio grape growers. The department has adopted an aggressive marketing strategy and hopes to increase consumer recognition regarding Ohio grape products.

Funding Sources: Funding is derived exclusively from a five cent per gallon tax placed on all wine sold in the state. This revenue is deposited into the following State Special Revenue fund:

- 496 700-626 Ohio Grape Industries Program.

Total receipts have increased from $845,637 in FY 1996 to an estimated $2 million in FY 2001.

Implication of Recommendation: The recommended funding is for $1,048,667 for FY 2002 and $1,071,099 for FY 2003. Fund 496 increases by 2.2% for FY 2002 and 2.1% for FY 2003.

PLANT INDUSTRY *Program Series 5*

Purpose This program series is intended to assure consumers of accurate product labeling, minimize plant loss caused by pests and diseases, protect against the misuse of chemicals on agricultural products, and protect farmers in case of grain elevator failures.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-410	Plant Industry	$1,548,948	$1,593,490
GRF	700-413	Gypsy Moth Prevention	646,137	647,223
3R2	700-614	Federal Plant Industry	1,607,887	1,682,330
4C9	700-605	Feed, Fertilizer, and Lime Inspection	909,033	975,244
497	700-627	Commodity Handlers Regulatory Program	566,862	648,616
669	700-639	Pesticide Program	2,108,049	2,181,491
Total funding: Plant Industry			**$7,386,916**	**$7,728,394**

Plant Industry

Program Description: The Division has five specialized sections and nine subprograms. They are divided into the following: Apiary Section, Feed, Fertilizer, & Seed Section, Grain Warehouse Section, Pesticide Regulation Section, and Plant Pest Section. A brief overview of each will be given. The Apiary Section is responsible for inspecting beehives. The Feed, Fertilizer, & Seed category helps protect consumers by ensuring that label claims are accurate. The Grain Warehouse licenses agricultural commodity handlers in order to protect grain in Ohio's elevators. The Pesticide Regulation Section licenses pesticide dealers and applicators. And lastly, the Plant Pest Section inspects nurseries and administers the Gypsy Moth program.

Funding Source: The GRF accounts for approximately 30% of funding for the biennium, while the Federal Special Revenue accounts for 22% and the SSR accounts for approximately 48%.

Implication of Recommendation: The division's core request was $1,629,396 for FY 2002 for line item 700-410, Plant Industry and $1,723,940 for FY 2003. The Executive recommended $1,548,948 for FY 2002 and $1,593,490 for FY 2003. This is a difference of $80,448 and $130,450 respectively. There will be a realignment from the GRF to Funds 3R2 and 669. Federal funds increased by 31.2% from FY 2001 to FY 2002. Funding for subprograms depending on FSR or SSR funds should be stable since these funds are expected to remain at sufficient levels during the biennium.

WEIGHTS AND MEASURES *Program Series 6*

Purpose The Weights and Measures program administers and enforces the state's weights and measures laws by inspecting commercial measuring devices and packaged agricultural commodities.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-412	Weights and Measures	$1,011,363	$1,016,973
5H2	700-608	Metrology Lab	74,674	138,624
579	700-630	Scale Certification	230,047	230,047
Total funding: Weights and Measures			**$1,316,084**	**$1,385,644**

Weights and Measures

Program Description: The Weights and Measures Division employs 20 staff who regulate the state's agricultural weighing and measuring devices and inspect commodities packaged and sold by the state's wholesale and retail marketers. The types of devices inspected range from livestock scales to grocery store price scanners. Packaged goods that are subject to inspection range from breakfast cereals to bagged manure. Since there are thousands of such devices statewide which require frequent inspection, the division trains county and municipal inspectors to carry out weight and measuring certification on the local level.

NTEP Laboratory Program

The Division also maintains a National Type Evaluation Program (NTEP) laboratory, one of only four in the country. This is a self- funded program. Scale and measuring device manufactures may bring their new equipment to this lab for testing and approval. If the NTEP lab approves the device, the manufacturer can sell the device nationally. The lab works with others in California, Maryland, and New York to develop acceptable and uniform weight and measurement standards.

NTEP is funded through fees charged to manufacturers who submit their devices to the laboratory for certification. These revenues are deposited in Fund 579, 700-630, Scale Certification.

Funding Sources: 75 percent of the division's funding is derived from GRF; testing fees constitute the remaining 25 percent of revenue

Implication of Recommendation: The total funding recommendations for the Weights and Measures Division are summarized in the table above. The agency requested $1,323,543 in FY 2002 and was granted $1,316,084. In FY 2003, the department requested $1,398,299 and was given $1,385,644. GRF funding is decreased by 5.1% from FY 2001 to FY 2002. The department is considering freezing one position and postponing the replacement of a heavy truck.

ANIMAL INDUSTRY *Program Series 7*

Purpose Programs within this series are aimed at detecting and controlling livestock and poultry diseases, as well as licensing dealers and others involved in bringing livestock and poultry to market. The division is also concerned with protecting consumers from tissue and milk drug residue, as well as protecting livestock and poultry production interests.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-401	Animal Disease Control	$4,140,887	$4,285,108
GRF	700-405	Animal Damage Control	88,551	86,080
GRF	700-415	Poultry Inspection	272,710	271,388
GRF	700-424	Livestock Testing and Inspections	234,690	233,100
4V5	700-615	Animal Industry Lab Fund	626,633	633,097
Total funding: Animal Industry			**$5,363,471**	**$5,508,773**

This analysis focuses on the Animal Disease Control program funded through the Animal Industry program series.

Animal Disease Control

Program Description: The mission of the Animal Disease Control program is to prevent the occurrence of diseases such as tuberculosis, brucellosis, pseudorabies, bovine spongiform encephalopathy (mad cow disease), and Johne's Disease in the state's livestock and poultry.

The Animal Disease Diagnostic Lab (ADDL) is a significant aspect of this program, conducting a variety of testing procedures on samples from livestock producers. The ADDL is a full-service veterinary diagnostic laboratory. It is the only lab accredited by the American Association of Veterinary Laboratory Diagnosticians in Ohio.

The department has made many investments in animal disease eradication and control, as well as, lab services. As a result, Ohio is "becoming a national leader in disease eradication and control, diagnostic capabilities, and food safety." The number of livestock inspectors and veterinarians who work within the division has decreased, while the workload has increased. New responsibilities involve tampering and exhibition testing, Ohio Egg Quality Assurance program inspections, and increased work testing for Johne's, Scrapie, and BSE.

Funding Source: Funding for the animal disease activities comes from two sources:

- GRF 700-401 Animal Disease Control, which accounts for the lion's share of revenue for this program.
- 4V5 700-615 Animal Industry Lab Fund, which covers the cost of testing materials used in the ADDL.

Implication of Recommendation: The Animal Disease Control line item was increased by 2% from FY 2001 to FY 2002 and will increase by 3.5% from FY 2002 to FY 2003. Fund 4V5 is almost doubled from FY 2001 to FY 2002. The department's core budget request for the division was $4,583,624 for FY 2002 and $4,785,859 for FY 2003. The department requested supplements to the Animal Industry Division to provide for the same level of services for the upcoming biennium (see Requests Not Fully Funded). These supplements were not fully funded.

MEAT AND POULTRY INSPECTION *Program Series 8*

Purpose The Meat Inspection program ensures food safety by inspecting meat and poultry packing plants that process these goods for intrastate sales.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2000	FY 2001
GRF	700-499	Meat Inspection Program – State Share	$4,457,909	$4,727,168
326	700-618	Meat Inspection Program – Fed. Share	4,401,707	4,959,973
4T6	700-611	Poultry and Meat Inspection	47,294	47,294
Total funding: Meat and Poultry Inspection			**$8,906,910**	**$9,734,435**

The analysis below focuses on the Meat and Poultry Inspection program, the most costly program operated by AGR.

Meat Inspection

Program Description: The primary goal of the Meat Inspection Program is to ensure that meat and poultry designed for intrastate commerce has passed ante mortem and postmortem inspection, thus contributing to the health and safety of Ohioans.

Federal inspection guidelines, called Hazard Analysis and Critical Control Point (HACCP) systems, forced rapid changes in Ohio's meat and poultry inspection program. In general, HACCP involves the design of step-by-step meat inspection programs customized to each plant. Previous inspection methods relied on sight and smell inspections that occurred as the meat product was prepared for shipment. By the year 2000, all meat and poultry inspections had to have been conducted using the HACCP model. This has led to a high level of quality in Ohio meat and poultry products.

Funding Source: There are three sources of revenue for this program.

- Federal matching funds, 326 700-618 Meat Inspection Service, authorized by an agreement with the U.S. Department of Agriculture and the state, C.F.D.A. 10.475;
- State matching funds are provided through a GRF appropriation, 700-499 Meat Inspection Match;
- License fees and fine revenue, Fund 4T6 700-611 Poultry and Meat Inspection comprise the remainder of funding.

Implication of Recommendation: The Meat Inspection line item is reduced by 3.2% from FY 2001 to FY 2002. For FY 2002, the department requested $4,521,303 for the line item and received $4,457,909. In FY 2003, the department requested $4,771,758 and received $4,727,168. A supplemental request was also not fully funded.

CONSUMER ANALYTICAL LABORATORY *Program Series 9*

Purpose The Consumer Analytical laboratory is the state's primary food safety laboratory and conducts testing and diagnostic services for other AGR divisions.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-406	Consumer Analytical Lab	$907,202	$918,368
652	700-634	Laboratory Services	1,179,560	1,144,766
Total funding: Consumer Analytical Laboratory			**$2,086,762**	**$2,063,134**

The activities of the Consumer Analytical Laboratory are summarized below:

Consumer Analytical Laboratory

Program Description: The laboratory is broken down into five sections: General Chemistry, Microbiology, Pesticide/Formulation, Water, and Anti-microbial Pesticide. These sections analyze feed, food and dairy products, and fertilizer samples. They also sample for and detect for pathogens such as *Listeria* and *E. Coli* that pose a threat to the food supply. A primary responsibility is Grade A milk inspection. They also test pesticide samples and water for metals. AGR conducts lab tests for the U.S. Environmental Protection Agency, the U.S. Food and Drug Administration, and the U.S. Department of Agriculture. The CAL was one of three labs selected by the US EPA to conduct tests on disinfectant products. The USDA selected CAL and one other lab to survey microbial pathogens on fruits and vegetables.

In 1999, CAL performed 107,701 tests on 18,729 samples.

Funding Sources: The sources of revenue are milk inspection fees, federal testing contracts, and GRF.

- Milk Inspection fees are placed in Fund 652 700-634 Laboratory Services;
- Operating expenses are covered by appropriations to GRF 700-406 Consumer Analytical Lab.

Implication of Recommendation: The department requested $1,991,516 for FY 2002 and $2,132,364 for FY 2003. The Executive recommended $2,086,762 and $2,063,134 for FYs 2002 and 2003 respectively. The department also requested a supplement to provide for continuation funding and to purchase lab supplies. The supplemental requests were not fully granted. This coupled with the fact that the core budget was not fully funded in FY 2003 is going to put a strain on the program.

ADMINISTRATION *Program Series 10*

Purpose Funding included in this program series covers the costs of operating the Director's office, as well as fiscal management and human resources. Laboratory maintenance costs are also included in this program series.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-321	Operating Expenses	$3,123,352	$3,095,993
GRF	700-409	Farmland Preservation	496,892	469,668
3J4	700-607	Indirect Cost	1,380,026	1,314,020
382	700-601	Cooperative Contracts	1,027,692	1,091,347
Total funding: Administration			**$ 6,027,962**	**$ 5,971,028**

Administration

Program Description: The Director's office, fiscal, human resources sections, and other management units located at the Reynoldsburg campus employ 48 staff.

Funding Source: GRF appropriations constitute the majority of funding; however, federal reimbursement for programs in a variety of AGR divisions represents about 40 percent of funding.

Implication of Recommendation: The Operating Expenses line item is reduced by 4.1% in FY 2002 and 0.9% in FY 2003. The department requested $5,786,345 for FY 2002 and $6,011,523 for FY 2003. The department also requested a supplemental request that was not fully funded (see Requests Not Fully Funded). This coupled with the decrease in funding in FY 2003 will hinder the department's ability to pay for utility costs and personnel.

The Farmland Preservation line item was increased by 163% in FY 2002 to help support State Issue 1. This funding is adequate to support the responsibilities entailed with the passage of State Issue 1.

LIVESTOCK REGULATION PROGRAM *Program Series 11*

Purpose This program will regulate consolidated feeding operations of 1000 or more animal units.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	700-414	Conc. Animal Feeding Fac. Adv. Comm.	$23,750	$23,125
GRF	700-418	Livestock Regulation Program	$1,181,109	$1,187,651
5L8	700-604	Livestock Management Program	$250,000	$250,000
Total funding: Administration			**$1,454,859**	**$1,460,776**

Livestock Regulation Program

Program Description: This program will oversee the consolidated feeding operations of 1,000 or more animal units. This is a new program for the Department of Agriculture. Sub. S.B. 141 transferred the authority to permit and regulate concentrated animal feeding facilities to the Department of Agriculture from the Ohio Environmental Protection Agency. The department will need 17 employees for the operation.

Funding Source: GRF appropriations constitute the majority of funding for this program. The SSR Fund 5L8 will hold application fees, civil fines, and money for hazardous discharge expenses to be used to help administer the program.

Implication of Recommendation: The Executive recommended $1,454,859 for FY 2002 and $1,460,776 for FY 2003.

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

Permanent Law Provisions

Consolidate the Dairy Fund and the Dairy Industry Fund (ORC 917.07 and 917.99(F))

Consolidating these two funds will make managing the revenues simpler. There will be no fiscal impact as a result of this provision.

Maintain the Current Tax Credit to Ohio Grape Industries Fund (ORC 4301.43(D))

Current law establishes that during the period of July 1, 1995 through July 1, 2001 the Ohio Grape Industries Committee is credited two cents per gallon on wine, vermouth, and sparkling and carbonated wine and champagne. This tax is used for research and marketing. This change would continue the tax from July 1, 2001 through June 30, 2003.

Family Farm Loan Program Administrative Change (ORC 901.82(A)

The authority to review, analyze, and summarize applications from financial institutions is transferred from the Department of Development to the Department of Agriculture. Continued program funding is the fiscal impact that results with this permanent law change.

Family Farm Loan Program (ORC 901.81(B))

The Department of Agriculture will receive completed loan applications from financial institutions instead of the Department of Development. Continued program funding is the fiscal impact that results with this permanent law change.

Animal Industry Laboratory Fund (ORC 901.43(E(1)))

Makes changes to the permanent law to enable money in the fund to be used for necessary expenses related to operating the Animal Industry Lab. If not enacted, the fund could only be used for purchasing supplies and equipment. The lab incurs other expenses.

Agriculture Financing Commission (ORC 901.63)

Extends the duties of the commission from July 1, 2001 to July 1, 2003.

Temporary Law Provisions

Transfer of Funds (Section 19 of H.B. 95)

On July 1, 2001 or as soon thereafter as possible, the Director of Budget and Management shall transfer the balance in the License Fees Fund (4V0) to the Dairy Inspection Fund (4R2). Any existing encumbrances against the License Fees Fund shall be reestablished to the Dairy Inspection Fund. The amounts of the encumbrances are appropriated.

REQUESTS NOT FUNDED

As discussed in the Analysis of the Executive Proposal, the Department of Agriculture did not receive all of its requested and is currently evaluating many programs. Many of the Department of Agriculture's FY 2002-2003 supplemental requests were not fully funded. The tables below highlight the more notable supplemental requests that the executive did not fund and discuss the implications of the recommendations.

GENERAL AGRICULTURE: Jr. Fair Subsidy						
Fund	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$21,464	$0	($21,464)	$19,699	$0	($19,699)
SSR	$5,290	$0	($5,290)	$5,290	$0	($5,290)
Total	**$26,754**	**$0**	**($26,754)**	**$26,785**	**$0**	**($24,989)**

This supplemental funding was requested for the continuing support of Junior Fairs throughout Ohio. This funding would have assisted with the promotion, advertising, and other costs associated with Junior Fairs. This request was not funded. As a result, the county junior fairs will be unable to absorb the full costs of promoting and operating the fairs.

FOOD SAFETY & DAIRY: Maintenance and Inspection Costs						
Fund	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$186,858	$0	($186,858)	$172,983	$0	($172,983)
SSR	$154,729	$154,729	$0	$258,883	$158,883	($100,000)
Total	**$341,587**	**$154,729**	**($186,858)**	**$431,866**	**$0**	**($272,983)**

This supplemental request would provide funds for field and office staff maintenance costs, such as the replacement of high mileage vehicles. It would also provide money for egg grading, food safety inspection activities, and dairy inspection and testing. The department requested $341,587 for FY 2002 and $431,866 for FY 2003. The Executive recommended only $154,729 for FY 2002 and $158,883 for FY 2003 from the SSR; no GRF supplemental funds were given.

ANIMAL INDUSTRY: Maintain current operations						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$429,558	$250,039	$179,519	$410,873	$172,550	$238,323
SSR	$309,459	$309,459	$0	$315,579	$315,579	$0
Total	**$739,017**	**$559,498**	**$179,519**	**$726,452**	**$488,129**	**$238,323**

The supplemental request would provide additional funding for the Animal Disease Diagnostic Laboratory (ADDL) to maintain current services. It would also be used to purchase laboratory supplies for poultry disease testing and testing of livestock at county exhibitions and the Ohio State Fair. Lastly, the supplement would allow for the purchase of laboratory supplies and equipment to fulfill non-regulatory animal disease tests for both livestock and poultry. The department was not granted all of the requested funding. For instance, in FY 2002 the department received $179,519 less than requested and in FY 2003 the department received $238,323 less. The department is looking at fee adjustments.

MEAT INSPECTION: Continuation						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$230,202	$202,947	($27,255)	$224,840	$126,664	($98,176)
Total	**$230,202**	**$202,947**	**($27,255)**	**$224,840**	**$126,664**	**($98,176)**

This supplemental request would maintain the status of the federal state meat inspection program. It would also provide continuation funding for HACCP, which was implemented during FY 2000-2001. HACCP helps to control hazards in food production by targeting each point in production where food safety problems can occur. As evidenced above, the department did not receive full funding for this request. The Meat Inspection Program may freeze 7 positions and postpone purchasing new vehicles in both years.

CONSUMER ANALYTICAL LAB: Continuation Funding for Testing						
Fund Line Item	FY 2000 Requested	FY 2000 Recommended	Difference	FY 2001 Requested	FY 2001 Recommended	Difference
GRF	$154,285	$95,610	($58,675)	$142,184	$55,630	($86,554)
Total	**$154,285**	**$95,610**	**($58,675)**	**$142,184**	**$55,630**	**($86,554)**

The core level request is not sufficient to fully fund the CAL. The core request would have to reduce capabilities, such as the number of samples analyzed. It would also cause a reduction of training of CAL and other Department of Agriculture employees. As a result, a supplement was requested from the department. The Executive did not fully fund the request. The recommended levels will put stress on the program.

ADMINISTRATION: Business Office Funds						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$339,975	$162,647	($177,328)	$286,698	$60,511	($226,187)
Total	**$339,975**	**$162,647**	**($177,328)**	**$286,698**	**$60,511**	**($226,187)**

This supplement request would allow the department's Administration Division to function at levels equal to or greater than the FY 2000-2001 biennium. It would also provide for pay increases of Data Processing employees recommended by the Department of Administrative Services. The Executive did not fully fund this request. The department's ability to pay for utility costs and support personnel may be affected.

PLANT INDUSTRIES: Gypsy Moth Prevention						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF	$593,704	$229,939	($363,765)	$507,561	$195,067	($312,494)
Total	**$593,704**	**$229,939**	**($363,765)**	**$507,561**	**$195,067**	**($312,494)**

This is a secondary supplemental request. It would provide for an additional 5 full-time positions, as well as for additional equipment and spray, to help control the gypsy moth invasion, thus saving millions of dollars of damage to forests and urban settings. The department currently has 5 employees working on this problem. In comparison, states such as Pennsylvania have 12 employees and West Virginia has 24 employees dedicated to this task. These states have comparable gypsy moth problems. The request was not fully granted.

The department also requested secondary supplemental requests for laboratory supplies for food safety programs, funds for investigating termite exterminators, and for an outside programmer to create a relational database to help organize and coordinate reports for meat processors. These funds were not granted.

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	Revised Estimated 2001	As Introduced 2002	House Passed 2002	% Change Est. 2001 to House 2002	As Introduced 2003	House Passed 2003	% Change House 2002 to House 2003
AGR		**Agriculture, Department of**							
GRF	700-100	Personal Services	$0	$ 0	----	N/A	$ 0	----	N/A
GRF	700-200	Maintenance	$0	$ 0	----	N/A	$ 0	----	N/A
GRF	700-300	Equipment	$0	$ 0	----	N/A	$ 0	----	N/A
GRF	700-321	Operating Expenses	$3,257,801	$ 3,123,352	$ 3,060,884	-6.0%	$ 3,095,993	$ 3,034,073	-0.9%
GRF	700-401	Animal Disease Control	$4,019,123	$ 4,140,887	$ 4,340,887	8.0%	$ 4,285,108	$ 4,385,108	1.0%
GRF	700-402	Amusement Ride Safety	$317,678	$ 226,451	$ 226,451	-28.7%	$ 230,769	$ 230,769	1.9%
GRF	700-403	Dairy Division	$1,610,638	$ 1,601,119	$ 1,569,097	-2.6%	$ 1,742,732	$ 1,707,877	8.8%
GRF	700-404	Ohio Proud	$269,003	$ 227,404	$ 222,856	-17.2%	$ 232,924	$ 228,266	2.4%
GRF	700-405	Animal Damage Control	$111,135	$ 88,551	$ 86,780	-21.9%	$ 86,080	$ 84,358	-2.8%
GRF	700-406	Consumer Analytical Lab	$809,503	$ 907,202	$ 889,058	9.8%	$ 918,368	$ 900,001	1.2%
GRF	700-407	Food Safety	$1,504,670	$ 1,452,039	$ 1,422,998	-5.4%	$ 1,406,078	$ 1,377,956	-3.2%
GRF	700-409	Farmland Preservation	$187,003	$ 496,892	$ 176,892	-5.4%	$ 469,668	$ 182,668	3.3%
GRF	700-410	Plant Industry	$1,636,468	$ 1,548,948	$ 1,517,969	-7.2%	$ 1,593,490	$ 1,561,620	2.9%
GRF	700-411	Int'l Trade & Market Development	$1,164,302	$ 1,009,816	$ 989,620	-15.0%	$ 1,018,431	$ 998,062	0.9%
GRF	700-412	Weights and Measures	$1,055,545	$ 1,011,363	$ 991,136	-6.1%	$ 1,016,973	$ 996,634	0.6%
GRF	700-413	Gypsy Moth Prevention	$381,015	$ 646,137	$ 633,214	66.2%	$ 647,223	$ 634,279	0.2%
GRF	700-414	Conc. Animal Feeding Fac. Adv. Comm	$14,750	$ 23,750	$ 23,275	57.8%	$ 23,125	$ 22,663	-2.6%
GRF	700-415	Poultry Inspection	$297,964	$ 272,710	$ 322,256	8.2%	$ 271,388	$ 320,960	-0.4%
GRF	700-418	Livestock Regulation Program	$215,992	$ 1,181,109	$ 1,157,487	435.9%	$ 1,187,651	$ 1,163,898	0.6%
GRF	700-424	Livestock Testing & Inspections	$247,373	$ 234,690	$ 229,996	-7.0%	$ 233,100	$ 228,438	-0.7%
GRF	700-499	Meat Inspection Prgrm- State Share	$4,558,520	$ 4,457,909	$ 4,604,566	1.0%	$ 4,727,168	$ 4,927,168	7.0%
GRF	700-501	County Agricultural Societies	$466,842	$ 434,163	$ 466,842	0.0%	$ 410,821	$ 466,842	0.0%
GRF	700-503	Swine and Cattle Breeder Awards	$122,918	$ 115,469	$ 113,160	-7.9%	$ 109,261	$ 107,076	-5.4%
General Revenue Fund Total			**$ 22,248,243**	**$ 23,199,961**	**$ 23,045,424**	**3.6%**	**$ 23,706,351**	**$ 23,558,716**	**2.2%**
326	700-618	Meat Inspection Prgrm- Fed Share	$4,444,566	$ 4,401,707	$ 4,401,707	-1.0%	$ 4,959,973	$ 4,959,973	12.7%
336	700-617	Ohio Farm Loan Revolving Fund	$194,180	$ 181,774	$ 181,774	-6.4%	$ 181,774	$ 181,774	0.0%
382	700-601	Cooperative Contracts	$712,631	$ 1,027,692	$ 1,027,692	44.2%	$ 1,091,347	$ 1,091,347	6.2%

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	Revised Estimated 2001	As Introduced 2002	House Passed 2002	% Change Est. 2001 to House 2002	As Introduced 2003	House Passed 2003	% Change House 2002 to House 2003
AGR		***Agriculture, Department of***							
3J4	700-607	Indirect Cost	$963,458	$ 1,380,026	$ 1,380,026	43.2%	$ 1,314,020	$ 1,314,020	-4.8%
3R2	700-614	Federal Plant Industry	$1,225,222	$ 1,607,887	$ 1,607,887	31.2%	$ 1,682,330	$ 1,682,330	4.6%
Federal Special Revenue Fund Group Total			**$ 7,540,057**	**$ 8,599,086**	**$ 8,599,086**	**14.0%**	**$ 9,229,444**	**$ 9,229,444**	**7.3%**
493	700-603	Fruits and Vegetables Inspect. Fees	$240,000	$ 212,764	$ 212,764	-11.3%	$ 171,772	$ 171,772	-19.3%
494	700-612	Agr. Commodity Marketing Program	$163,271	$ 166,536	$ 166,536	2.0%	$ 169,867	$ 169,867	2.0%
496	700-626	Ohio Grape Industries	$1,026,581	$ 1,048,667	$ 1,048,667	2.2%	$ 1,071,099	$ 1,071,099	2.1%
497	700-627	Commodity Handlers Regulatory Prgrm	$560,000	$ 566,862	$ 566,862	1.2%	$ 648,616	$ 648,616	14.4%
498	700-628	Agr. Commodity Indemnification	$493,073	$ 0	$ 0	-100.0%	$ 0	$ 0	N/A
4C9	700-605	Feed, Fertilizer, & Lime Inspection	$767,311	$ 909,033	$ 909,033	18.5%	$ 975,244	$ 975,244	7.3%
4E4	700-606	Utility Radiological Safety	$99,733	$ 69,016	$ 69,016	-30.8%	$ 73,059	$ 73,059	5.9%
4P7	700-610	Food Safety Inspection	$382,701	$ 559,611	$ 559,611	46.2%	$ 575,797	$ 575,797	2.9%
4R0	700-636	Ohio Proud Marketing	$96,922	$ 125,297	$ 125,297	29.3%	$ 133,614	$ 133,614	6.6%
4R2	700-637	Dairy Industry Inspection	$997,468	$ 1,183,358	$ 1,183,358	18.6%	$ 1,174,591	$ 1,174,591	-0.7%
4T6	700-611	Poultry and Meat Inspection	$66,751	$ 47,294	$ 47,294	-29.1%	$ 47,294	$ 47,294	0.0%
4T7	700-613	Int'l Trade & Market Dev. Rotary	$30,153	$ 161,991	$ 161,991	437.2%	$ 166,356	$ 166,356	2.7%
4V0	700-602	License Fees	$33,954	$ 0	$ 0	-100.0%	$ 0	$ 0	N/A
4V5	700-615	Animal Industry Lab Fees	$316,878	$ 626,633	$ 626,633	97.8%	$ 633,097	$ 633,097	1.0%
578	700-620	Ride Inspection Fees	$403,787	$ 634,099	$ 634,099	57.0%	$ 650,774	$ 650,774	2.6%
579	700-630	Scale Certification	$315,507	$ 230,047	$ 230,047	-27.1%	$ 230,047	$ 230,047	0.0%
5H2	700-608	Metrology Lab	$57,766	$ 74,674	$ 74,674	29.3%	$ 138,624	$ 138,624	85.6%
5L8	700-604	Livestock Management Program	$0	$ 250,000	$ 250,000	N/A	$ 250,000	$ 250,000	0.0%
652	700-634	Laboratory Services	$1,179,560	$ 1,179,560	$ 1,179,560	0.0%	$ 1,144,766	$ 1,144,766	-2.9%
669	700-635	Pesticide Program	$1,776,228	$ 2,108,049	$ 2,108,049	18.7%	$ 2,181,491	$ 2,181,491	3.5%
State Special Revenue Fund Group Total			**$ 9,007,644**	**$ 10,153,491**	**$ 10,153,491**	**12.7%**	**$ 10,436,108**	**$ 10,436,108**	**2.8%**

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	Revised Estimated 2001	As Introduced 2002	House Passed 2002	% Change Est. 2001 to House 2002	As Introduced 2003	House Passed 2003	% Change House 2002 to House 2003
AGR		**Agriculture, Department of**							
Total All Budget Fund Groups			$ 38,795,944	$ 41,952,538	$ 41,798,001	7.7%	$ 43,371,903	$ 43,224,268	3.4%

General Revenue Fund

GRF 700-100 Personal Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,953,689	$2,044,579	$5,253	$0	**$0**	**$0**
	4.7%	-99.7%	-100.0%	**N/A**	**N/A**

Source: GRF

Legal Basis: ORC 901

Purpose: This line item provided funds for payroll and fringe benefits for the administrative staff of the Director's office. H.B. 283 of the 123rd General Assembly merged personal services, maintenance, and equipment costs associated with the agency's Administration program series into a single 700-321 Operating Expenses line item.

GRF 700-200 Maintenance

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$729,846	$854,917	$31,587	$0	**$0**	**$0**
	17.1%	-96.3%	-100.0%	**N/A**	**N/A**

Source: GRF

Legal Basis: ORC 901

Purpose: This line item paid for the maintenance costs associated with the agency's Administration program series. H.B. 283 of the 123rd General Assembly merged personal services, maintenance, and equipment costs into a single 700-321 Operating Expenses line item.

GRF 700-300 Equipment

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$133,514	$219,197	$220,448	$0	**$0**	**$0**
	64.2%	0.6%	-100.0%	**N/A**	**N/A**

Source: GRF

Legal Basis: ORC 901

Purpose: Appropriations to line item 700-300 paid the equipment costs associated with the agency's Administration program series. H.B. 283 of the 123rd General Assembly merged personal services, maintenance, and equipment costs into a single 700-321 Operating Expenses line item.

GRF 700-321 Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$0	$3,067,739	$3,257,801	**$3,123,352**	**$3,095,993**
	N/A	N/A	6.2%	**-4.1%**	**-0.9%**

Source: GRF

Legal Basis: H.B. 283 of the 123rd General Assembly

Purpose: This line item consolidates personal services, maintenance, and equipment costs for the agency's Administration program series. These appropriations were formerly distributed among separate 100, 200, and 300 line items.

GRF 700-401 Animal Disease Control

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$3,862,301	$4,033,538	$4,009,101	$4,058,066	**$4,140,887**	**$4,285,108**
	4.4%	-0.6%	1.2%	**2.0%**	**3.5%**

Source: GRF

Legal Basis: ORC 941.02

Purpose: Appropriations in this line item fund the agency’s animal disease control operations.

GRF 700-402 Amusement Ride Safety

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$307,386	$320,214	$319,955	$320,887	**$226,451**	**$230,769**
	4.2%	-0.1%	0.3%	**-29.4%**	**1.9%**

Source: GRF

Legal Basis: ORC 1711.53

Purpose: This line item is used to supplement fee income deposited in Fund 578, Ride Inspection Fees, and funds the agency's amusement ride safety inspection operations.

GRF 700-403 Dairy Division

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$847,581	$926,019	$1,630,059	$1,626,907	**$1,601,119**	**$1,742,732**
	9.3%	76.0%	-0.2%	**-1.6%**	**8.8%**

Source: GRF

Legal Basis: ORC 917.07

Purpose: These appropriations are used in conjunction with Fund 4R2 to fund the agency's milk inspection program. Specifically, this line item is used for payroll and maintenance expenses. Also, 37 percent of expenses for the Milk Sanitation Board are paid from this fund. Industry fees pay the remaining 63 percent of the operating costs of the board.

GRF 700-404 Ohio Proud

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$301,190	$269,393	$273,906	$271,720	**$227,404**	**$232,924**
	-10.6%	1.7%	-0.8%	**-16.3%**	**2.4%**

Source: GRF

Legal Basis: ORC 901.17

Purpose: Appropriations in this fund are used to pay for personnel and maintenance expenses for the Ohio Proud Program, which markets agricultural goods produced in Ohio.

GRF 700-405 Animal Damage Control

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$113,014	$107,759	$70,228	$111,135	**$88,551**	**$86,080**
	-4.6%	-34.8%	58.2%	**-20.3%**	**-2.8%**

Source: GRF

Legal Basis: ORC 955.51-955.53

Purpose: These appropriations are used to pay personnel costs for employees who provide technical assistance to farmers and other rural citizens whose farms have been affected by rodent and wild pest damage.

GRF 700-406 Consumer Analytical Lab

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$784,385	$806,580	$819,575	$817,680	**$907,202**	**$918,368**
	2.8%	1.6%	-0.2%	**10.9%**	**1.2%**

Source: GRF

Legal Basis: ORC 901.43

Purpose: This fund is used for the operation of the Consumer Analytical Laboratory (CAL). CAL tests assure that samples collected and submitted by various regulatory divisions comply with the agency's feed, food commodity, and food safety regulations and standards.

GRF 700-407 Food Safety

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,568,877	$1,565,128	$1,457,510	$1,519,869	**$1,452,039**	**$1,406,078**
	-0.2%	-6.9%	4.3%	**-4.5%**	**-3.2%**

Source: GRF

Legal Basis: ORC 121.04

Purpose: Personnel and maintenance expenses for the Division of Food, Dairies and Drugs are funded from this line item. S.B. 87 of 122nd General Assembly changed the Division name to Food Safety.

GRF 700-409 Farmland Preservation

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$131,357	$159,505	$161,980	$188,892	**$496,892**	**$469,668**
	21.4%	1.6%	16.6%	**163.1%**	**-5.5%**

Source: GRF

Legal Basis: ORC 901.54

Purpose: This line item is used to pay the operating expenses of the Office of Farmland Preservation.

GRF 700-410 Plant Industry

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,447,950	$1,525,872	$1,549,139	$1,652,998	**$1,548,948**	**$1,593,490**
	5.4%	1.5%	6.7%	**-6.3%**	**2.9%**

Source: GRF

Legal Basis: ORC 901.08

Purpose: Personnel and maintenance expenses for the Division of Plant Industry are paid for out of this line item. They were formerly made from GRF line items 700-100, Personal Services and 700-200, Maintenance.

GRF 700-411 Int'l Trade & Market Development

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,069,696	$1,168,709	$1,191,625	$1,176,063	**$1,009,816**	**$1,018,431**
	9.3%	2.0%	-1.3%	**-14.1%**	**0.9%**

Source: GRF

Legal Basis: ORC 901.20 (B)

Purpose: This line item funds the domestic marketing efforts and the agency's representatives in foreign trade offices around the globe.

GRF 700-412 Weights and Measures

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,008,217	$970,072	$1,074,328	$1,066,207	**$1,011,363**	**$1,016,973**
	-3.8%	10.7%	-0.8%	**-5.1%**	**0.6%**

Source: GRF

Legal Basis: ORC 901.10

Purpose: Appropriations cover operating expenses for the Division of Weights and Measures.

GRF 700-413 Gypsy Moth Prevention

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$347,068	$358,234	$410,707	$384,864	**$646,137**	**$647,223**
	3.2%	14.6%	-6.3%	**67.9%**	**0.2%**

Source: GRF

Legal Basis: ORC 927.51-71

Purpose: The line item supports the agency's gypsy moth control program.

GRF 700-414 Conc. Animal Feeding Fac. Adv. Comm

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$0	$0	$15,000	**$23,750**	**$23,125**
	N/A	N/A	N/A	**58.3%**	**-2.6%**

Source: GRF

Legal Basis: Sub. S.B. 141

Purpose: This appropriation is used for expenses of the Concentrated Animal Feeding Facilities Advisory Committee. This committee advises the Director of Agriculture regarding the act.

GRF 700-415 Poultry Inspection

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$234,744	$262,018	$300,500	$297,964	**$272,710**	**$271,388**
	11.6%	14.7%	-0.8%	**-8.5%**	**-0.5%**

Source: GRF

Legal Basis: ORC 918.12(B); 918.21

Purpose: This line item supports the agency's poultry testing program.

GRF 700-418 Livestock Regulation Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$0	$0	$953,238	**$1,181,109**	**$1,187,651**
	N/A	N/A	N/A	**23.9%**	**0.6%**

Source: GRF

Legal Basis: Sub. S.B. 141

Purpose: This appropriation pays for operating expenses associated with the Livestock Regulation Program.

GRF 700-424 Livestock Testing & Inspections

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$213,017	$148,596	$182,661	$255,659	**$234,690**	**$233,100**
	-30.2%	22.9%	40.0%	**-8.2%**	**-0.7%**

Source: GRF

Legal Basis: ORC 901.70-76

Purpose: Moneys are to be used to pay for livestock testing and inspections at the Ohio State Fair as well as local livestock shows, including county fairs.

GRF 700-499 Meat Inspection Prgrm- State Share

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$4,243,650	$4,195,118	$4,401,694	$4,604,566	**$4,457,909**	**$4,727,168**
	-1.1%	4.9%	4.6%	**-3.2%**	**6.0%**

Source: GRF

Legal Basis: ORC 918.02

Purpose: This line item provides the 50 percent state match required to operate the federally approved meat inspection program in Ohio. Program costs are shared equally by the Ohio and U.S. departments of Agriculture.

GRF 700-501 County Agricultural Societies

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$458,309	$454,367	$451,270	$466,842	**$434,163**	**$410,821**
	-0.9%	-0.7%	3.5%	**-7.0%**	**-5.4%**

Source: GRF

Legal Basis: ORC 1711

Purpose: This line item are used to reimburse part of the expenses incurred by county and independent agricultural fairs for youth activities. The amount received by each fair depends on the number of fairs which apply for assistance and the total state appropriation.

GRF 700-503 Swine and Cattle Breeder Awards

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$125,000	$101,120	$97,750	$124,160	**$115,469**	**$109,261**
	-19.1%	-3.3%	27.0%	**-7.0%**	**-5.4%**

Source: GRF

Legal Basis: ORC 901.42

Purpose: Appropriations in this line item subsidize cattle, swine, poultry, and rabbit breeder organizations and cover part of the premiums awarded at the annual cattle and swine breeders' show and sale. The amount received by each organization depends on the number of organizations which apply, and the total state appropriation for the line item.

Federal Special Revenue Fund Group

326 700-618 Meat Inspection Prgrm- Fed Share

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$4,153,923	$4,148,658	$4,495,054	$4,444,566	**$4,401,707**	**$4,959,973**
	-0.1%	8.3%	-1.1%	**-1.0%**	**12.7%**

Source: FED: CFDA 10.475, Cooperative Agreement with States for Intrastate Meat and Poultry Inspection

Legal Basis: ORC 918.02

Purpose: The meat inspection program operates under a cooperative agreement between Ohio and the U.S. Department of Agriculture. The source of state matching funds is appropriation item 700-499, Meat Inspection Match.

336 700-617 Ohio Farm Loan Revolving Fund

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$139,526	$153,922	$137,728	$194,180	**$181,774**	**$181,774**
	10.3%	-10.5%	41.0%	**-6.4%**	**0.0%**

Source: FED: The liquidated assets of the Ohio Rural Rehabilitation Corporation; interest earned on loans made from these assets

Legal Basis: ORC 901.30-901.34. This program was initiated by Controlling Board approval in 1971.

Purpose: The fund is used to support projects that will generate economic activity in low-income segments of rural communities.

382 700-601 Cooperative Contracts

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$791,182	$745,485	$811,498	$712,631	**$1,027,692**	**$1,091,347**
	-5.8%	8.9%	-12.2%	**44.2%**	**6.2%**

Source: FED: CFDA 10.025, CFDA 10.071, CFDA 10.501, CFDA 66.700

Legal Basis: ORC 901.051

Purpose: This line item receives revenues from federal agencies for grants and contracted services provided by the Ohio Department of Agriculture. These programs have been combined and are operated through one fund as a matter of convenience and to aid cash flow where revenue is received intermittently.

3J4 700-607 Indirect Cost

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,081,626	$798,138	$792,120	$963,458	**$1,380,026**	**$1,314,020**
	-26.2%	-0.8%	21.6%	**43.2%**	**-4.8%**

Source: FED: CFDA 10.475, Cooperative Agreements with States for Intrastate Meat and Poultry Inspection; CFDA 10.664, Cooperative Forestry Assistance; CFDA 66.700, Consolidated Pesticide Compliance Monitoring and Program Cooperative Agreements

Legal Basis: ORC 921.21

Purpose: This fund is used to subsidize the GRF. Possible uses for moneys are for critical new hires, capital improvements, and increases in health care and maintenance costs.

3R2 700-614 Federal Plant Industry

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$636,058	$531,370	$1,603,445	$1,225,222	**$1,607,887**	**$1,682,330**
	-16.5%	201.8%	-23.6%	**31.2%**	**4.6%**

Source: FED: CFDA 10.071, 10.16A, 10.664, 66.700, 93.99C

Legal Basis: Am. Sub. H.B. 215 of 122nd General Assembly

Purpose: Revenues from federal agencies for grants and contracted services provided by the Ohio Department of Agriculture. These monies were formerly included in the 382 700-601 Cooperative Contracts line item.

State Special Revenue Fund Group

493 700-603 Fruits and Vegetables Inspect. Fees

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$337,004	$270,026	$277,854	$240,000	**$212,764**	**$171,772**
	-19.9%	2.9%	-13.6%	**-11.3%**	**-19.3%**

Source: SSR: charges assessed to the fresh fruit and vegetable industries for grading and inspection services

Legal Basis: ORC 901.17(B)(1)

Purpose: This line item supports support the department's fruit and vegetable inspection program. One the program's primary functions is to inspect fruits and vegetables sold to the departments of Youth Services, Mental Health, Mental Retardation and Developmental Disabilities, and Rehabilitation and Correction.

494 700-612 Agr. Commodity Marketing Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$152,421	$165,195	$160,070	$163,271	**$166,536**	**$169,867**
	8.4%	-3.1%	2.0%	**2.0%**	**2.0%**

Source: SSR: assessments from producers of one of nine commodities such as apples, beef, or corn to cover the operating costs of a marketing program for that commodity

Legal Basis: ORC 924.09

Purpose: Each commodity has its own account within the fund, which is overseen by that commodity's marketing board. The money is used to develop, expand, and research new markets for Ohio agricultural products. Am. Sub. S.B. 134 of the 120th General Assembly provided that organizations could choose direct deposit into a bank or savings and loan rather than diverting the moneys through the state treasurer.

496 700-626 Ohio Grape Industries

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$471,148	$418,434	$559,727	$1,026,581	**$1,048,667**	**$1,071,099**
	-11.2%	33.8%	83.4%	**2.2%**	**2.1%**

Source: SSR: a 5 cents per gallon tax on all wine sales in Ohio

Legal Basis: ORC 4301.43(B); ORC 4301.43(D)

Purpose: The appropriations for the Ohio Grape Industries Program are used to enhance the sale and production of grape products within the state by providing information on new growing techniques, marketing strategies and identification of grape varieties suitable for cultivation in Ohio. This line item also funds the Ohio Grape Industries Committee, which promotes the Ohio grape and grape product industries.

497 700-627 Commodity Handlers Regulatory Prgrm

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$494,098	$640,381	$559,326	$560,000	**$566,862**	**$648,616**
	29.6%	-12.7%	0.1%	**1.2%**	**14.4%**

Source: SSR: fees paid by commodity handlers and interest transferred from the indemnity fund

Legal Basis: ORC 926.19(A)

Purpose: Revenues deposited in this line item defray the costs of licensing and regulating grain warehouses and handlers. Specifically, the money is used to inspect each grain elevator to determine the quantity of grain stored and the financial status of each facility.

498 700-628 Agr. Commodity Indemnification

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$983	$22,390	$493,073	**$0**	**$0**
	N/A	2177.7%	2102.2%	**-100.0%**	**N/A**

Source: SSR: 1) fees charged to licensed commodity handlers, not to exceed one half cent per bushel. The fee is reviewed annually to determine if it is generating the necessary income to maintain the liquidity of the fund; 2) revenues from legal settlements and interest earned on investments

Legal Basis: ORC 926.16. The fund was established in H.B. 425 of the 122nd General Assembly

Purpose: The fee revenue in this line item helps to pay for claims brought by agricultural commodity depositors against insolvent commodity handlers and warehouses. Occasionally, interest from this line item is transferred into the Commodity Handler Regulatory Account, to help fund the regulation of grain handlers.

4C9 700-605 Feed, Fertilizer, & Lime Inspection

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$737,220	$773,964	$754,536	$767,311	**$909,033**	**$975,244**
	5.0%	-2.5%	1.7%	**18.5%**	**7.3%**

Source: SSR: per unit fees charged to feed dealers for feed inspections

Legal Basis: ORC 923.46

Purpose: Appropriations in this line item are used to administer and enforce Ohio's feed law.

4E4 700-606 Utility Radiological Safety

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$84,576	$31,548	$35,161	$99,733	**$69,016**	**$73,059**
	-62.7%	11.5%	183.6%	**-30.8%**	**5.9%**

Source: SSR: moneys paid from the Public Utilities Commission of Ohio's Radiological Preparedness Board

Legal Basis: Controlling Board on May 4, 1992

Purpose: Appropriations to this line item are used to ensure that nuclear power plants are operated safely and that contingency plans are followed in case of a nuclear accident.

4P7 700-610 Food Safety Inspection

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$188,059	$166,095	$199,456	$382,701	**$559,611**	**$575,797**
	-11.7%	20.1%	91.9%	**46.2%**	**2.9%**

Source: SSR: testing fees charged for food sampling

Legal Basis: ORC 915.24

Purpose: This fund is to be used to establish a routine food sampling program within the Division of Food Safety.

4R0 700-636 Ohio Proud Marketing

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$318	$18,817	$21,917	$96,922	**$125,297**	**$133,614**
	5817.3%	16.5%	342.2%	**29.3%**	**6.6%**

Source: SSR: 1) $100 license fee paid by companies to join the program; and 2) the sale of promotional items

Legal Basis: ORC 901.17(A)(9)

Purpose: This line item supports the marketing activities related to the agency's Ohio Proud program, which is intended to help consumers identify Ohio's agricultural products and boost the state's agricultural business.

4R2 700-637 Dairy Industry Inspection

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,482,475	$1,496,797	$1,074,964	$997,468	**$1,183,358**	**$1,174,591**
	1.0%	-28.2%	-7.2%	**18.6%**	**-0.7%**

Source: SSR: licensing and milk inspection fees

Legal Basis: ORC 917.07

Purpose: The line item supports the agency's dairy inspection program in conjunction with GRF 700-403, Dairy Division. S.B. 87 of the 122nd GA abolished this fund and transferred the balances to the SSR Dairy Inspection Fund. With H.B. 95, Fund 4V0, License Fees is consolidated into this fund. Prior to this the two funds existed separately.

4T6 700-611 Poultry and Meat Inspection

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$6,511	$35,576	$207,911	$66,751	**$47,294**	**$47,294**
	446.4%	484.4%	-67.9%	**-29.1%**	**0.0%**

Source: SSR: license fees fines and penalties from meat and poultry establishments

Legal Basis: ORC 918.15

Purpose: Appropriations in this line item fund support the administration and operation of the agency's meat and poultry inspection program.

4T7 700-613 Int'l Trade & Market Dev. Rotary

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$4,600	$28,784	$41,172	$30,153	**$161,991**	**$166,356**
	525.7%	43.0%	-26.8%	**437.2%**	**2.7%**

Source: SSR: reimbursements from departmental employees

Legal Basis: ORC 901.20

Purpose: Employees who travel overseas on trade missions are advanced moneys from this fund for expenses, then reimburse the fund upon their return.

4V0 700-602 License Fees

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$20,451	$10,640	$21,264	$33,954	**$0**	**$0**
	-48.0%	99.8%	59.7%	**-100.0%**	**N/A**

Source: SSR: Grade A licensing fees

Legal Basis: Am. Sub. H.B. 117 of the 121st General Assembly

Purpose: Moneys were used by the Division of Foods, Dairies, and Drugs in conjunction with GRF line item 700-403, Dairy Division. In H.B. 95 of the 124th General Assembly, this fund is consolidated into the Dairy Industry Fund, 4R2 700-637. Prior to this, the two funds were separate. The Dairy Fund collected fine moneys for the Dairy Division, while the Dairy Industry Fund collected inspection and license fees.

4V5 700-615 Animal Industry Lab Fees

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$212,348	$165,276	$227,221	$316,878	**$626,633**	**$633,097**
	-22.2%	37.5%	39.5%	**97.8%**	**1.0%**

Source: SSR: fees received from laboratory services related to the diseases of animals

Legal Basis: ORC 901.43

Purpose: The Animal Disease Diagnostic Laboratories provide services related to animal diseases. Fees received are used to purchase supplies and equipment and to be used for maintenance and repairs. It is intended that no lab personnel costs would be paid from the fund.

578 700-620 Ride Inspection Fees

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$270,410	$358,818	$342,789	$403,787	**$634,099**	**$650,774**
	32.7%	-4.5%	17.8%	**57.0%**	**2.6%**

Source: SSR: fees for permits, inspections, and reinspections of amusement rides, and fines paid by violators of amusement ride operation regulations

Legal Basis: ORC 1711.53(A)

Purpose: Appropriations in this line item are used to administer and enforce sections 1711.50 to 1711.57 of the Revised Code, which establish requirements for the operations of amusement rides. This line item also funds an advisory board that studies subjects pertaining to ride safety, and reviews rules developed by the department.

579 700-630 Scale Certification

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$142,239	$136,106	$136,243	$315,507	**$230,047**	**$230,047**
	-4.3%	0.1%	131.6%	**-27.1%**	**0.0%**

Source: SSR: fees levied on scale manufacturers who are required by the agency to certify the accuracy of their equipment

Legal Basis: ORC 1327.511

Purpose: Scales must be certified for accuracy before they can be sold. This line item pays operating costs associated with Ohio's Type Evaluation Program, which adopts national scale standards in conjunction with four other labs across the country.

5H2 700-608 Metrology Lab

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$0	$39,855	$57,766	**$74,674**	**$138,624**
	N/A	N/A	44.9%	**29.3%**	**85.6%**

Source: SSR: fees paid by private companies for the lab's calibration and measuring device certification services

Legal Basis: H.B. 283 of the 123rd General Assembly

Purpose: Revenues collected and deposited in this new line item will fund calibration and certification of weighing and measuring devices used by private companies.

5L8 700-604 Livestock Management Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$0	$0	$0	$0	**$250,000**	**$250,000**
	N/A	N/A	N/A	**N/A**	**0.0%**

Source: SSR: application fees, civil fines, and money recouped to offset hazardous abatement expenses.

Legal Basis: Sub. S.B. 141 of the 123rd General Assembly

Purpose: Money from this account is to be used to administer the Concentrated Animal Feeding Facilities regulatory program.

652 700-634 Laboratory Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$782,101	$896,618	$1,243,614	$1,179,560	**$1,179,560**	**$1,144,766**
	14.6%	38.7%	-5.2%	**0.0%**	**-2.9%**

Source: SSR: testing fees for milk inspection services

Legal Basis: ORC 917

Purpose: The line item supports the milk testing program. Charges for services related to the Consumer Analytical Lab are also deposited here.

669 700-635 Pesticide Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$1,330,880	$1,291,445	$1,555,029	$1,776,228	**$2,108,049**	**$2,181,491**
	-3.0%	20.4%	14.2%	**18.7%**	**3.5%**

Source: SSR: fees charged to pesticide dealers and applicators

Legal Basis: ORC 921.151

Purpose: This line item supports the agency's pesticide regulation program. Any excess cash accumulating in the fund is to be transferred to the GRF.

As Introduced	As Passed by the House
Permanent Law Changes	
Subject: Uses of the Animal Industry Laboratory Fund	
section: *901.43*	
Requires money in the Animal Industry Laboratory Fund to be used for necessary expenses related to operating the Animal Industry Lab. Currently, the fund can only be used for purchasing supplies and equipment. The lab incurs other expenses. This provision will allow those other expenses to be paid for out of the fund.	No change.
Subject: Extension of the Agriculture Financing Commission	
section: *901.63*	
Extends the duties of the Agriculture Financing Commission from July 1, 2001 to July 1, 2003. This provision will cost approximately $85,000 per fiscal year.	No change.

As Introduced	As Passed by the House
Permanent Law Changes	
Subject: Family Farm Loan Program	
sections: ***122.011, 901.81, 901.82***	
Requires that the Department of Agriculture receive loan applications from financial institutions instead of the Department of Development. Transfers the authority to review, analyze, and summarize applications from financial institutions from the Department of Development to the Department of Agriculture. This is an administrative change and will have little fiscal impact. (See also Temporary Law Changes under same subject.)	No change.
Subject: Consolidation of the Dairy Fund and the Dairy Industry Fund	
sections: ***917.07, 917.99***	
Consolidates the Fund 4V0, License Fees with Fund 4R2, Dairy Industry Fund. (See also Temporary Law Changes under subject, "The Dairy Industry Fund".)	No change.

As Introduced	As Passed by the House

Permanent Law Changes

Subject: Continued Earmarking of Taxes for the Ohio Grape Industries

section: ***4301.43***

Continues the tax on wine, vermouth, and sparkling and carbonated wine and champagne from July 1, 2001 through June 30, 2003. This tax is used for research and marketing. The moneys collected from the tax are put into appropriation item 700-626, Ohio Grape Industries. This provision continues the tax. The Department estimates that the tax revenues will be $742,528 in each fiscal year.	No change.

As Introduced	As Passed by the House
Temporary Law Changes	
Subject: Animal Disease Control	
	Section: *17*
ALI: 700-401	
No provision.	Allows appropriation item 700-401, Animal Disease Control, to be used for the detection, prevention, and emergency management of, and the education of the public regarding, Foot and Mouth disease, Mad Cow disease, and West Nile virus.
Subject: The Dairy Industry Fund	
Section: *19*	**Section: *17***
ALIs: 700-602, 700-637	
On July 1, 2001 or as soon thereafter as possible, the Director of Budget and Management is to transfer the cash balance in License Fees (Fund 4V0), to the Dairy Inspection Fund (Fund 4R2). Any encumbrances against appropriation item 700-602, License Fees, shall be cancelled and reestablished against appropriation item 700-637, Dairy Inspection. The amounts of the reestablished encumbrances are appropriated. (See also Permanent Law Changes under subject, "Consolidation of the Dairy Fund and the Dairy Industry Fund".)	No change.

As Introduced	As Passed by the House
Temporary Law Changes	
Subject: Family Farm Loan Program	
Sections: ***10.01, 10.02***	**Sections:** ***149, 150***
Extends the Family Farm Loan Program from July 1, 2001 to July 1, 2003. This program will cost approximately $2.3 million per fiscal year. (See also Permanent Law Changes under same subject.)	No change.
Subject: Task Force on Bio-Terrorism	
	Section: ***165***
No provision.	Requires the Director of Agriculture to create a task force to study the threat of bio-terrorism to the state, and requires the task force to report its findings and recommendations to the General Assembly.