

# Department of Agriculture

## House Agriculture and Development Subcommittee

*Jason Phillips, Budget Analyst  
Legislative Service Commission*

*April 4, 2007*

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# LSC Redbook

## for the

### Department of Agriculture

#### House Agriculture and Development Committee

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**ATTACHMENTS:**

- Catalog of Budget Line Items
- LSC Budget Spreadsheet By Line Item

*April 4, 2007*

# Department of Agriculture

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- GRF funding of approximately \$19.0 million in FY 2008 and 18.9 million in FY 2009
- Proposed overall funding of \$49,914,540 in FY 2008 and \$49,804,540 in FY 2009

## OVERVIEW

Ohio's Department of Agriculture (ODA) is primarily a regulatory agency responsible for the safety of the state's food supply, animal and plant health, proper pesticide use, consumer protection, and creation of economic activity through promotion of agricultural products in domestic and international markets. The Department maintains state-of-the-art laboratories that provide important surveillance testing for the agricultural industry and the public at large. The Department carries out these responsibilities and others through the divisions of Administration, Amusement Ride Safety, Animal Industry, Dairy, Enforcement, Food Safety, Markets, Meat Inspection, Plant Industry, and Weights and Measures. The Department also administers the Auctioneers and Livestock Environmental Permitting program and contracts with the Ohio Racing Commission to perform equine testing in the Animal Toxicology Laboratory. These activities comprise 13 separate program areas that are highlighted in the "Analysis of Executive Proposal" section of this Redbook. The Department currently employs approximately 449 staff.

## Highlights of the Current Biennium

### Facilities Improvement

ODA completed or began several facilities improvement projects during the current biennium. Construction was completed on the new laboratory occupied by the Ohio Department of Health (ODH) and the Ohio Environmental Protection Agency (OEPA) and located on the Department of Agriculture's Reynoldsburg campus in April 2006. This 75,000 sq. ft. laboratory will help better protect Ohioans and the livestock industry and allows each agency to share scientific knowledge and resources. The facility also enables technicians to more efficiently test potentially hazardous substances, ensures the safety of lab personnel, and gives ODH and OEPA lab staff greater surge capacity during an emergency.

Early in FY 2006, the Department completed installation of its alkaline hydrolysis unit and a Bio-Safety Level 3 laboratory. The Bio-Safety Level 3 laboratory provides veterinarians with advanced safety features to perform testing on highly contagious and infectious diseases. These facilities are part of the Animal Disease Diagnostic Laboratory (ADDL). The alkaline hydrolysis unit provides a safe and secure system for disposal of animal carcass material. The unit destroys previously difficult to kill disease agents, neutralizes toxic compounds, and eliminates radioactively contaminated tissue. The system is environmentally safe and functions at a fraction of the cost of an incinerator, enabling the Department to dispose of up to 7,000 pounds of carcasses in an eight-hour period.

Through the most recent capital appropriations act, Am. Sub. H.B. 699 of the 126th General Assembly, the Department obtained funding of \$10,485,631 to construct a new 27,155 sq. ft. plant pathology, entomology, and seed laboratory structure for the Division of Plant Industry. The building will increase Ohio's ability to monitor and rapidly diagnose invasive plant diseases. It will also allow for the demolition of the Worthington Building, which was constructed in 1910 as a hog barn. The

Department expects the new Plant Industries diagnostic laboratory to be completed during the FY 2010-2011 biennium.

### **Office of Agro Bio-Security**

In CY 2005, the Department created a new Agro Bio-Security Office to develop, coordinate, and implement security protocols and procedures to be used in the event of an emergency or disaster. The office also represents ODA at the Ohio Strategic Analysis and Information Center, which is an intelligence gathering system for the entire state, and coordinates efforts to educate livestock producers and other agribusinesses about potential threats, vulnerability identification, and procedures and protocols for industry in the event of an emergency or disaster.

### **Other Highlights**

Am. Sub. H.B. 699 of the 126th General Assembly granted the Department \$634,000 in GRF funding for FY 2007 to purchase emergency preparedness supplies and equipment. The Department plans to use the funding to purchase a laboratory information management system for ADDL as well as 12 trucks for ADDL field personnel, which will be outfitted with trailers, high-pressure sprayers, protective clothing, and other equipment needed in the event of a disease outbreak. Currently, ADDL field personnel use passenger cars, which are not adequate for responding to a disease incident. The plan for purchasing these items must be submitted to and approved by the Controlling Board.

Sub. S.B. 189 of the 126th General Assembly made various corrective changes to the agricultural seed law and Sub. S.B. 393 primarily made clarifying revisions to National Pollutant Discharge Elimination System (NPDES) regulations with respect to concentrated animal feeding facilities (CAFFs) so that ODA's application for NPDES permitting authority will be more likely to be approved by the U.S. Environmental Protection Agency (EPA).

Finally, some data from two major ODA programs might be helpful. In 2005, the Meat Inspection program, the Department's largest in terms of employees, inspected 81.3 million pounds of red meat and 743,452 pounds of poultry during slaughter at 296 establishments. In addition, the program inspected 198.7 million pounds of processed red meat and 19.4 million pounds of processed poultry. The Consumer Analytical Laboratory (CAL), which provides laboratory-testing services of food, feed, and fertilizers, annually completes approximately 26,000 general chemistry analyses, 35,000 microbiological analyses, and 110,000 pesticide analyses on 23,000 samples of food, feeds, water, fertilizers, and plant materials.

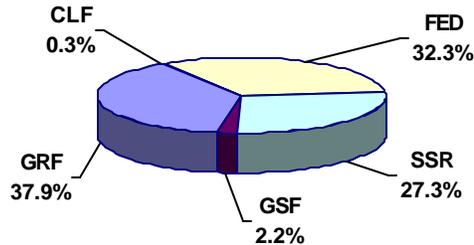
### **Summary of FYs 2008-2009 Executive Recommendations**

The executive recommends \$49,914,540 for the Department of Agriculture for FY 2008, which is a 2.0% decrease over FY 2007 estimated spending of \$50,926,155 (based largely on FY 2007 appropriations). Recommended FY 2009 appropriations of \$49,804,540 are 0.2% lower than FY 2008.

Total GRF funding of \$18,969,895 in FY 2008 is \$396,501 (2.0%) less than FY 2007 GRF appropriations of \$19,366,396. However, if the amount appropriated in H.B. 699 for emergency preparedness supplies and equipment (which was a one-time allocation) is removed from the FY 2007 amount, the Governor's proposal actually increases GRF appropriations by approximately \$247,500 in FY 2008 and \$147,500 in FY 2009 compared with FY 2007.

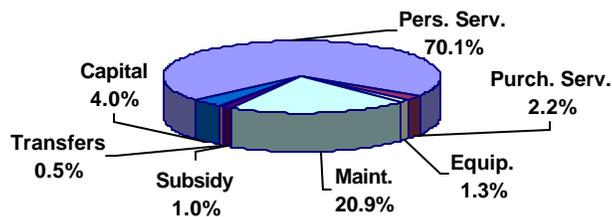
The pie charts below display total recommended appropriations by fund group, object code, and program series. The first pie chart shows how evenly the Department's funding is split among the General Revenue Fund (GRF), the Federal Special Revenue Fund Group (FED), the State Special Revenue Fund Group (SSR), the General Services Fund Group (GSF), and the Clean Ohio (CLF) Fund.

**Total FYs 2008-2009 Budget by Fund Group**



The pie chart below shows the proposed FYs 2008-2009 appropriations by object of expenses. The largest category is personal services (70.1%), which includes payroll and benefit costs for the Department's employees.

**Total FYs 2008-2009 Budget by Object Code**



Another way to analyze the executive's funding recommendation is to do so by program series. As the table below shows, the Plant Industry, Meat Inspection, and Program Management program series account for over 56% of the Department's total funding for the FY 2008-2009 biennium.

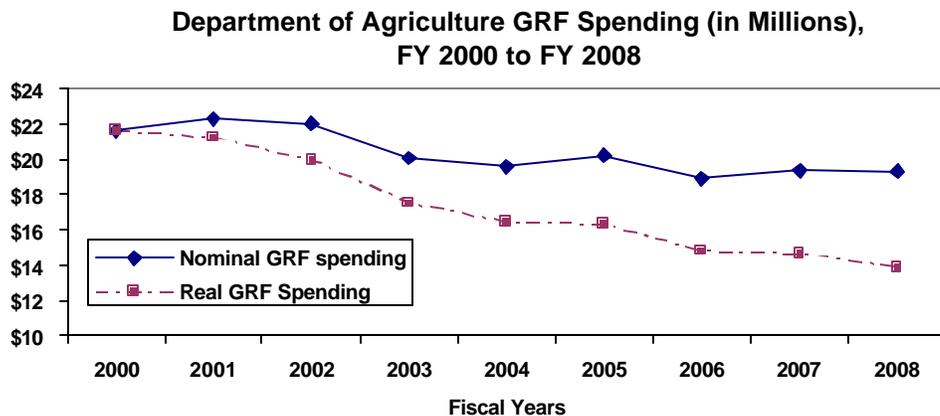
Department of Agriculture Budget by Program Series for FY 2008-2009 Biennium				
Program Series	FY 2008 Recommendation	FY 2009 Recommendation	Biennium Total	Percent of Total Budget
PS 1: General Agriculture	\$2,991,537	\$2,991,537	\$5,983,074	6.0%
PS 2: Amusement Ride Safety	\$1,000,000	\$1,000,001	\$2,000,001	2.0%
PS 3: Dairy Inspection	\$2,804,504	\$2,804,504	\$5,609,008	5.6%
PS 4: Food Safety	\$1,723,196	\$1,723,196	\$3,446,392	3.5%
PS 5: Agriculture Market Development	\$1,940,419	\$1,840,418	\$3,780,837	3.8%
PS 6: Plant Industry	\$10,200,000	\$10,200,000	\$20,400,000	20.5%
PS 7: Weights and Measures	\$1,727,526	\$1,727,526	\$3,455,052	3.5%
PS 8: Animal Industry	\$4,669,170	\$4,669,170	\$9,338,340	9.4%
PS 9: Meat Inspection	\$9,704,183	\$9,694,183	\$19,398,366	19.5%
PS 10: Consumer Analytical Laboratory	\$3,300,188	\$3,300,188	\$6,600,376	6.6%
PS 11: Large Livestock Regulation	\$1,458,496	\$1,458,496	\$2,916,992	2.9%
PS 12: Auctioneers Licensing	\$389,991	\$389,991	\$779,982	0.8%
PS 13: Program Management	\$8,005,330	\$8,005,330	\$16,010,660	16.1%
<b>Program Series Total</b>	<b>\$49,914,540</b>	<b>\$49,804,540</b>	<b>\$99,719,080</b>	<b>100%</b>

Note: Percentage figures may not add to 100% due to rounding

## Summary of FYs 2008-2009 Budget Issues

### Reduction in GRF Buying Power

The executive recommended GRF funding of \$18,969,895 for FY 2008 and \$18,869,895 for FY 2009. Since FY 2001, when GRF spending by ODA reached \$22.3 million, the Department's GRF allocation has not only decreased nominally, but also substantially in real dollars when controlled for inflation. The chart below illustrates ODA's historical GRF spending from FY 2000 to FY 2006 as well as FY 2007 GRF appropriations and the Governor's GRF recommendations for FY 2008. It also controls the spending for inflation according to a chained price index focusing on state and local government personnel costs. While the nominal recommendation for FY 2008 is approximately \$18.97 million, that amount can only buy approximately \$14.11 million worth of goods and services in FY 2000 dollars, a reduction in buying power of over 25% as a result of the Department's GRF funding not keeping pace with inflation over the past four biennia.



### Other Budget Considerations

In its discussions with LSC, ODA raised some other issues that affect its budget. First, responding to and planning for food and animal disease outbreaks are a major financial challenge for the Department, particularly when trying to allocate resources to address single or multiple outbreaks of unknown size, proportion, date, and location. To be better prepared for such events, the Department has increased training for its ADDL employees regarding animal diseases. The Department has also participated in tabletop incident response exercises and multi-state trainings to better equip itself in the event of an emergency.

Second, in the last budget act, Am. Sub. H.B. 66 of the 126th General Assembly, the Department increased various fees in an effort to reduce reliance on GRF resources. However, the Department reported that revenue from the higher fees has been short of expectations. While the Department has attempted to reduce GRF reliance through higher fees, it noted that continued GRF funding is essential for activities in which it is impractical to charge a fee, such as for surveillance and monitoring of wild birds.

## **Increasing Utility and Fuel Costs**

The Department has faced higher utility costs in recent years as a result of utility price increases and the addition of laboratory facilities that add to the Department's energy needs. The laboratory facilities on ODA's campus will present higher costs than facilities for a typical agency in that the laboratories run by the Department require equipment like fume hoods, refrigeration units and other apparatus to run all day. Natural gas and other utility price increases have also affected the Department. For instance, laboratory air quality standards require frequent air exchanges during occupied hours and, to a lesser extent, during unoccupied hours. These air quality regulations increase the cost per square foot for heating and cooling the laboratory buildings, making the Department particularly sensitive to price increases for utilities.

Additionally, motor fuel price increases impact the Department considerably, as a significant portion of the Department's staff travel extensively as part of their job duties. Of the Department's 449 staff members, 253 are inspectors headquartered at their homes that travel to inspection sites. To make sure the Department has adequate funding for personnel, it has implemented a stringent vehicle policy that limits the staff members that receive state vehicles and delays vehicle replacement.

## **Federal Funding Uncertainty**

As noted earlier, ODA relies heavily upon federal funding for its Meat Inspection, Plant Industry, and Consumer Analytical Laboratory programs. However, the federal government, as a result of ongoing discussions of how to allocate discretionary funding, has resorted to continuing appropriations resolutions for federal fiscal year (FFY) 2007, which runs between October 1, 2006 and September 30, 2007, that fund the federal government at FFY 2006 levels in most cases. The most recent continuing resolution provides funding for the rest of FFY 2007. The Department faces fixed costs for the programs it operates with federal funding, thus the uncertainty in federal funding has made planning difficult.

## Staffing Levels

Pursuant to collective bargaining contracts, state employees will receive a 3.5% raise on July 1, 2007 and another 3.5% increase effective July 1, 2008. The following table provides the number of filled positions by Division since 2004.

Department of Agriculture Filled Positions						
Division	2004	2005	2006	2007	Estimated	
					2008	2009
Administration*	60	60	62	62	62	62
Ride Inspection	9	9	9	10	10	10
Animal Industry	55	55	55	57	57	57
Food Safety	25	25	25	23	23	23
Plant Industry	65	65	65	70**	70	70
Weights and Measures	16	17	17	17	17	17
Meat Inspection	118	117	117	118	118	118
Consumer Analytical Lab	34	32	32	43***	43	43
Dairy Division	24	24	24	24	24	24
Agr. Market Development	13	13	13	10	10	10
Livestock Regulation	13	13	14	15	15	15
<b>Totals</b>	<b>432</b>	<b>430</b>	<b>433</b>	<b>449</b>	<b>449</b>	<b>449</b>

\*Administration includes staffing for the following: executive staff, human resources, legal, legislative affairs, fiscal, information technology, communications, campus grounds, and laboratory facilities maintenance.  
 \*\* The increase of FTEs for the Division of Plant Industry is due to programs associated with the Emerald Ash Borer.  
 \*\*\* The large increase in staffing occurred in FY 2007 for the Consumer Analytical Lab due to (1) vacant positions being filled and (2) the addition of the Analytical Toxicology Laboratory testing duties for the Ohio Racing Commission.

## MASTER TABLE: EXECUTIVE'S RECOMMENDATIONS FOR FY 2008 AND FY 2009

The following table provides a comprehensive presentation of the executive's recommendations for each of the agency's line items and the programs each line item supports. Please note that some line items may provide funding for multiple program series and/or programs. See the Analysis of Executive Proposal section for more information on specific program funding.

Executive Recommendations for FY 2008 and FY 2009, By Line Item and Program				
Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-321	Operating Expenses	\$2,605,330	\$2,605,330
		<u>Program Series 13: Program Management</u>	\$2,605,330	\$2,605,330
		Program 13.01: Program Management	\$2,605,330	\$2,605,330
	700-401	Animal Disease Control	\$3,574,506	\$3,574,506
		<u>Program Series 8: Animal Industry</u>	\$3,574,506	\$3,574,506
		Program 8.01: Animal Disease Control	\$3,574,506	\$3,574,506
	700-403	Dairy Division	\$1,304,504	\$1,304,504
		<u>Program Series 3: Dairy Inspection</u>	\$1,304,504	\$1,304,504
		Program 3.01: Dairy Inspection	\$1,304,504	\$1,304,504
	700-404	Ohio Proud	\$207,895	\$207,895
		<u>Program Series 5: Agriculture Market Development</u>	\$207,895	\$207,895
		Program 5.03: OHIO Proud Marketing	\$207,895	\$207,895
	700-406	Consumer Analytical Lab	\$953,906	\$953,906
		<u>Program Series 10: Consumer Analytical Laboratory</u>	\$953,906	\$953,906
		Program 10.01: Food and Product Testing	\$953,906	\$953,906
	700-407	Food Safety	\$865,100	\$865,100
		<u>Program Series 4: Food Safety</u>	\$865,100	\$865,100
		Program 4.01: Food and Drug Inspection	\$865,100	\$865,100
	700-409	Farmland Preservation	\$241,573	\$241,573
		<u>Program Series 1: General Agriculture</u>	\$241,573	\$241,573
		Program 1.03: Farmland Preservation	\$241,573	\$241,573
	700-410	Plant Industry	\$50,000	\$50,000
		<u>Program Series 6: Plant Industry</u>	\$50,000	\$50,000
		Program 6.01: Plant, Pest Control, Apiary, and Seed	\$50,000	\$50,000
	700-411	International Trade and Market Development	\$617,524	\$517,524
		<u>Program Series 5: Agriculture Market Development</u>	\$617,524	\$517,524
		Program 5.01: International and Domestic Marketing	\$617,524	\$517,524
	700-412	Weights and Measures	\$1,300,000	\$1,300,000
		<u>Program Series 7: Weights and Measures</u>	\$1,300,000	\$1,300,000

<b>Executive Recommendations for FY 2008 and FY 2009, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2008</b>	<b>FY 2009</b>
		Program 7.01: Weights and Measures	\$1,300,000	\$1,300,000
	700-413	Gypsy Moth Prevention	\$200,000	\$200,000
		<u>Program Series 6: Plant Industry</u>	\$200,000	\$200,000
		Program 6.02: Invasive Species	\$200,000	\$200,000
	700-415	Poultry Inspection	\$325,000	\$325,000
		<u>Program Series 8: Animal Industry</u>	\$325,000	\$325,000
		Program 8.02: Poultry Inspection	\$325,000	\$325,000
	700-418	Livestock Regulation Program	\$1,428,496	\$1,428,496
		<u>Program Series 11: Large Livestock Regulation</u>	\$1,428,496	\$1,428,496
		Program 11.01: Large Livestock Regulation	\$1,428,496	\$1,428,496
	700-424	Livestock Testing and Inspections	\$115,946	\$115,946
		<u>Program Series 8: Animal Industry</u>	\$115,946	\$115,946
		Program 8.03: Livestock Testing and Inspection	\$115,946	\$115,946
	700-499	Meat Inspection Program-State Share	\$4,696,889	\$4,696,889
		<u>Program Series 9: Meat Inspection</u>	\$4,696,889	\$4,696,889
		Program 9.01: Meat Inspection	\$4,696,889	\$4,696,889
	700-501	County Agricultural Societies	\$483,226	\$483,226
		<u>Program Series 1: General Agriculture</u>	\$483,226	\$483,226
		Program 1.01: County Agricultural Societies	\$483,226	\$483,226
General Revenue Fund Subtotal			<b>\$18,969,895</b>	<b>\$18,869,895</b>
<b>General Services Fund Group</b>				
5DA	700-644	Laboratory Administration Support	\$1,100,000	\$1,100,000
		<u>Program Series 13: Program Management</u>	\$1,100,000	\$1,100,000
		Program 13.01: Program Management	\$1,100,000	\$1,100,000
General Services Fund Subtotal			<b>\$1,100,000</b>	<b>\$1,100,000</b>
<b>Federal Special Revenue Fund Group</b>				
3AB	700-641	Agricultural Easement	\$2,000,000	\$2,000,000
		<u>Program Series 1: General Agriculture</u>	\$2,000,000	\$2,000,000
		Program 1.03: Farmland Preservation	\$2,000,000	\$2,000,000
3J4	700-607	Indirect Cost	\$600,000	\$600,000
		<u>Program Series 13: Program Management</u>	\$600,000	\$600,000
		Program 13.01: Program Management	\$600,000	\$600,000
3R2	700-614	Federal Plant Industry	\$4,800,000	\$4,800,000
		<u>Program Series 6: Plant Industry</u>	\$4,800,000	\$4,800,000
		Program 6.02: Invasive Species	\$4,800,000	\$4,800,000
326	700-618	Meat Inspection Program-Federal Share	\$4,960,000	\$4,950,000
		<u>Program Series 9: Meat Inspection</u>	\$4,960,000	\$4,950,000
		Program 9.01: Meat Inspection	\$4,960,000	\$4,950,000

<b>Executive Recommendations for FY 2008 and FY 2009, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2008</b>	<b>FY 2009</b>
336	700-617	Ohio Farm Loan Revolving Fund	\$44,679	\$44,679
		<u>Program Series 1: General Agriculture</u>	\$44,679	\$44,679
		Program 1.02: Ohio Farm Loan	\$44,679	\$44,679
382	700-601	Cooperative Contracts	\$3,700,000	\$3,700,000
		<u>Program Series 13: Program Management</u>	\$3,700,000	\$3,700,000
		Program 13.01: Program Management	\$3,700,000	\$3,700,000
Federal Special Revenue Fund Subtotal			<b>\$16,104,679</b>	<b>\$16,094,679</b>
<b>State Special Revenue Fund Group</b>				
4C9	700-605	Feed, Fertilizer, Seed, and Lime Inspection	\$1,850,000	\$1,850,000
		<u>Program Series 6: Plant Industry</u>	\$1,850,000	\$1,850,000
		Program 6.03: Feed, Fertilizer, and Lime Inspection	\$1,850,000	\$1,850,000
4D2	700-609	Auction Education	\$24,601	\$24,601
		<u>Program Series 12: Auctioneers Licensing</u>	\$24,601	\$24,601
		Program 12.01 Auctioneers Licensing and Indemnity Fund	\$24,601	\$24,601
4E4	700-606	Utility Radiological Safety	\$73,059	\$73,059
		<u>Program Series 1: General Agriculture</u>	\$73,059	\$73,059
		Program 1.04: Util. Radiological Safety and Ag. Terrorism Security	\$73,059	\$73,059
4P7	700-610	Food Safety Inspection	\$858,096	\$858,096
		<u>Program Series 4: Food Safety</u>	\$858,096	\$858,096
		Program 4.01: Food and Drug Inspection	\$858,096	\$858,096
4R2	700-637	Dairy Industry Inspection	\$1,500,000	\$1,500,000
		<u>Program Series 3: Dairy Inspection</u>	\$1,500,000	\$1,500,000
		Program 3.01: Dairy Inspection	\$1,500,000	\$1,500,000
4T6	700-611	Poultry and Meat Inspection	\$47,294	\$47,294
		<u>Program Series 9: Meat Inspection</u>	\$47,294	\$47,294
		Program 9.01: Meat Inspection	\$47,294	\$47,294
4T7	700-613	International Trade and Market Development	\$15,000	\$15,000
		<u>Program Series 5: Agriculture Market Development</u>	\$15,000	\$15,000
		Program 5.01: International and Domestic Marketing	\$15,000	\$15,000
494	700-612	Agricultural Commodity Marketing Program	\$250,000	\$250,000
		<u>Program Series 5: Agriculture Market Development</u>	\$250,000	\$250,000
		Program 5.02: Commodity Marketing	\$250,000	\$250,000
496	700-626	Ohio Grape Industries	\$850,000	\$849,999
		<u>Program Series 5: Agriculture Market Development</u>	\$850,000	\$849,999
		Program 5.04: Grape Industries Research and Marketing	\$850,000	\$849,999
497	700-627	Commodity Handlers Regulatory Program	\$500,000	\$500,000
		<u>Program Series 6: Plant Industry</u>	\$500,000	\$500,000
		Program 6.04: Grain Warehouse Oversight and Indemnity Fund	\$500,000	\$500,000

<b>Executive Recommendations for FY 2008 and FY 2009, By Line Item and Program</b>				
<b>Fund</b>	<b>ALI</b>	<b>Title</b>	<b>FY 2008</b>	<b>FY 2009</b>
5B8	700-629	Auctioneers	\$365,390	\$365,390
		<u>Program Series 12: Auctioneers Licensing</u>	\$365,390	\$365,390
		Program 12.01 Auctioneers Licensing and Indemnity Fund	\$365,390	\$365,390
5H2	700-608	Metrology Lab and Scale Certification	\$427,526	\$427,526
		<u>Program Series 7: Weights and Measures</u>	\$427,526	\$427,526
		Program 7.01: Weights and Measures	\$427,526	\$427,526
5L8	700-604	Livestock Management Program	\$30,000	\$30,000
		<u>Program Series 11: Large Livestock Regulation</u>	\$30,000	\$30,000
		Program 11.01: Large Livestock Regulation	\$30,000	\$30,000
578	700-620	Ride Inspection Fees	\$1,000,000	\$1,000,001
		<u>Program Series 2: Amusement Ride Safety</u>	\$1,000,000	\$1,000,001
		Program 2.01: Amusement Ride Safety	\$1,000,000	\$1,000,001
652	700-634	Animal and Consumer Analytical Lab	\$3,000,000	\$3,000,000
		<u>Program Series 8: Animal Industry</u>	\$653,718	\$653,718
		Program 8.01: Animal Disease Control	\$653,718	\$653,718
		<u>Program Series 10: Consumer Analytical Laboratory</u>	\$2,346,282	\$2,346,282
		Program 10.01: Food and Product Testing	\$2,346,282	\$2,346,282
669	700-635	Pesticide Program	\$2,800,000	\$2,800,000
		<u>Program Series 6: Plant Industry</u>	\$2,800,000	\$2,800,000
		Program 6.05: Pesticide Regulation	\$2,800,000	\$2,800,000
State Special Revenue Fund Group			<b>\$13,590,966</b>	<b>\$13,590,966</b>
<b>Clean Ohio Fund Group</b>				
O57	700-632	Clean Ohio Agricultural Easement	\$149,000	\$149,000
		<u>Program Series 1: General Agriculture</u>	\$149,000	\$149,000
		Program 1.03: Farmland Preservation	\$149,000	\$149,000
Clean Ohio Fund Subtotal			<b>\$149,000</b>	<b>\$149,000</b>
<b>Total Agency Funding</b>			<b>\$49,914,540</b>	<b>\$49,804,540</b>

## ANALYSIS OF EXECUTIVE PROPOSAL

### Program Series

### 1: General Agriculture

**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 the General Agriculture program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-501	County Agricultural Societies	\$483,226	\$483,226
GRF	700-409	Farmland Preservation	\$241,573	\$241,573
<b>General Revenue Fund Subtotal</b>			<b>\$724,799</b>	<b>\$724,799</b>
<b>State Special Revenue Fund Group</b>				
4E4	700-606	Utility Radiological Safety	\$73,059	\$73,059
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$73,059</b>	<b>\$73,059</b>
<b>Federal Special Revenue Fund Group</b>				
3AB	700-641	Agricultural Easement	\$2,000,000	\$2,000,000
336	700-617	Ohio Farm Loan Revolving Fund	\$44,679	\$44,679
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$2,044,679</b>	<b>\$2,044,679</b>
<b>Clean Ohio Fund</b>				
057	700-632	Clean Ohio Agricultural Easement	\$149,000	\$149,000
<b>Clean Ohio Fund Subtotal</b>			<b>\$149,000</b>	<b>\$149,000</b>
<b>Total Funding: General Agriculture</b>			<b>\$2,991,537</b>	<b>\$2,991,537</b>

The General Agriculture program series contains the following programs:

- **Program 1.01: County Agriculture Society**
- **Program 1.02: Ohio Farm Loan**
- **Program 1.03: Farmland Preservation**
- **Program 1.04: Utility Radiological Safety and Agricultural Terrorism Security**

### County Agriculture Society

**Program Description:** Agricultural societies provide educational opportunities for junior fair participants, in addition to providing premiums and cash awards at the annual county and independent fairs. There are approximately 100,000 junior fair participants in Ohio. The County Agriculture Society program reimburses junior fair expenditures at the state's 94 county and independent agricultural societies throughout Ohio. This program disburses funds each January, after the agricultural societies provide a report on the magnitude of junior fair expenses.

**Funding Source:** General Revenue Fund

*Line Items:* 700-501, County Agricultural Societies

***Implication of Executive Recommendation:*** The Department requested \$358,226 in each fiscal year to continue the County Agricultural Society program. The executive recommends \$483,226 in each fiscal year for this program, which allows reimbursements to county and independent agricultural societies to remain at levels comparable to the FY 2006-2007 biennium. The Governor recommends an additional \$125,000 in each fiscal year over what was requested for this program, which is earmarked for the Healthy Farms and Healthy Schools Grants program (see Temporary Law provision below).

### **Temporary Law Provision**

***Healthy Farms and Healthy Schools Grants (Section 215.10).*** Earmarks \$125,000 in each fiscal year for the Healthy Farms and Healthy School Grants Program to provide grants to schools to establish nutrition education and agriculture education programs for kindergartners in Perry County.

### **Ohio Farm Loan**

***Program Description:*** This program has its roots in the Great Depression when the U.S. Congress instituted a national Rural Rehabilitation Program during the 1930s, which resulted in rural rehabilitation corporations being formed during the Depression to improve the profitability of low-income farmers. During the early 1970s, the federal government liquidated these corporations and turned the funds over to the states pursuant to an agreement with the USDA. Ohio received \$3 million at that time and made a policy decision to deposit that sum and use only the interest received to provide grants and loans indefinitely. Under the agreement with the USDA, the Ohio Farm Loan program solicits and reviews, with its advisory board, loan applications for high credit risk farmers that would have difficulty obtaining conventional credit without a loan guarantee. This first-time loan program provides low rate financing for high credit risk farmers.

***Funding Source:*** Interest received from \$3 million deposited in Ohio Farm Loan Revolving Fund

*Line Items:* 700-617, Ohio Farm Loan Revolving Fund

***Implication of Executive Recommendation:*** The executive recommends \$44,679 in FY 2008 and \$44,679 in FY 2009, which fully funds the Department's request for the Ohio Farm Loan program and allows current activities to be maintained.

### **Temporary and Permanent Law Provisions**

None

### **Farmland Preservation**

***Program Description:*** The program facilitates the preservation of farmland and also educates the public on protecting farmland from conversion to nonagricultural use. The program's Clean Ohio Fund Agricultural Easement Purchase program was established in 2001. The program initiates purchases of agricultural easements from volunteer landowners. In addition, legislation signed in 2002 permits landowners to donate development rights of their land to the state or local governments for the purpose of protecting productive farmland from converting to nonagricultural use. The U.S. Department of Agriculture reimburses ODA 50% of the moneys spent out of the Clean Ohio Fund up to a predetermined cap. The Department receives approximately \$1.5 million to \$2 million per year depending on the cap

and the amount spent. Since 2002, approximately \$15.6 million in Clean Ohio Funds and \$5.47 million in matching funds received from the federal government have been spent to preserve over 15,000 acres of Ohio's most productive farmland. The program has protected over 5,000 additional acres through the agricultural easement donation program.

**Funding Source:** General Revenue Fund, federal grants and interest earned on the Clean Ohio Revitalization Fund

**Line Items:** 700-409, Farmland Preservation; 700-632, Clean Ohio Agricultural Easement; 700-641, Agricultural Easement

**Implication of Executive Recommendation:** The executive recommends \$2,390,573 in each fiscal year for this program, or \$23,427 less than the Department requested. However, the Governor's proposal holds funding for the program's GRF and Clean Ohio Funds at FY 2007 appropriations and includes \$2,000,000 in each fiscal year from federal funding. The amount recommended likely will continue to preserve an additional 4,000 to 6,000 acres of productive farmland per year through all of the agricultural easement acquisition programs.

### **Temporary and Permanent Law Provisions**

None

### **Utility Radiological Safety and Agricultural Terrorism Security**

**Program Description:** The Utility Radiological Safety and Agricultural Terrorism Security program coordinates and provides recommendations to Department divisions and local, state, federal, and industry partners concerning matters of homeland security, food supply defense, bio-security, agro-terrorism, and radiological events. The Agro Bio-Security Office develops, coordinates, and implements agency-wide continuity of operations plans, infrastructure protection, emergency preparedness, and response, planning, and training exercises. This office represents and advises the Director in matters concerning the Utility Radiological Safety Board (URSB), Ohio Homeland Security Advisory Council (OHSAC), State of Ohio Security Task Force (SOSTF), State Emergency Operations Center (EOC), and the Strategic Analysis and Information Center (SAIC).

The program is also responsible for performing sampling on food grown or processed within allowable distances from nuclear plants in Ohio to assure a safe food supply for the Ohio consumer in the event of a nuclear power plant release. Every six years, the state agencies involved are evaluated by federal government agencies such as the Federal Emergency Management Agency (FEMA) and the Nuclear Regulatory Commission (NRC) on how they perform during a graded dry-run exercise.

**Funding Source:** Assessments on power plants

**Line Items:** 700-606, Utility Radiological Safety

**Implication of Executive Recommendation:** The Department requested \$73,059 in FY 2008 and \$73,059 in FY 2009 to continue the Utility Radiological Safety program. The executive recommended full funding for this program, which continues preparedness efforts to protect Ohio's food chain in the case of a release at a nuclear power plant or acts of agro-terrorism.

## Temporary Law Provision

*Utility Radiological Safety Board Assessments (Section 506.03)*. Sets the maximum amount that may be assessed against nuclear electric utilities. The Radiological Safety Fund (Fund 4E4) is slated to receive up to \$73,059 in each fiscal year from these assessments.

**Program Series**

**2: Amusement Ride Safety**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>State Special Revenue Fund</b>				
578	700-620	Ride Inspection Fees	\$1,000,000	\$1,000,001
<b>Total Funding: Amusement Ride Safety</b>			<b>\$1,000,000</b>	<b>\$1,000,001</b>

**Amusement Ride Safety**

**Program Description:** The Amusement Ride Safety program deals with the inspection of permanent and portable amusement rides throughout the state on an annual basis. In addition to site inspection, division personnel review safety records with ride operators, ensure that operators are informed of any maintenance updates or safety bulletins that may apply to certain rides, and monitors ride accidents and helps determine their cause. The Department inspects, licenses, and maintains records on more than 2,500 amusement rides in the state. The division is also responsible for licensing and regulating approximately 750 games and sideshows at the 94 county and independent fairs and the state fair.

**Funding Source:** Fees and fines associated with the regulation of amusement rides

**Line Items:** 700-620, Ride Inspection Fees

**Implication of Executive Recommendation:** The executive recommends \$1,000,000 in FY 2008 and \$1,000,001 in FY 2009 for the Amusement Ride Safety program. The Department requested \$1,115,436 in FY 2008 and \$1,115,436 in FY 2009 to continue the Amusement Ride Safety program, which was the Department's FY 2007 appropriation for the program. The appropriation appears to bring the program's funding in line with prior year spending. Within the funding recommended, the Department indicated that it would be able to maintain current service levels.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**3: Dairy Inspection**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-403	Dairy Division	\$1,304,504	\$1,304,504
<b>General Revenue Fund Subtotal</b>			<b>\$1,304,504</b>	<b>\$1,304,504</b>
<b>State Special Revenue Fund Group</b>				
4R2	700-637	Dairy Industry Inspection	\$1,500,000	\$1,500,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,500,000</b>	<b>\$1,500,000</b>
<b>Total Funding: Dairy Inspection</b>			<b>\$2,804,504</b>	<b>\$2,804,504</b>

**Dairy Inspection**

**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 to ensure the sanitary production, processing, and transportation of milk-based products. Inspection standards are set to meet or exceed standards of the U.S. Department of Health and Human Services, the FDA and USDA. The program licenses and inspects over 3,600 milk producers, including tank trucks and other transporters, processors, and transfer and receiving stations.

**Funding Source:** General Revenue Fund and licensing and milk inspection fees

**Line Items:** 700-403, Dairy Division; 700-637, Dairy Industry Inspection

**Implication of Executive Recommendation:** The executive recommends \$2,804,504 in each fiscal year for the Dairy Inspection program, which is a slight decrease from the \$2,821,460 in each fiscal year the Department requested to continue the Dairy Inspection program. Despite the slight reduction from what was requested, the Department indicated that the program would be able to continue current service levels.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**4: Food Safety**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-407	Food Safety	\$865,100	\$865,100
<b>General Revenue Fund Subtotal</b>			<b>\$865,100</b>	<b>\$865,100</b>
<b>State Special Revenue Fund Group</b>				
4P7	700-610	Food Safety Inspection	\$858,096	\$858,096
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$858,096</b>	<b>\$858,096</b>
<b>Total Funding: Food Safety</b>			<b>\$1,723,196</b>	<b>\$1,723,196</b>

**Food and Drug Inspection**

**Program Description:** The Food and Drug Inspection program ensures a safe food supply through surveillance, sampling, inspection, consultation, technical assistance, and training. The Division of Food Safety regulates food processing plants, wholesale storage, and distribution sites, and retail facilities that produce, process, label, store, distribute, and sell food products in the state. The Division also inspects over-the-counter drugs, dietary supplements, and cosmetics and receives and investigates consumer complaints regarding food safety. The program also evaluates and audits the administrative controls of the 135 local health departments approved to inspect retail food establishments. The Division's partnership with the local health departments provides an additional outlet to transmit consumer notices regarding food safety recalls of food and drug products.

**Funding Source:** General Revenue Fund and fees collected from local health departments and license fees collected from retail and wholesale sectors

**Line Items:** 700-407, Food Safety; 700-610, Food Safety Inspection

**Implication of Executive Recommendation:** The executive recommended \$1,723,196 in FY 2008 and \$1,723,196 in FY 2009 to continue the Food Safety program, which fully funds the Department's request for the program and will likely allow it to maintain current service levels.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**5: Agriculture Market Development**

**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 the Agriculture Market Development program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-404	Ohio Proud	\$207,895	\$207,895
GRF	700-411	International Trade and Market Development	\$617,524	\$517,524
<b>General Revenue Fund Subtotal</b>			<b>\$825,419</b>	<b>\$725,419</b>
<b>State Special Revenue Fund</b>				
494	700-612	Agricultural Commodity Marketing Program	\$250,000	\$250,000
496	700-626	Ohio Grape Industries	\$850,000	\$849,999
477	700-613	International Trade and Market Development	\$15,000	\$15,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$1,115,000</b>	<b>\$1,114,999</b>
<b>Total Funding: Agriculture Market Development</b>			<b>\$1,940,419</b>	<b>\$1,840,418</b>

The Agriculture Market Development program series contains the following programs:

- **Program 5.01: International and Domestic Marketing**
- **Program 5.02: Commodity Marketing**
- **Program 5.03: Ohio Proud Marketing**
- **Program 5.04: Grape Industries Research and Marketing**
- **Program 5.05: Non-food and Bio-fuel Promotion**

**International and Domestic Marketing**

**Program Description:** The International and Domestic Marketing program provides marketing services to Ohio's food and agricultural industry to promote and provide a competitive advantage for Ohio-based products that are marketed internationally and nationally. The International Market Development program participates in trade shows, coordinates trade missions, conducts training seminars on exporting, and provides market research information to help promote international development of Ohio-based products. In 2005, Ohio food companies participated in 20 export promotion activities available through the Division of Markets that resulted in reported sales of approximately \$2.2 million. These activities resulted in an additional 100 foreign buyer contacts and 47 new international distributors established for Ohio companies.

**Funding Source:** General Revenue Fund and reimbursements from participants of trade missions

**Line Items:** 700-411, International Trade and Market Development; 700-613, International Trade and Market Development

**Implication of Executive Recommendation:** The executive recommends \$632,524 in FY 2008 and \$532,524 in FY 2009 for the International and Domestic Marketing program. The FY 2008 recommendation includes \$100,000 that is earmarked for the Ohio - Israel Agricultural Initiative. The Department requested \$557,578 in FY 2008 and \$561,578 in FY 2009 for this program. Notwithstanding the earmark, the Governor's proposal is \$25,054 less than requested in FY 2008 and \$29,054 less than requested in FY 2009. This reduction under what was requested reflects the fact that fewer international trade missions are planned for the upcoming biennium.

### **Temporary Law Provision**

**Ohio - Israel Agricultural Initiative (Section 215.10).** A temporary law provision in the bill earmarks \$100,000 in FY 2008 for the Ohio - Israel Agricultural Initiative.

### **Commodity Marketing**

**Program Description:** The Commodity Marketing program currently provides oversight for six commodity marketing programs including: apple, beef, corn, eggs, small fruit and vegetable, and sheep and wool. These marketing committees promote their products, provide research and conduct educational programs for the betterment of their commodities. Commodity committees are either appointed by the Director of Agriculture or elected by the producers for that commodity group. The commodity committees collect check-off fees that fund their activities. Depending on the committee, the Department either provides financial oversight, or collects the fees from the committee and returns the fee to the committee through a pass-through procedure. Currently, three of the six commodity groups utilize the pass-through procedures.

**Funding Source:** Assessments from producers collected by commodity committees for the promotion of their product

**Line Items:** 700-612, Agricultural Commodity Marketing Program

**Implication of Executive Recommendation:** The executive recommends \$250,000 in each fiscal year for the Commodity Marketing program while the Department requested \$270,220 in each fiscal year. The reduction is intended to bring the appropriation more in line with expected assessments on producers collected by commodity groups, which are forwarded to the Division of Markets and refunded to the commodity group. The executive recommendation will continue to allow the program to perform this pass-through function.

### **Temporary and Permanent Law Provisions**

None

### **Ohio Proud Marketing**

**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. Consumer awareness is one of the principle methods used to promote the products. The Department licenses 204 companies from 61 counties that represent more than 1,200 products. Program employees travel to approximately 80 events each year in an Ohio Proud vehicle that is used to display information to consumers. The program also funds advertising through newspaper ads and billboards.

**Funding Source:** General Revenue Fund

**Line Items:** 700-404, Ohio Proud

**Implication of Executive Recommendation:** The executive recommends \$207,895 in each fiscal year in GRF funding to continue the Ohio Proud Marketing program and restructured the program's funding by eliminating funding for the program's rotary fund, Fund 4R0, in an effort to consolidate program activities. To account for the elimination of the rotary funds for the program, the Governor's proposal increases funding to the program's GRF line item by \$22,500 over the FY 2007 appropriation level. At the recommended funding level, ODA would be able to maintain current service levels.

### **Temporary and Permanent Law Provisions**

None

### **Grape Industries Research and Marketing**

**Program Description:** The Ohio Grape Industry program was established in 1982 to serve the Ohio grape and wine producers through research that focuses on expanded production and improved quality. The program seeks to expand Ohio's wine and grape-growing industry with marketing and promotion in order to create income-producing agribusiness. To this end, the Ohio Grape Industries Committee underwrites the cost of a state viticulturist position at The Ohio State University who provides leadership to the research efforts. The research is made available to Ohio grape growers and the general population. There are approximately 80 licensed and bonded Ohio wineries.

**Funding Source:** A portion of the tax revenues collected from wine and liquor sales throughout the state

**Line Items:** 700-626, Ohio Grape Industries

**Implication of Executive Recommendation:** The executive recommended \$850,000 in FY 2008 and \$849,999 in FY 2009 for the Grape Industries Research and Marketing program, compared to the Department's request of \$1,071,054 in each fiscal year to continue the program. In the current biennium, the program has used various marketing initiatives such as television advertising, purchases for which can be costly. The Department indicated that the marketing strategy of the program has changed, shifting the focus away from such initiatives. The executive recommendation reflects this shift in focus and reduces the program's appropriation accordingly.

### **Temporary and Permanent Law Provisions**

**Wine tax diversion to Ohio Grape Industries Fund (R.C. 4301.43).** Extends the extra 2¢ earmark of wine tax revenue collected by the Department of Taxation and credited to the Ohio Grape Industries Fund (Fund 496) through June 30, 2009. Fiscal effect: maintains the current revenue stream.

### **Non-food and Bio-fuel Promotion**

**Program Description:** Alternative bio-fuel development has become very important to the agricultural industry in recent years and the Department of Agriculture has been involved in many different aspects of the issue. For instance, Ohio participates in the Governor's Ethanol Coalition, which is a group of 35 states with an interest in ethanol and bio-fuel development, legislation, and regulation. The Department also maintains an informational web site on the development of the ethanol and bio-

diesel industry in the state and is responsible for certification of bio-fuels facilities, which qualifies facilities as farmer-owned, enabling farmer investors to receive a tax credit on a portion of their investment.

*Funding Source:* N/A

*Line Items:* N/A

*Implication of Executive Recommendation:* The executive did not grant and the Department did not request any funding for the Non-food and Bio-fuel Promotion program in FY 2008 or FY 2009. The Department stated that this program was included as part of its budget request because it would like to pursue such promotion activities. However, no funding was requested because the Department currently does not have the resources to allocate for those purposes.

### **Temporary and Permanent Law Provisions**

None

**Program Series**

**6: Plant Industry**

*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 the Plant Industry program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-410	Plant Industry	\$50,000	\$50,000
GRF	700-413	Gypsy Moth Prevention	\$200,000	\$200,000
<b>General Revenue Fund Subtotal</b>			<b>\$250,000</b>	<b>\$250,000</b>
<b>Federal Special Revenue Fund</b>				
3R2	700-614	Federal Plant Industry	\$4,800,000	\$4,800,000
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$4,800,000</b>	<b>\$4,800,000</b>
<b>State Special Revenue Fund</b>				
497	700-627	Commodity Handlers Regulatory Program	\$500,000	\$500,000
4C9	700-605	Feed, Fertilizer, Seed, and Lime Inspection	\$1,850,000	\$1,850,000
669	700-635	Pesticide Program	\$2,800,000	\$2,800,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$5,150,000</b>	<b>\$5,150,000</b>
<b>Total Funding: Plant Industry</b>			<b>\$10,200,000</b>	<b>\$10,200,000</b>

The following programs are contained within the Plant Industry program series:

- **Program 6.01: Plant Pest Control, Apiary, and Seed**
- **Program 6.02: Invasive Species**
- **Program 6.03: Feed, Fertilizer, and Lime Inspection**
- **Program 6.04: Grain Warehouse Oversight and Indemnity Fund**
- **Program 6.05: Pesticide Regulation**

**Plant Pest Control, Apiary, and Seed**

*Program Description:* This program contains four subprograms: Plant Pest Control, Apiary, Seed and a component that administers seven separate federal grants. The Plant Pest Control Program inspects and certifies/licenses nursery stock producers and dealers, examines agricultural and forest products for harmful pests, and issues state and federal phytosanitary certificates. The program also administers federal and state plant pest quarantines; quarantines and eradicates harmful plant pest infestations, performs laboratory analysis of samples, and conducts pest containment inspections. The Apiary Section is a joint state and county program regulating where colonies of bees are kept. Boards of county commissioners appoint inspectors with the approval of the Director of Agriculture. County inspectors then work with and are supervised and trained by the Department. Annually, over 5,000 apiary locations are registered and over 20,000 colonies are inspected to determine their health. The Seed program is responsible for the inspection of seed labeling procedures and records, and the sampling and testing of seed lots for quality assurance.

*Funding Source:* General Revenue Fund

**Line Items:** 700-410, Plant Industry

**Implication of Executive Recommendation:** The executive recommended \$50,000 in each fiscal year to continue the Plant Pest Control, Apiary, and Seed program, which fully funds the Department's request for the program. The amount recommended funds maintenance expenses. The personnel that administer this program are funded through two of the Plant Industry Division's rotary funds, Fund 4C9 and Fund 669.

### **Temporary and Permanent Law Provisions**

None

### **Invasive Species**

**Program Description:** Two of the largest federally funded programs within the Plant Industry program series are the Gypsy Moth and Emerald Ash Borer programs. The goal of the Invasive Species program is to minimize the impact of such species on the natural resources and citizens of Ohio. The Gypsy Moth is a destructive insect pest that currently threatens the forest, woodland, and ornamental trees in Ohio. It is an introduced pest and as such has few natural enemies. Currently, the pest has invaded 46 of Ohio's 88 counties. The Department has three programs aimed at controlling the Gypsy Moth: Suppression, which attempts to lessen the impacts of the moth on Ohio's people and ash tree resources; Slow-The-Spread, which orchestrates detection, monitoring, and eradication activities in infested areas; and Eradication, which orchestrates the detection and eradication activities in noninfested areas.

The Emerald Ash Borer (EAB) is an exotic foreign pest of ash trees in the United States. The pest was initially discovered in North America during the summer of 2002 in a southeast county of Michigan and in an adjacent area in Canada. The U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) and the Ohio Department of Agriculture have cooperated in a regional project to detect, monitor, and eradicate infestations in Ohio as well as enforce quarantine boundaries to slow the artificial movement of the Emerald Ash Borer.

The Division of Plant Industry has cooperative agreements and grants with USDA-APHIS, USDA-Forest Service, U.S. Department of Health and Human Services (HHS), and the U.S. Environmental Protection Agency (USEPA) to survey and monitor invasive species. Each grant activity is directly related to activities of the Division in addition to the Consumer Analytical Laboratory (CAL), which conducts the testing for USEPA and HHS grants.

**Funding Source:** General Revenue Fund and federal grants

**Line Items:** 700-413, Gypsy Moth Prevention; 700-614, Federal Plant Industry

**Implication of Executive Recommendation:** The executive recommends \$5,000,000 in each fiscal year for the Invasive Species program, while the Department requested \$5,050,000 in each fiscal year for the program. The Governor's recommendations hold funding for the program at FY 2007 appropriation levels. The Department stated that, at the recommended funding levels, the program could only conduct surveillance or monitoring activities in regard to the Emerald Ash Borer infestations, meaning that no cutting of trees would occur. Regarding the Gypsy Moth, the Department indicated that it would be able to continue the Slow-the-Spread program, which orchestrates detection, monitoring, and eradication activities in infested areas.

## Temporary and Permanent Law Provisions

None

## Feed, Fertilizer, and Lime Inspection

**Program Description:** The Feed, Fertilizer, and Lime Inspection program provides a level of protection to the purchasing consumer of feeds, fertilizers, and liming material products to assure that the products purchased contain the amount of nutrients and/or minerals as claimed on the label by obtaining samples of different animal feeds, agricultural fertilizers, lawn fertilizers, and lime products. Inspectors also conduct safety checks on anhydrous ammonia equipment and feed mills. The ammonia equipment inspections ensure safe storage and handling of ammonia fertilizer products and feed mill inspections help prevent BSE (or Mad Cow Disease). This program analyzes approximately 2,500 animal feed samples per year and licenses over 1,700 commercial feed registrants.

**Funding Source:** Fees charged to feed dealers for inspections at a rate of \$0.25 per ton

**Line Items:** 700-605, Feed, Fertilizer, Seed, and Lime Inspection

**Implication of Executive Recommendation:** The executive recommends \$1,850,000 in each fiscal year for the Feed, Fertilizer, and Lime Inspection program, which is \$41,395 less than what the Department requested for the program in each fiscal year. Despite the reduction, the Department stated that it could maintain current service levels at the slightly reduced funding amount recommended by the Governor.

## Temporary and Permanent Law Provisions

None

## Grain Warehouse Oversight and Indemnity Fund

**Program Description:** This program consists of three subprograms: grain, feed, and seed. These programs license and regulate grain elevators and dealers, assure the accuracy of labels on all agricultural, vegetable, flower, and lawn seeds; and monitor animal feed and pet food content claims concerning protein, fat, vitamins, minerals, and antibiotics. This program supports the Grain Indemnity Fund (Fund 498), which protects grain depositor interest in the event that a licensed facility is declared financially insolvent. The cash for the indemnity fund is generated with a one-half cent per bushel deduction from grain delivered to licensed elevators. Currently, there are 245 licensed grain warehouse companies. The feed program registers all commercial feed manufacturers to ensure that feed products are safe and that content label claims are accurate.

**Funding Source:** License and examination fees paid by commodity handlers

**Line Items:** 700-627, Commodity Handlers Regulatory Program

**Implication of Executive Recommendation:** The executive recommends \$500,000 in each fiscal year for the Grain Warehouse Oversight and Indemnity Fund program, which is \$29,978 less than what the Department requested in each fiscal year for the program. Despite the reduction, the Department stated that it would be able to continue operating at current service levels with the amounts of funding recommended by the Governor.

## Temporary and Permanent Law Provisions

None

## Pesticide Regulation

**Program Description:** The Pesticide Regulation program oversees the application of pesticides, the labeling of pesticide products, and the testing and licensing of pesticide applicators in the state. The Department licenses commercial pesticide operators, dealers of restricted-use pesticides, and certification of private applicators desiring to purchase restricted-use products. In addition, the Department also investigates complaints of misuse of pesticides and of improper storage or disposal of products. On average, the Department receives over 300 complaints each year. The Department administers the Clean Sweep program, a regional pesticide disposal program to protect consumers and the environment. This program is free of charge to the public.

**Funding Source:** Fees charged to pesticide dealers and applicators

**Line Items:** 700-635, Pesticide Program

**Implication of Executive Recommendation:** The executive recommends \$2,800,000 in each fiscal year for the Pesticide Regulation program. The Department requested \$3,354,448 in each fiscal year to continue the program. At the recommended amounts, the program will have to prioritize spending and human resource allocations in order to continue to carry out the activities of the program. Despite the reduction, the Department indicated that it would likely be able to maintain current service levels.

## Temporary and Permanent Law Provisions

None

**Program Series**

**7: Weights and Measures**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-412	Weights and Measures	\$1,300,000	\$1,300,000
<b>General Revenue Fund Subtotal</b>			<b>\$1,300,000</b>	<b>\$1,300,000</b>
<b>State Special Revenue Fund</b>				
5H2	700-608	Metrology Lab and Scale Certification	\$427,526	\$427,526
<b>State Special Revenue Fund Subtotal</b>			<b>\$427,526</b>	<b>\$427,526</b>
<b>Total Funding: Weights and Measures</b>			<b>\$1,727,526</b>	<b>\$1,727,526</b>

**Weights and Measures**

**Program Description:** The Weights and Measures Division regulates the state's weighing and measuring devices and inspects 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 and certifies over 140 state, county and municipal inspectors and provides local jurisdiction support for 91 county and city weights and measures programs throughout the state. Within the program there are two laboratories.

The Division 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 manufacturers 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. The NTEP laboratory is funded through fees charged to manufacturers who submit their devices to the laboratory for certification.

The metrology lab houses standards of mass, length, and volume for the state of Ohio. The standards are traceable to U.S. standards and the world standards house in Paris, France. The Department's laboratory is the only U.S. Department of Commerce authorized metrology laboratory in the state. The workload for this program has doubled within the past ten years.

**Funding Source:** GRF and fees charged to manufacturers for inspection of large meters and large scales

**Line Items:** 700-412, Weights and Measures; 700-608, Metrology Lab and Scale Certification

**Implication of Executive Recommendation:** The executive recommends \$1,727,526 in each fiscal year for the Weights and Measures program, while the Department requested \$1,662,526 in each fiscal year. According to the Department, the extra \$65,000 recommended each fiscal year would be used to replace equipment.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**8: Animal Industry**

**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 the Animal Disease Control program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-401	Animal Disease Control	\$3,574,506	\$3,574,506
GRF	700-415	Poultry Inspection	\$325,000	\$325,000
GRF	700-424	Livestock Testing and Inspections	\$115,946	\$115,946
<b>General Revenue Fund Subtotal</b>			<b>\$4,015,452</b>	<b>\$4,015,452</b>
<b>State Special Revenue Fund</b>				
652	700-634	Animal Health and Food Safety	\$653,718	\$653,718
<b>State Special Revenue Fund Subtotal</b>			<b>\$653,718</b>	<b>\$653,718</b>
<b>Total Funding: Animal Industry</b>			<b>\$4,669,170</b>	<b>\$4,669,170</b>

The following specific programs are within the Animal Industry program series:

- **Program 8.01: Animal Disease Control**
- **Program 8.02: Poultry Inspection**
- **Program 8.03: Livestock Testing and Inspection**

**Animal Disease Control**

**Program Description:** The mission of the Animal Disease Control program is to protect and promote the health of Ohio's livestock and poultry by maintaining disease-free status for Ohio's flock and herd; protecting livestock and poultry from emerging, foreign, and reemerging diseases; protecting consumers from tissue and milk residues; protecting livestock and poultry interests; and providing high caliber animal disease diagnostic laboratory services. Due to the outbreak of foreign animal disease such as Foot and Mouth Disease and Mad Cow Disease, the Animal Disease Control program substantially increased staff time and resources to prepare and assure Ohio's ability to respond to emergency situations and disease outbreaks. The Animal Disease Diagnostic Lab (ADDL), a full-service veterinary diagnostic laboratory, is a significant aspect of this program, conducting a variety of testing procedures on samples from livestock producers. The program enforces, inspects, and monitors livestock dealers, auction markets, concentration yards, weighers, renderers, collectors, and garbage feeders.

**Funding Source:** General Revenue Fund and fees charged for laboratory services

**Line Items:** 700-401, Animal Disease Control; and 700-634, Animal and Consumer Analytical Lab

**Implication of Executive Recommendation:** The executive recommends \$4,228,224 in each fiscal year for the Animal Disease Control program. The Governor's proposal holds GRF funding for the program flat in comparison to FY 2007 appropriation levels. In addition, \$61,282 in each fiscal year was

not granted for the ADDL's rotary fund, Fund 652. Despite the reduction for the rotary fund, the Department noted that, at the recommended amounts, it would be able to maintain current service levels.

### **Temporary and Permanent Law Provisions**

***Corrective Cash Transfer to Animal Health and Food Safety Fund (Section 215.10).*** Corrects an accounting error resulting from Am. Sub. H.B. 66 of the 126th General Assembly, the previous biennial budget, which provided for the merging of two laboratory funds. At the end of FY 2006, the Animal Industry Fund (Fund 4V5) was closed. Recently, \$2,950 was miscoded into Fund 4V5. Because Fund 4V5 is closed, the Department does not have the ability to recapture the remaining balance. Therefore, a provision in temporary law authorizes the Director of Budget and Management to transfer all cash from the Animal Industry Laboratory Fund (Fund 4V5) to the Animal Health and Food Safety Fund (Fund 652) to correct the deposits that were mistakenly deposited to the Animal Industry Laboratory Fund (Fund 4V5).

### **Poultry Inspection**

***Program Description:*** This program develops testing and disease control initiatives involving Ohio's poultry industry. Ohio ranks second in the nation in table egg production. ADDL conducts over 200,000 tests per year on poultry and conducts all analytical testing on eggs. A relatively new initiative is the Ohio Egg Quality Assurance Program. This program is a major effort to assess, control, and reduce the threat of *Salmonella enteritidis* in Ohio table eggs.

***Funding Source:*** General Revenue Fund

***Line Items:*** 700-415, Poultry Inspection

***Implication of Executive Recommendation:*** The executive recommends \$325,000 in each fiscal year for the Poultry Inspection program, which holds the funding for this program at FY 2007 appropriation levels. The Department stated that it would be able to maintain current service levels at the recommended amounts.

### **Temporary and Permanent Law Provisions**

None

### **Livestock Testing and Inspection**

***Program Description:*** The Livestock Testing and Inspection program supports the testing of exhibition livestock at 94 county and independent fairs, the Ohio State Fair, and testing at other exhibitions, such as preview shows, the Dairy Expo and Beef Expo.

***Funding Source:*** General Revenue Fund

***Line Items:*** 700-424, Livestock Testing and Inspections

***Implication of Executive Recommendation:*** The executive recommends \$115,946 in each fiscal year for the Livestock Testing and Inspection program, which fully funds the Department's request to continue the program. Current service levels for the program can be maintained at the recommended amounts.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**9: Meat Inspection**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-499	Meat Inspection Program-State Share	\$4,696,889	\$4,696,889
<b>General Revenue Fund Subtotal</b>			<b>\$4,696,889</b>	<b>\$4,696,889</b>
<b>Federal Special Revenue Fund</b>				
326	700-618	Meat Inspection Program-Federal Share	\$4,960,000	\$4,950,000
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$4,960,000</b>	<b>\$4,950,000</b>
<b>State Special Revenue Fund</b>				
4T6	700-611	Poultry and Meat Inspection	\$47,294	\$47,294
<b>State Special Revenue Fund Subtotal</b>			<b>\$47,294</b>	<b>\$47,294</b>
<b>Total Funding: Meat Inspection</b>			<b>\$9,704,183</b>	<b>\$9,694,183</b>

**Meat Inspection**

**Program Description:** The Meat Inspection program ensures the safety of meat and poultry products produced and processed in Ohio. Inspection verification activities provide assurance that only wholesome and truthfully labeled meat and poultry products are sold to the citizens of Ohio. Passing inspection means eliminating diseases that are directly transmissible from animals to humans, eliminating carcasses with residues/chemicals that are harmful to humans, processing raw products in a sanitary manner, and overseeing the science-based Hazard Analysis Critical Control Points pathogen elimination system in meat and poultry plants. The Division of Meat Inspection also regulates the labeling of meat and poultry products that allows consumers to make informed decisions about ingredients and nutrition values. Fifty percent of the division's funding is derived from federal grants while the other half is from the GRF. The Division also maintains a rotary fund (Fund 4T6) that collects the licensing fees for each slaughtering and processing plant.

**Funding Source:** General Revenue Fund, federal grants, and license fees, fines and penalties from meat and poultry establishments

**Line Items:** 700-499, Meat Inspection Program-State Share; 700-618, Meat Inspection Program-Federal Share; 700-611, Poultry and Meat Inspection

**Implication of Executive Recommendation:** The executive recommends \$9,704,183 in FY 2008 and \$9,694,183 in FY 2009 for the Meat Inspection program, which fully funds the Department's request for the program. The recommended amounts will allow the program to maintain current service levels.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**10: Consumer Analytical Laboratory**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-406	Consumer Analytical Lab	\$953,906	\$953,906
<b>General Revenue Fund Subtotal</b>			<b>\$953,906</b>	<b>\$953,906</b>
<b>State Special Revenue Fund</b>				
652	700-634	Animal Health and Food Safety	\$2,346,282	\$2,346,282
<b>State Special Revenue Fund Subtotal</b>			<b>\$2,346,282</b>	<b>\$2,346,282</b>
<b>Total Funding: Consumer Analytical Laboratory</b>			<b>\$3,300,188</b>	<b>\$3,300,188</b>

**Food and Product Testing**

**Program Description:** The Food and Product Testing program, through the Consumer Analytical Laboratory (CAL), provides chemical analysis and microbiological surveillance testing for food, livestock and poultry feed, and fertilizer to assure product safety for human consumption of food products and verify the accuracy of product labeling of feed and fertilizer to protect consumers and agricultural users. For example, the tests performed by CAL include testing for food-borne pathogens such as Salmonella, Listeria, and E-coli; analyzing agricultural liming and fertilizers; determining pesticide residue levels in food and milk; testing water for metals, volatile organic compounds and other contaminants; and determining the cause of livestock and poultry death. Highly pathogenic samples can be processed in a Bio-Level 3 Laboratory facility, which is certified by the Center for Disease Control (CDC) to process dangerous samples. CAL annually completes approximately 26,000 general chemistry tests, 35,000 microbiological analyses, and 110,000 pesticide analyses on 23,000 samples of food, feeds, water, fertilizers and plant materials. In addition, the Analytical Toxicology Lab (ATL) annually tests 19,000 samples from horses competing at Ohio's seven commercial racetracks through a contract with the Ohio State Racing Commission.

**Funding Source:** General Revenue Fund and fees charged for performing laboratory tests

**Line Items:** 700-406, Consumer Analytical Lab; 700-634, Animal and Consumer Analytical Lab

**Implication of Executive Recommendation:** The executive recommends \$3,300,188 in each fiscal year for the Food and Product Testing program. The Governor's proposal funds increases of GRF funding for the program by \$133,999 over FY 2007 appropriation levels, which will enable CAL to purchase lab supplies needed to maintain current activities. However, the Governor's proposal does not grant \$219,950 in each fiscal year requested for CAL's rotary fund, Fund 652. It appears that the reduction in Fund 652 may account for a planned reduction in testing activities for the Racing Commission. At the recommended amounts, the Department indicated it would be able to maintain current service levels.

## Temporary Law Provisions

***Corrective Cash Transfer to Animal Health and Food Safety Fund (Section 215.10).*** Corrects an accounting error resulting from Am. Sub. H.B. 66 of the 126th General Assembly, the previous biennial budget, which provided for the merging of two laboratory funds. At the end of FY 2006, the Animal Industry Fund (Fund 4V5) was closed. Recently, \$2,950 was miscoded into Fund 4V5. Because Fund 4V5 is closed, the Department does not have the ability to recapture the remaining balance. Therefore, a provision in temporary law authorizes the Director of Budget and Management to transfer all cash from the Animal Industry Laboratory Fund (Fund 4V5) to the Animal Health and Food Safety Fund (Fund 652) to correct the deposits that were mistakenly deposited to the Animal Industry Laboratory Fund (Fund 4V5).

**Program Series**

**11: Large Livestock Regulation**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-418	Livestock Regulation Program	\$1,428,496	\$1,428,496
<b>General Revenue Fund Subtotal</b>			<b>\$1,428,496</b>	<b>\$1,428,496</b>
<b>State Special Revenue Fund</b>				
5L8	700-604	Livestock Management Program	\$30,000	\$30,000
<b>State Special Revenue Fund Subtotal</b>			<b>\$30,000</b>	<b>\$30,000</b>
<b>Total Funding: Large Livestock Regulation</b>			<b>\$1,458,496</b>	<b>\$1,458,496</b>

**Large Livestock Regulation**

**Program Description:** The Large Livestock Regulation program monitors large livestock operations, including all aspects of manure storage, handling, transportation, and land-application by these farms, and the farm's insect and rodent control plans. This program also provides permits and certifications for the large livestock facilities and establishes building standards for new facilities. In addition, funding in this program provides the administrative costs for the Concentrated Animal Feeding Facility Advisory Committee.

Sub. S.B. 393 of the 126th General Assembly primarily made clarifying revisions to National Pollutant Discharge Elimination System (NPDES) regulations with respect to concentrated animal feeding facilities (CAFFs) so that the ODA's application for NPDES permitting authority will be more likely to be approved by the U.S. Environmental Protection Agency (EPA).

**Funding Source:** General Revenue Fund and fees charged for livestock facilities permits

**Line Items:** 700-418, Livestock Regulation Program; 700-604, Livestock Management Program

**Implication of Executive Recommendation:** The executive recommends \$1,458,496 in each fiscal year for the Large Livestock Regulation program, which fully funds the Department's request for the program. The amount recommended will enable services to be maintained.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**12: Auctioneers Licensing**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>State Special Revenue Fund</b>				
4D2	700-609	Auction Education	\$24,601	\$24,601
5B8	700-629	Auctioneers	\$365,390	\$365,390
<b>State Special Revenue Fund Subtotal</b>			<b>\$389,991</b>	<b>\$389,991</b>
<b>Total Funding: Auctioneers Licensing</b>			<b>\$389,991</b>	<b>\$389,991</b>

**Auctioneers Licensing and Indemnity Fund**

*Program Description:* The Auctioneer Licensing program oversees auctions in Ohio by conducting investigations and administering the licensing of auctioneers, apprentice auctioneers, special auction companies, and auction firms. The program also maintains an auction recovery fund for consumer protection if a licensee causes actual and direct financial loss. The Controlling Board appropriates moneys from that fund, as needed, to make payments to those who have been awarded a final adjustment against a licensed auctioneer. In FY 2006, ODA handled the administrative work of almost 3,200 auctioneers and auction firms. In addition, the program sponsors continuing education and professional development programs for auctioneers and the public through its Auction Education Fund (Fund 4D2).

*Funding Source:* Fees charged to license and train auctioneers

*Line Items:* 700-609, Auction Education; 700-629, Auctioneers

*Implication of Executive Recommendation:* The executive recommends \$389,991 in each fiscal year for the Auctioneers Licensing program, which fully funds the Department's request for the program. The Governor's recommendations allow the program to maintain current service levels.

**Temporary and Permanent Law Provisions**

None

**Program Series**

**13: Program Management**

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

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	700-321	Operating Expenses	\$2,605,330	\$2,605,330
<b>General Revenue Fund Subtotal</b>			<b>\$2,605,330</b>	<b>\$2,605,330</b>
<b>General Services Fund Group</b>				
5DA	700-644	Laboratory Administration Support	\$1,100,000	\$1,100,000
<b>General Services Fund Group Subtotal</b>			<b>\$1,100,000</b>	<b>\$1,100,000</b>
<b>Federal Special Revenue Fund</b>				
3J4	700-607	Indirect Cost	\$600,000	\$600,000
382	700-601	Cooperative Contracts	\$3,700,000	\$3,700,000
<b>Federal Special Revenue Fund Subtotal</b>			<b>\$4,300,000</b>	<b>\$4,300,000</b>
<b>Total Funding: Program Management</b>			<b>\$8,005,330</b>	<b>\$8,005,330</b>

**Program Management**

**Program Description:** The Program Management program includes the Director's Office and the following offices: business management, human resources, enforcement, laboratory and building maintenance, data processing, legal, and general agricultural functions including rural development partnership programs.

With the recent addition of the Ohio Department of Health/Ohio Environmental Protection Agency (ODH/EPA) laboratories at the Department's Reynoldsburg campus, this program also monitors the Laboratory Service Fund (Fund 5DA) that acts as a pass-through for utility and maintenance related expenses for those two agencies. The Indirect Cost Fund (Fund 3J4) is used to combine the indirect funding that is received from all federal grants eligible for indirect expense allocations. This fund pays the costs of the agency that are associated with spending functions of federal grant activities, such as payment of utility and overhead expenses. The Cooperative Contracts Fund (Fund 382) combines revenue from federal agencies from 13 grant agreements as a matter of convenience and to aid cash flow where revenue is received intermittently.

**Funding Source:** GRF, federal grants, and quarterly payments from ODH and EPA for their share of utility, supply and repair costs for the new laboratory building

**Line Items:** 700-321, Operating Expenses; 700-644, Laboratory Administration Support; 700-607, Indirect Cost; 700-601, Cooperative Contracts

**Implication of Executive Recommendation:** The executive recommends \$8,005,330 in each fiscal year for Program Management, which is slightly less (\$47,781 in each fiscal year) than the amounts requested by the Department. The Department noted that the program can maintain current service levels at these amounts.

### **Permanent Law Provision**

*Assessment of Costs by Director of Agriculture for Conducting Investigations, Inquiries, and Hearings (R.C. 901.261).* Authorizes the Director of Agriculture, in conducting investigations, inquiries, or hearings, to assess the party to an action brought before the Department of Agriculture pursuant to the Administrative Procedure Act specified costs incurred by the Department if the applicable hearing officer determines that the party has failed to comply with the provisions of Ohio law that the Director administers or that the action was frivolous conduct by the party, and provides that the assessment of costs may be appealed.

### **Temporary Law Provision**

*Transfer to Energy Strategy Development Fund (Section 512.37).* Creates the Energy Strategy Development Fund in the state treasury, and permits the Director of Budget and Management to transfer money from various funds to the new fund, which is to be used to develop energy initiatives, projects, and policy. The total permitted cash transfers amount to \$222,447 in FY 2008 and \$225,000 in FY 2009. Included in this provision is the Department's Indirect Cost Fund (Fund 3J4), from which the Director of Budget and Management can transfer \$35,000 in each fiscal year to the Energy Strategy Development Fund.

## REQUESTS NOT FUNDED

The Requests Not Funded section highlights programs that were not recommended a significant amount of the funding requested.

Program 2.01: Amusement Ride Safety						
Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
578 700-620	\$1,115,436	\$1,000,000	(\$115,436)	\$1,115,436	\$1,000,001	(\$115,435)

The executive recommends \$1,000,000 in FY 2008 and \$1,000,001 in FY 2009 for the Amusement Ride Safety program based on revenue projections for Fund 578. The Department requested \$1,115,436 in FY 2008 and \$1,115,436 in FY 2009 to continue the Amusement Ride Safety program, which was the Department's FY 2007 appropriation for the program. Within the funding recommended, the Department indicated that it would be able to maintain current service levels.

Program 5.04: Grape Industries Research and Marketing						
Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
496 700-626	\$1,071,054	\$850,000	(\$221,054)	\$1,071,054	\$849,999	(\$221,055)

The executive recommended \$850,000 in FY 2008 and \$849,999 in FY 2009 for the Grape Industries Research and Marketing program. The Department requested \$1,071,054 in each fiscal year to continue the program. In the current biennium, the program has used various marketing initiatives such as television advertising, which can be costly. The Department indicated that the marketing strategy of the program has changed, shifting the focus away from such initiatives. The executive recommendation reflects this shift in focus and reduces the program's appropriation accordingly.

Program 6.05: Pesticide Regulation						
Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
669 700-635	\$3,354,448	\$2,800,000	(\$554,448)	\$3,354,448	\$2,800,000	(\$554,448)

The executive recommends \$2,800,000 in each fiscal year for the Pesticide Regulation program based on revenue projections for Fund 669. The Department requested \$3,354,448 in each fiscal year to continue the program. At the recommended amounts, the program will have to prioritize spending and human resource allocations in order to continue to carry out the activities of the program. Despite the reduction, the Department indicated that it would likely be able to maintain current service levels.

Program 8.01: Animal Disease Control						
Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
GRF 700-401	\$3,773,326	\$3,574,506	(\$198,820)	\$3,773,326	\$3,574,506	(\$198,820)
652 700-634	\$715,000	\$653,718	(\$61,282)	\$715,000	\$653,718	(\$61,282)
Total	\$4,488,326	\$4,228,224	(\$260,102)	\$4,488,326	\$4,228,224	(\$260,102)

The executive recommends \$4,228,224 in each fiscal year for the Animal Disease Control program, which is \$260,102 less than what the Department requested for the program in each fiscal year of the biennium. However, the Governor's proposal holds GRF funding for the program flat in

comparison to FY 2007 appropriation levels. The Department requested an additional \$198,820 in GRF through the core budget submission (\$50,000) and budget appeal process (\$148,820), but these amounts were not recommended. In addition, \$61,282 in each fiscal year was not granted for the ADDL's rotary fund, Fund 652. The amounts recommended are based on revenue projections to Fund 652. Despite the reduction for the rotary fund, the Department noted that at the recommended amounts it would be able to maintain current service levels.

<b>Program 10.01: Food and Product Testing</b>						
<b>Fund Line Item</b>	<b>FY 2008 Requested</b>	<b>FY 2008 Recommended</b>	<b>Difference</b>	<b>FY 2009 Requested</b>	<b>FY 2009 Recommended</b>	<b>Difference</b>
GRF 700-406	\$1,200,000	\$953,906	(\$246,094)	\$1,200,000	\$953,906	(\$246,094)
652 700-634	\$2,566,232	\$2,346,282	(\$219,950)	\$2,566,232	\$2,346,282	(\$219,950)
<b>Total</b>	<b>\$3,766,232</b>	<b>\$3,300,188</b>	<b>(\$466,044)</b>	<b>\$3,766,232</b>	<b>\$3,300,188</b>	<b>(\$466,044)</b>

The executive recommends \$3,300,188 in each fiscal year for the Food and Product Testing program, which is \$466,044 less than the Department requested for the program in each fiscal year. The Governor's proposal increases GRF funding for the program by \$133,999 over FY 2007 appropriation levels (partially funding a \$330,093 budget appeal for the program), which will enable CAL to purchase lab supplies needed to maintain current activities. However, the Governor's proposal does not grant \$219,950 in each fiscal year requested for CAL's rotary fund, Fund 652. This fund also serves as a pass-through for the Ohio Racing Commission to pay for equine test samples. The reduction in Fund 652 may account for a planned reduction in testing activities for the Racing Commission. At the recommended amounts, the Department indicated it would be able to maintain current service levels.

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## General Revenue Fund

### GRF 700-321 Operating Expenses

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$2,744,543	\$2,605,056	\$2,612,981	\$2,605,330	<b>\$2,605,330</b>	<b>\$2,605,330</b>
	-5.1%	0.3%	-0.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 901 (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

**Purpose:** This line item provides central administrative support functions for the department, including executive staff, human resources, legal, legislative affairs, fiscal, information technology, communications, campus grounds and laboratory facilities maintenance.

### GRF 700-401 Animal Disease Control

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$3,676,789	\$3,932,354	\$3,585,523	\$3,574,506	<b>\$3,574,506</b>	<b>\$3,574,506</b>
	7.0%	-8.8%	-0.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 914, 943, and 945

**Purpose:** This line item is the primary funding support for the Division of Animal Industry. It funds field and laboratory staff wages and benefits, laboratory supplies and equipment maintenance contracts for the Animal Disease Diagnostic Laboratory (ADDL), which protects Ohio's livestock and poultry from animal disease and bioterrorism. The ADDL also provides food safety by providing inspection, surveillance, testing, monitoring, auditing, and licensing.

### GRF 700-402 Amusement Ride Safety

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$220,178	\$294,373	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	33.7%				

**Source:** GRF

**Legal Basis:** Discontinued line item (originally established in ORC 1711.50 through 1711.57)

**Purpose:** This line item was used to supplement fee income deposited in the Amusement Ride Inspection Fund (Fund 578), which funded the agency's amusement ride safety inspection operations. Responsibilities include safety inspection of permanent rides, portable rides, water rides, and inflatable rides, and verifies liability insurance coverage. Rides are operated at public events including county fairs and privately owned amusement facilities. This program is entirely funded through Fund 578.

**GRF 700-403 Dairy Division**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,424,209	\$1,438,502	\$1,305,560	\$1,304,504	<b>\$1,304,504</b>	<b>\$1,304,504</b>
	1.0%	-9.2%	-0.1%	<b>0.0%</b>	<b>0.0%</b>

*Source:* GRF

*Legal Basis:* ORC 917.07

*Purpose:* This line item is used in conjunction with Fund 4R2 to fund the agency's milk inspection program. This line item is used for the payroll and maintenance expenses necessary to license and inspect over 3,500 milk producers. Registered sanitarians inspect dairy farm operations, tank trucks, and processing and manufacturing facilities verifying sanitary conditions at every of stage of milk processing by checking for bacteria, coliform, excessive antibiotics, pesticide residue, foreign substances, excess water and butterfat content. Inspections standards meet or exceed those set by the U.S. Department of Health and Human Services, the Food and Drug Administration, and the U.S. Department of Agriculture.

**GRF 700-404 Ohio Proud**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$183,069	\$190,890	\$163,217	\$185,395	<b>\$207,895</b>	<b>\$207,895</b>
	4.3%	-14.5%	13.6%	<b>12.1%</b>	<b>0.0%</b>

*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. The Ohio Proud Program was created in 1993 and markets agricultural goods produced in Ohio. The program is the Department's signature marketing program developed to enhance consumer identity of Ohio agricultural products that are raised, grown, or processed in Ohio.

**GRF 700-405 Animal Damage Control**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$42,830	\$72,826	\$75,559	\$60,000	<b>\$0</b>	<b>\$0</b>
	70.0%	3.8%	-20.6%		

*Source:* GRF

*Legal Basis:* ORC 955.51 through 955.53

*Purpose:* These appropriations are used to provide payments to farmers for livestock losses attributed to coyote and black vulture attacks. The executive recommendations propose to discontinue this line item for the FYs 2008-2009 biennium.

**GRF 700-406 Consumer Analytical Lab**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$767,207	\$851,187	\$817,596	\$819,907	<b>\$953,906</b>	<b>\$953,906</b>
	10.9%	-3.9%	0.3%	<b>16.3%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 901.43

**Purpose:** This fund is used for the operation of the Consumer Analytical Laboratory (CAL). The laboratory performs chemical analysis and microbiological surveillance testing for food, livestock and poultry feed to assure food product safety for human consumption and verify the accuracy of product labeling. The lab is certified by the USDA to provide surge capacity for other certified labs and by the CDC to test highly pathogenic samples. The laboratory also conducts race horse testing for county and independent fairs and contracts with the Ohio State Racing Commission to conduct forensic toxicological analyses to detect performance enhancing drugs and chemicals in equine and livestock samples.

**GRF 700-407 Food Safety**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$727,923	\$946,835	\$938,190	\$939,099	<b>\$865,100</b>	<b>\$865,100</b>
	30.1%	-0.9%	0.1%	<b>-7.9%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 121.04, 917.02, and 3717.05

**Purpose:** Personnel and maintenance expenses for the food safety inspection program are funded from this line item. Included in food safety is surveillance, random sampling, facility inspection, consultation, technical assistance, and end-user training. Samples collected by the program are tested at the agency's Consumer Analytical Laboratory. The division is responsible to ensure a uniform and comprehensive food safety inspection program at retail food establishments by local health departments through survey, evaluation and training. The program provides enforcement support to local health departments to assure compliance with food safety at retail operations.

**GRF 700-409 Farmland Preservation**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$266,286	\$226,578	\$239,227	\$241,573	<b>\$241,573</b>	<b>\$241,573</b>
	-14.9%	5.6%	1.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 901.54

**Purpose:** This line item pays the operating expenses of the Office of Farmland Preservation. The Office administers the agricultural easement donation and purchase program, which preserves productive farmland with perpetual easements on the property title to keep a piece of property in agricultural production forever.

**GRF 700-410 Plant Industry**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,097,897	\$1,055,845	\$298,031	\$50,000	\$50,000	\$50,000
	-3.8%	-71.8%	-83.2%	0.0%	0.0%

**Source:** GRF

**Legal Basis:** ORC 927.70

**Purpose:** This line item provides funding for the inspection of apiaries as well as for the monitoring and control of invasive plant pests and diseases. The line item also funds nursery stock certification inspections for import and export of products such as lumber, logs, seed, fruit and vegetables.

**GRF 700-411 International Trade and Market Development**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$551,735	\$544,682	\$610,778	\$517,524	\$617,524	\$517,524
	-1.3%	12.1%	-15.3%	19.3%	-16.2%

**Source:** GRF

**Legal Basis:** ORC 901.20(B); Section 215.10 of H.B. 119 of the 127th G.A.

**Purpose:** This line item provides domestic and international promotion of Ohio's food and agricultural products. Information is provided to the public about the availability of locally grown and processed agricultural products. The program encourages agri-tourism opportunities to expand the understanding of agriculture in Ohio. Staff members represent the agriculture industry at trade shows, coordinate international trade missions, and conduct training seminars on product exporting and market research. The program also promotes development of bio-renewable fuel production facilities and retail dispensing facilities for consumers. Staff also participate on the Bio-fuel Task Force 25x25 steering committee.

**GRF 700-412 Weights and Measures**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$859,089	\$877,074	\$1,095,707	\$1,300,000	\$1,300,000	\$1,300,000
	2.1%	24.9%	18.6%	0.0%	0.0%

**Source:** GRF

**Legal Basis:** ORC 901.10(A) and 1327.50 (A) through (S)

**Purpose:** Appropriations are used to cover operating expenses for the Division of Weights and Measures. Responsibilities include overseeing the commercial marketplace, scales, gas pumps, supermarket check-outs, packaged and unpackaged commodities offered for sale to insure buyer and seller equity. The Division also provides advice, assists, and trains county and city weights and measures staff. The Division is the custodian of primary standards for Ohio's weights and measures, assures true and uniform weights and measures standards, and enforces laws pertaining to true and uniform weights and measures.

**GRF 700-413 Gypsy Moth Prevention**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$413,663	\$609,546	\$187,325	\$200,000	<b>\$200,000</b>	<b>\$200,000</b>
	47.4%	-69.3%	6.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 927.51 through 927.71

**Purpose:** The line item supports the agency's Gypsy Moth Control Program. The gypsy moth is destructive to forests, shade trees, and landscape plants. The Gypsy Moth Control Program provides quarantine restrictions and suppression treatments and authorizes other control measures to eradicate and suppress populations of gypsy moth. Funding for the Gypsy Moth Control Program also comes from the Federal Plant Industry Fund (Fund 3R2).

**GRF 700-414 Concentrated Animal Feeding Facilities Advisory Committee**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,521	\$2,199	\$12,922	\$0	<b>\$0</b>	<b>\$0</b>
	44.6%	487.6%			

**Source:** GRF

**Legal Basis:** Discontinued line item (originally established in ORC 903.20 by Sub. S.B. 141 of the 123rd G.A.)

**Purpose:** This appropriation was used for expenses of the Concentrated Animal Feeding Facilities Advisory Committee. This committee develops rules and procedures for manure storage, handling and transportation including construction standards for new and existing large livestock and poultry operations to minimize water quality impact and standards to maintain quality surface and ground water in surrounding areas, as well as procedures for insect and rodent control and guidelines for compliance.

**GRF 700-415 Poultry Inspection**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$259,760	\$249,494	\$333,879	\$325,000	<b>\$325,000</b>	<b>\$325,000</b>
	-4.0%	33.8%	-2.7%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 918.12(B) and 918.21

**Purpose:** This line item provides funding support for poultry laboratory testing, field collection of samples, and veterinary inspection of live birds transported into the state. These activities help prevent and combat avian influenza (AI) by certifying that animals are free of disease. The testing, inspection and surveillance programs are an integral part of the department's farm based bio-security response plan.

**GRF 700-418 Livestock Regulation Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,198,513	\$1,238,234	\$1,412,231	\$1,428,496	\$1,428,496	\$1,428,496
	3.3%	14.1%	1.2%	0.0%	0.0%

**Source:** GRF

**Legal Basis:** ORC 903 (originally established by Sub. S.B. 141 of the 123rd G.A.)

**Purpose:** This appropriation pays for operating expenses associated with the Livestock Environmental Permitting Program. This program issues permits to install after reviewing applications for large animal feeding facilities. The program also develops administrative rules and guidelines for best practices operating procedures, for compliance monitoring, ground water quality, manure handling and containment as well as rodent, pest and odor control.

**GRF 700-422 Emergency Prepare Supply and Equipment**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$0	\$0	\$644,000	\$0	\$0
			N/A		

**Source:** GRF

**Legal Basis:** Section 410.10 of Am. Sub. H.B. 699 of the 126th G.A.

**Purpose:** This line item enables the Department, subject to a plan submitted to and approved by the Controlling Board, to purchase equipment needed to respond to an animal disease emergency. However, this plan must be submitted to and approved by the Controlling Board.

**GRF 700-424 Livestock Testing & Inspections**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$114,683	\$116,249	\$122,008	\$115,947	\$115,946	\$115,946
	1.4%	5.0%	-5.0%	0.0%	0.0%

**Source:** GRF

**Legal Basis:** ORC 901.70 through 901.76

**Purpose:** This line item provides funding for supplies necessary to collect urine, blood or tissue samples from livestock exhibited at Ohio's county, independent and Ohio State fairs. Funds also support analytical and toxicology laboratory testing.

**GRF 700-499 Meat Inspection Program - State Share**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$4,622,817	\$4,625,244	\$4,766,963	\$4,696,889	<b>\$4,696,889</b>	<b>\$4,696,889</b>
	0.1%	3.1%	-1.5%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 918.02

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

**GRF 700-501 County Agricultural Societies**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$380,787	\$354,374	\$354,379	\$358,226	<b>\$483,226</b>	<b>\$483,226</b>
	-6.9%	0.0%	1.1%	<b>34.9%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 1711.01 and 1711.02

**Purpose:** This line item is 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.

## General Services Fund Group

**5DA 700-644 Laboratory Administration Support**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$0	\$174,598	\$1,100,000	<b>\$1,100,000</b>	<b>\$1,100,000</b>
		N/A	530.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GSF: Quarterly payments from the Ohio Department of Health (ODH) and the Ohio Environmental Protection (EPA) Agency for their share of utility, supply and repair costs for the new ODH/EPA laboratory building on the Department of Agriculture's campus

**Legal Basis:** Established by Controlling Board on April 10, 2006

**Purpose:** This fund is used by the Department of Agriculture solely to pay the operational expenses of the new ODH/EPA laboratory building on the Department of Agriculture campus. This fund enables the Department of Agriculture to differentiate the moneys collected from ODH and EPA and paid out for the new laboratory building from the other revenues and disbursements it handles.

## Federal Special Revenue Fund Group

### 326 700-618 Meat Inspection Program- Federal Share

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$4,455,061	\$4,331,940	\$5,274,140	\$5,201,291	<b>\$4,960,000</b>	<b>\$4,950,000</b>
	-2.8%	21.8%	-1.4%	<b>-4.6%</b>	<b>-0.2%</b>

**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. The Division of Meat Inspection has the regulatory authority to inspect each animal/bird at the time of the harvest to conduct meat and poultry testing for the presence of harmful pathogenic micro-organisms.

### 336 700-617 Ohio Farm Loan Revolving Fund

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$61,560	\$72,531	\$69,402	\$130,979	<b>\$44,679</b>	<b>\$44,679</b>
	17.8%	-4.3%	88.7%	<b>-65.9%</b>	<b>0.0%</b>

**Source:** FED: From the liquidated assets of the Ohio Rural Rehabilitation Corporation, interest earnings on invested principal.

**Legal Basis:** ORC 901.30 through 901.34 (originally established by Controlling Board in 1971)

**Purpose:** The funds are used to support projects that will generate economic activity in rural communities.

### 382 700-601 Cooperative Contracts

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$3,357,722	\$3,094,654	\$3,656,487	\$4,300,000	<b>\$3,700,000</b>	<b>\$3,700,000</b>
	-7.8%	18.2%	17.6%	<b>-14.0%</b>	<b>0.0%</b>

**Source:** FED: CFDA: 10.025 and 66.700. During FY 2005, approximately 34 separate grants or contracts were deposited into this fund.

**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.

**3AB 700-641 Agricultural Easement**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,927,736	\$1,413,591	\$1,511,510	\$0	\$2,000,000	\$2,000,000
	-26.7%	6.9%			0.0%

**Source:** FED: Federal monies

**Legal Basis:** Section 215.10 of H.B. 119 of the 127th G.A. (originally established by Controlling Board on February 10, 2003)

**Purpose:** Moneys appropriated to this line item help with the purchase of agricultural easements to preserve land for agricultural uses.

**3J4 700-607 Indirect Cost**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,220,180	\$1,755,636	\$1,632,698	\$800,000	\$600,000	\$600,000
	43.9%	-7.0%	-51.0%	-25.0%	0.0%

**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 pay indirect costs that are derived from the following services: administrative, SWICAP, Auditor of State, utility, vehicle.

**3R2 700-614 Federal Plant Industry**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$2,324,784	\$10,649,869	\$10,705,258	\$4,800,000	\$4,800,000	\$4,800,000
	358.1%	0.5%	-55.2%	0.0%	0.0%

**Source:** FED: CFDA: 10.664 and 66.700

**Legal Basis:** Section 215.10 of H.B. 119 of the 127th G.A. (originally established by Am. Sub. H.B. 215 of 122nd G.A.)

**Purpose:** This line item contains funding from federal grants and cooperative agreements. It is used for cost sharing in the operation of the Gypsy Moth Program, operating the Pesticide program, performing pest and disease surveys for USDA and performing BSE (mad cow) inspections.

**3X6 700-639 Federal Grants**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$3,497	\$0	\$0	\$0	\$0

**Source:** FED: Federal grant from the USDA for Crop Year 2001 Assistance under H.R. 2213

**Legal Basis:** Discontinued line item (originally established by Controlling Board on September 10, 2001)

**Purpose:** Moneys were used to support activities that promote agriculture. Am. Sub. H.B. 66 of the 126th G.A. discontinued this line item because this grant expired in FY 2003.

**3X7 700-640 Specialty Crops Support**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$479,673	\$54,420	\$0	\$0	\$0	\$0
	-88.7%				

**Source:** FED: Federal Grant from the USDA for Crop Year 2001 Assistance from H.R. 2213

**Legal Basis:** Discontinued line item (originally established by Controlling Board on September 10, 2001)

**Purpose:** Moneys were used to fund the support of specialty crops. Am. Sub. H.B. 66 of the 126th G.A. discontinued this line item because this grant expired in FY 2003.

## State Special Revenue Fund Group

**490 700-623 Agro Ohio Fund**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$1,268	\$26,352	\$0	\$0	\$0
		1977.5%			

**Source:** SSR: Gifts, grants, and/or bequests of moneys

**Legal Basis:** As needed line item (originally established by Controlling Board on October 28, 2002)

**Purpose:** The moneys may be used by the Department to fulfill statutory duties or to promote public awareness of agricultural issues and programs.

**494 700-612 Agricultural Commodity Marketing Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$210,791	\$220,300	\$221,434	\$270,220	<b>\$250,000</b>	<b>\$250,000</b>
	4.5%	0.5%	22.0%	-7.5%	0.0%

**Source:** SSR: Voluntary assessments from producers 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:** The money deposited is transferred to Ohio Commodity Marketing Boards to market their respective commodity and to promote Ohio agriculture. These are monies assessed on the industry and returned to them in whole for use in marketing activities selected by each commodity board. All revenues are disbursed to the respective commodity boards.

**496 700-626 Ohio Grape Industries**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$890,672	\$831,146	\$1,304,093	\$1,071,055	<b>\$850,000</b>	<b>\$849,999</b>
	-6.7%	56.9%	-17.9%	-20.6%	0.0%

**Source:** SSR: A five cent per gallon tax on all wine sales in Ohio

**Legal Basis:** ORC 4301.43(B) and 4301.43(D)

**Purpose:** The Ohio Grape Industries Program enhances 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. Revenues support marketing strategies to extend current markets and develop new outlets for Ohio grapes and grape products. This item also supports enology and viticulture research to reduce costs and increase the production of high value grapes in Ohio.

**497 700-627 Commodity Handlers Regulatory Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$476,641	\$418,130	\$283,819	\$529,978	<b>\$500,000</b>	<b>\$500,000</b>
	-12.3%	-32.1%	86.7%	-5.7%	0.0%

**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 Commodity Indemnity Fund**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$3,238,153	\$36,774	\$0	\$0	\$0	\$0
	-98.9%				

**Source:** SSR: (1) Fees charged to licensed commodity handlers which is 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; and (2) revenues from legal settlements and interest earned on investments

**Legal Basis:** As-needed line item (originally established in ORC 926.16 by Am. Sub. H.B. 425 of the 122nd G.A.)

**Purpose:** Moneys in this line item are appropriated by the Controlling Board, as needed, to help pay for claims brought by agricultural commodity depositors against insolvent commodity handlers and warehouses. 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, Seed, & Lime Inspection**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$887,462	\$890,943	\$1,647,465	\$1,891,395	\$1,850,000	\$1,850,000
	0.4%	84.9%	14.8%	-2.2%	0.0%

**Source:** SSR: Per unit fees charged to feed dealers for feed inspections

**Legal Basis:** ORC 905.31 through 905.50 and 923.46

**Purpose:** Funding is used to test feeds for medication, perform routine inspection of feed mill, perform BSE (mad cow) inspections, testing lime, fertilizer sampling and inspections of fertilizer contaminants and anhydrous ammonia facilities. Am. Sub. H.B. 66 of the 126th G.A. increased fees for fertilizer, feed, and pesticide product registration and merged the Seed Fund (Fund 5Z4) with the Commercial Feed, Fertilizer, and Lime Inspection and Laboratory Fund (Fund 4C9) to create the Commercial Feed, Fertilizer, Seed, and Lime Inspection and Laboratory Fund (Fund 4C9).

**4D2 700-609 Auction Education**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$23,484	\$28,040	\$20,406	\$24,601	\$24,601	\$24,601
	19.4%	-27.2%	20.6%	0.0%	0.0%

**Source:** SSR: \$7.50 of each fee collected for either an initial or renewed auctioneer's license in Ohio

**Legal Basis:** ORC 4707.171 (originally established by Am. Sub. H.B. 94 of the 124th G.A.)

**Purpose:** This line item is used for continuing education to educate and provide conference speakers and travel reimbursement for the auction profession in Ohio.

**4E4 700-606 Utility Radiological Safety**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$72,543	\$69,858	\$69,191	\$73,059	<b>\$73,059</b>	<b>\$73,059</b>
	-3.7%	-1.0%	5.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Moneys paid from the Ohio Radiological Preparedness Board of the Public Utilities Commission

**Legal Basis:** ORC 4937.05; Section 506.03 of H.B. 119 of the 127th G.A. (originally established by 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. The Ohio Departments of Agriculture, Commerce, Health; Ohio emergency Management and Environmental Protection Agencies; and the Public Commission of Ohio develop a comprehensive policy for the State regarding nuclear power accidents.

**4P7 700-610 Food Safety Inspection**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$547,556	\$795,023	\$954,727	\$858,096	<b>\$858,096</b>	<b>\$858,096</b>
	45.2%	20.1%	-10.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** SSR: Testing fees charged for food sampling, license fees from wholesale bakeries, soft drink bottlers, canneries, frozen food establishments, cold storage warehouses, and syrup and extracts manufacturers. The fee is collected and transmitted to the agency by local health departments for each retail food establishment license issued.

**Legal Basis:** ORC Chapters 119; 911; 925; 3715; 3717

**Purpose:** These funds are used to carry out the duties of the Division of Food Safety. The Division provides a comprehensive farm to table approach to ensure a safe food supply through surveillance, sampling, inspection, consultation, technical assistance and training. Regulatory responsibilities are enforced in food processing plants, wholesale storage and distribution sites; retail facilities; and facilities that sell and distribute over-the-counter drugs, dietary supplements, and cosmetics. The Division's customers include the general public (household consumers), the food industry, and 137 local health departments within the state, other state agencies, and the federal government. Testing is done at the agency's Consumer Analytical Laboratory.

**4R0 700-636 Ohio Proud Marketing**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$21,691	\$19,007	\$10,054	\$38,300	\$0	\$0
	-12.4%	-47.1%	280.9%		

**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 is used to promote Ohio food and agricultural products via the Ohio Proud marketing program so consumers can identify Ohio products more easily and increase awareness of them. Revenue from the \$100 license fee for agribusinesses to use the distinctive green and black registered trademarked logo on their products is deposited into this fund. The program receives GRF funding in appropriation item 700-404, Ohio Proud. The Governor's recommendation proposes to discontinue funding for this line item, leaving appropriation item 700-404 to solely fund the Ohio Proud Marketing program.

**4R2 700-637 Dairy Industry Inspection**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,068,104	\$1,251,299	\$1,457,578	\$1,621,460	\$1,500,000	\$1,500,000
	17.2%	16.5%	11.2%	-7.5%	0.0%

**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. The program ensures that the milk and dairy products produced, processed and transported in Ohio are sanitary and safe for consumption. The licensing and inspections of these facilities and transport vehicles assures the sanitary production, processing and transportation of milk based products.

**4T6 700-611 Poultry and Meat Inspection**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$42,386	\$13,112	\$0	\$137,294	\$47,294	\$47,294
	-69.1%		N/A	-65.6%	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 support the administration and operation of the agency's meat and poultry inspection program. The Division of Meat Inspection requires establishments to be re-licensed annually.

**4T7 700-613 International Trade and Market Development**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$42,909	\$18,201	\$18,471	\$54,000	\$15,000	\$15,000
	-57.6%	1.5%	192.4%	-72.2%	0.0%

**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. They then reimburse the fund upon their return. Companies or individuals that pay for participation in trade missions may also pay into this fund. The agency then combines their fees to pay for trade promotion events, registration fees, and booth rental.

**4V5 700-615 Animal Industry Lab Fees**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$507,993	\$653,366	\$30,499	\$0	\$0	\$0
	28.6%	-95.3%			

**Source:** SSR: Fees received from laboratory services related to animal diseases

**Legal Basis:** Discontinued line item (originally established in ORC 901.43)

**Purpose:** This line item was used to support the Animal Disease Diagnostic Laboratories (ADDL), which provides services for testing tissue and fluid samples, necropsy, post mortem examinations as related to animal diseases. Laboratory fees are collected from producers, veterinarians, other states and federal laboratories are used to supplement funding necessary to cover purchases of supplies and equipment and salaries needed to operate the ADDL, which is the only accredited full service animal disease laboratory in the State of Ohio. This program is now funded through 700-634, Animal and Consumer Analytical Lab.

**578 700-620 Ride Inspection Fees**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$404,665	\$492,206	\$805,846	\$1,115,435	\$1,000,000	\$1,000,001
	21.6%	63.7%	38.4%	-10.3%	0.0%

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

**Legal Basis:** ORC 1711.50 to 1711.57

**Purpose:** Appropriations in this line item are used to administer and enforce ORC 1711.50 through 1711.57, which establishes requirements for the operation of amusement rides in Ohio. This line item also provides funding for an Amusement Ride Safety advisory board that studies subjects pertaining to ride safety and agency rules.

**579 700-630 Scale Certification**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$161,380	\$169,981	\$0	\$0	\$0	\$0
	5.3%				

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

**Legal Basis:** Discontinued line item (ORC 1327.50 (S) and 1327.511)

**Purpose:** This line item was used to pay operating costs associated with Ohio's Type Evaluation Program. This program evaluates measuring devices including scales, meters and cash registers and also provides services to manufacturers of these devices so their products are accepted and can be sold throughout the U.S. and other countries. It is currently funded through 700-608, Metrology Lab and Scale Certification.

**588 700-633 Brand Registration**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$0	\$3,955	\$0	\$0	\$0
		N/A			

**Source:** SSR: Licensing fees collected from registrants in Ohio

**Legal Basis:** ORC 947.01 to 947.06

**Purpose:** Funding in this line item is used to record livestock brands and keep a central registry of brands used on livestock.

**5B8 700-629 Auctioneers**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$255,335	\$275,488	\$246,353	\$365,390	\$365,390	\$365,390
	7.9%	-10.6%	48.3%	0.0%	0.0%

**Source:** SSR: Licensing fees collected from auctioneers in Ohio

**Legal Basis:** ORC 4707.05

**Purpose:** This line item pays for operating expenses related to regulating the auctioneer industry. The line item was transferred from the Department of Commerce in Am. Sub. H.B. 94 of the 124th G.A.

**5H2 700-608 Metrology Lab and Scale Certification**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$90,599	\$128,355	\$177,104	\$362,526	\$427,526	\$427,526
	41.7%	38.0%	104.7%	17.9%	0.0%

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

**Legal Basis:** ORC 1327.48 and 1327.50 (originally established by Am. Sub. H.B. 283 of the 123rd G.A.)

**Purpose:** This line item provides funding for operation of the metrology laboratory to certify and ensure the accuracy of secondary weights and measures standards maintained by state, county, and city officials, as well as commercial and industrial clients.

**5L8 700-604 Livestock Management Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$0	\$0	\$30,000	\$30,000	\$30,000
			N/A	0.0%	0.0%

**Source:** SSR: Application fees, civil fines, and money recouped to offset hazardous abatement expenses, all permit fees, penalties and fines are deposited in this fund

**Legal Basis:** ORC 903.19 (originally established in Sub. S.B. 141 of the 123rd G.A.)

**Purpose:** Funds from this line item are used to administer emergency remediation for any water quality problems that cannot be accomplished quickly by enforcement actions.

**5U1 700-624 Auction Recovery Fund**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$847	\$12,774	\$0	\$0	\$0
		1408.9%			

**Source:** SSR: Moneys transferred from the Auctioneers Fund, a portion of license fees, repayments by licensed auctioneers for judgments made against them, and interest earned

**Legal Basis:** As needed line item (originally established in ORC 4707.25 and 4707.26 by Sub. S.B. 262 of the 124th G.A.)

**Purpose:** Moneys in this account are appropriated by Controlling Board, as needed, to make payments to those who have been awarded a final judgment against someone licensed under the Auctioneer Law. The Department's Enforcement Division investigates complaints involving auctioneers. Funding for recovery may be issued by the Director or by a court.

**5Z4 700-642 Seed Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$0	\$178,499	\$0	\$0	\$0	\$0
	N/A				

**Source:** SSR: Inspection fees

**Legal Basis:** Discontinued line item (originally established in ORC 907.16)

**Purpose:** Funding in this line item was used to provide seed inspections for label claims, testing for germination, purity and noxious weeds in all seed sales in Ohio. This program is now funded through the 700-605, Feed, Fertilizer, Seed, & Lime Inspection, line item

**652 700-634 Animal and Consumer Analytical Laboratory**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$926,850	\$872,963	\$2,488,224	\$3,281,232	\$3,000,000	\$3,000,000
	-5.8%	185.0%	31.9%	-8.6%	0.0%

**Source:** SSR: Fees received for laboratory services

**Legal Basis:** ORC 901.43; Section 215.10 of H.B. 119 of the 127th G.A.

**Purpose:** The line item is used to support the operation of the Consumer Analytical Laboratory (CAL) and the Animal Disease Diagnostic Laboratory (ADDL). CAL tests assure food, dairy, meat, pesticide and fertilizer samples collected and submitted by regulatory divisions comply with the agency's feed, food commodity, and food safety regulations and standards. The ADDL is a full service veterinary diagnostic laboratory that conducts a variety of testing procedures on samples from livestock producers.

**669 700-635 Pesticide Program**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,602,115	\$1,752,629	\$2,782,426	\$3,354,448	\$2,800,000	\$2,800,000
	9.4%	58.8%	20.6%	-16.5%	0.0%

**Source:** SSR: Fees charged to pesticide dealers and applicators

**Legal Basis:** ORC 921.151

**Purpose:** This line item is used to register pesticides, license applicators, test applicators, perform routine pesticide inspections, investigate citizen complaints and enforce the state and federal pesticide laws.

## Clean Ohio Revitalization Fund

### 057 700-632 Clean Ohio Agricultural Easement

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$31,698	\$62,424	\$56,587	\$149,000	<b>\$149,000</b>	<b>\$149,000</b>
	96.9%	-9.4%	163.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** CLF: Interest earned on Clean Ohio Revitalization Fund

**Legal Basis:** ORC 901.21 (originally established by Am. Sub. H.B. 3 of the 124th G.A.)

**Purpose:** Appropriations are used by the Department of Agriculture to administer agricultural easements in relation to the Clean Ohio bond fund.

## LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

Fund	ALI	ALI Title	2006	Estimated 2007	Executive 2008	% Change 2007 to 2008	Executive 2009	% Change 2008 to 2009
<b>AGR Agriculture, Department of</b>								
GRF	700-321	Operating Expenses	\$ 2,612,981	\$2,605,330	\$ 2,605,330	0.0%	\$ 2,605,330	0.0%
GRF	700-401	Animal Disease Control	\$ 3,585,523	\$3,574,506	\$ 3,574,506	0.0%	\$ 3,574,506	0.0%
GRF	700-403	Dairy Division	\$ 1,305,560	\$1,304,504	\$ 1,304,504	0.0%	\$ 1,304,504	0.0%
GRF	700-404	Ohio Proud	\$ 163,217	\$185,395	\$ 207,895	12.1%	\$ 207,895	0.0%
GRF	700-405	Animal Damage Control	\$ 75,559	\$60,000	\$ 0	-100.0%	\$ 0	N/A
GRF	700-406	Consumer Analytical Lab	\$ 817,596	\$819,907	\$ 953,906	16.3%	\$ 953,906	0.0%
GRF	700-407	Food Safety	\$ 938,190	\$939,099	\$ 865,100	-7.9%	\$ 865,100	0.0%
GRF	700-409	Farmland Preservation	\$ 239,227	\$241,573	\$ 241,573	0.0%	\$ 241,573	0.0%
GRF	700-410	Plant Industry	\$ 298,031	\$50,000	\$ 50,000	0.0%	\$ 50,000	0.0%
GRF	700-411	International Trade and Market Development	\$ 610,778	\$517,524	\$ 617,524	19.3%	\$ 517,524	-16.2%
GRF	700-412	Weights and Measures	\$ 1,095,707	\$1,300,000	\$ 1,300,000	0.0%	\$ 1,300,000	0.0%
GRF	700-413	Gypsy Moth Prevention	\$ 187,325	\$200,000	\$ 200,000	0.0%	\$ 200,000	0.0%
GRF	700-414	Concentrated Animal Feeding Facilities Advisory Co	\$ 12,922	\$0	\$ 0	N/A	\$ 0	N/A
GRF	700-415	Poultry Inspection	\$ 333,879	\$325,000	\$ 325,000	0.0%	\$ 325,000	0.0%
GRF	700-418	Livestock Regulation Program	\$ 1,412,231	\$1,428,496	\$ 1,428,496	0.0%	\$ 1,428,496	0.0%
GRF	700-422	Emergency Prepare Supply and Equipment	----	\$644,000	\$ 0	-100.0%	\$ 0	N/A
GRF	700-424	Livestock Testing & Inspections	\$ 122,008	\$115,947	\$ 115,946	0.0%	\$ 115,946	0.0%
GRF	700-499	Meat Inspection Program - State Share	\$ 4,766,963	\$4,696,889	\$ 4,696,889	0.0%	\$ 4,696,889	0.0%
GRF	700-501	County Agricultural Societies	\$ 354,379	\$358,226	\$ 483,226	34.9%	\$ 483,226	0.0%
<b>General Revenue Fund Total</b>			<b>\$ 18,932,075</b>	<b>\$ 19,366,396</b>	<b>\$ 18,969,895</b>	<b>-2.0%</b>	<b>\$ 18,869,895</b>	<b>-0.5%</b>
5DA	700-644	Laboratory Administration Support	\$ 174,598	\$1,100,000	\$ 1,100,000	0.0%	\$ 1,100,000	0.0%
<b>General Services Fund Group Total</b>			<b>\$ 174,598</b>	<b>\$ 1,100,000</b>	<b>\$ 1,100,000</b>	<b>0.0%</b>	<b>\$ 1,100,000</b>	<b>0.0%</b>
326	700-618	Meat Inspection Program- Federal Share	\$ 5,274,140	\$5,201,291	\$ 4,960,000	-4.6%	\$ 4,950,000	-0.2%
336	700-617	Ohio Farm Loan Revolving Fund	\$ 69,402	\$130,979	\$ 44,679	-65.9%	\$ 44,679	0.0%
382	700-601	Cooperative Contracts	\$ 3,656,487	\$4,300,000	\$ 3,700,000	-14.0%	\$ 3,700,000	0.0%
3AB	700-641	Agricultural Easement	\$ 1,511,510	\$0	\$ 2,000,000	N/A	\$ 2,000,000	0.0%
3J4	700-607	Indirect Cost	\$ 1,632,698	\$800,000	\$ 600,000	-25.0%	\$ 600,000	0.0%

## LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2006</i>	<i>Estimated 2007</i>	<i>Executive 2008</i>	<i>% Change 2007 to 2008</i>	<i>Executive 2009</i>	<i>% Change 2008 to 2009</i>
<b>AGR Agriculture, Department of</b>								
3R2	700-614	Federal Plant Industry	\$ 10,705,258	\$4,800,000	\$ 4,800,000	0.0%	\$ 4,800,000	0.0%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 22,849,495</b>	<b>\$ 15,232,270</b>	<b>\$ 16,104,679</b>	<b>5.7%</b>	<b>\$ 16,094,679</b>	<b>-0.1%</b>
490	700-623	Agro Ohio Fund	\$ 26,352	\$0	\$ 0	N/A	\$ 0	N/A
494	700-612	Agricultural Commodity Marketing Program	\$ 221,434	\$270,220	\$ 250,000	-7.5%	\$ 250,000	0.0%
496	700-626	Ohio Grape Industries	\$ 1,304,093	\$1,071,055	\$ 850,000	-20.6%	\$ 849,999	0.0%
497	700-627	Commodity Handlers Regulatory Program	\$ 283,819	\$529,978	\$ 500,000	-5.7%	\$ 500,000	0.0%
4C9	700-605	Feed, Fertilizer, Seed, & Lime Inspection	\$ 1,647,465	\$1,891,395	\$ 1,850,000	-2.2%	\$ 1,850,000	0.0%
4D2	700-609	Auction Education	\$ 20,406	\$24,601	\$ 24,601	0.0%	\$ 24,601	0.0%
4E4	700-606	Utility Radiological Safety	\$ 69,191	\$73,059	\$ 73,059	0.0%	\$ 73,059	0.0%
4P7	700-610	Food Safety Inspection	\$ 954,727	\$858,096	\$ 858,096	0.0%	\$ 858,096	0.0%
4R0	700-636	Ohio Proud Marketing	\$ 10,054	\$38,300	\$ 0	-100.0%	\$ 0	N/A
4R2	700-637	Dairy Industry Inspection	\$ 1,457,578	\$1,621,460	\$ 1,500,000	-7.5%	\$ 1,500,000	0.0%
4T6	700-611	Poultry and Meat Inspection	---	\$137,294	\$ 47,294	-65.6%	\$ 47,294	0.0%
4T7	700-613	International Trade and Market Development	\$ 18,471	\$54,000	\$ 15,000	-72.2%	\$ 15,000	0.0%
4V5	700-615	Animal Industry Lab Fees	\$ 30,499	\$0	\$ 0	N/A	\$ 0	N/A
578	700-620	Ride Inspection Fees	\$ 805,846	\$1,115,435	\$ 1,000,000	-10.3%	\$ 1,000,001	0.0%
588	700-633	Brand Registration	\$ 3,955	\$0	---	N/A	---	N/A
5B8	700-629	Auctioneers	\$ 246,353	\$365,390	\$ 365,390	0.0%	\$ 365,390	0.0%
5H2	700-608	Metrology Lab and Scale Certification	\$ 177,104	\$362,526	\$ 427,526	17.9%	\$ 427,526	0.0%
5L8	700-604	Livestock Management Program	---	\$30,000	\$ 30,000	0.0%	\$ 30,000	0.0%
5U1	700-624	Auction Recovery Fund	\$ 12,774	\$0	\$ 0	N/A	\$ 0	N/A
652	700-634	Animal and Consumer Analytical Laboratory	\$ 2,488,224	\$3,281,232	\$ 3,000,000	-8.6%	\$ 3,000,000	0.0%
669	700-635	Pesticide Program	\$ 2,782,426	\$3,354,448	\$ 2,800,000	-16.5%	\$ 2,800,000	0.0%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 12,560,771</b>	<b>\$ 15,078,489</b>	<b>\$ 13,590,966</b>	<b>-9.9%</b>	<b>\$ 13,590,966</b>	<b>0.0%</b>
057	700-632	Clean Ohio Agricultural Easement	\$ 56,587	\$149,000	\$ 149,000	0.0%	\$ 149,000	0.0%
<b>Clean Ohio Revitalization Fund Total</b>			<b>\$ 56,587</b>	<b>\$ 149,000</b>	<b>\$ 149,000</b>	<b>0.0%</b>	<b>\$ 149,000</b>	<b>0.0%</b>

**LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009**

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2006</i>	<i>Estimated 2007</i>	<i>Executive 2008</i>	<i>% Change 2007 to 2008</i>	<i>Executive 2009</i>	<i>% Change 2008 to 2009</i>
<i>AGR Agriculture, Department of</i>								
<i>Total All Budget Fund Groups</i>			\$ 54,573,526	\$ 50,926,155	\$ 49,914,540	-2.0%	\$ 49,804,540	-0.2%