

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

**Department of Agriculture**

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# READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Department of Agriculture (AGR), which includes the following three sections.

1. Overview: Provides a brief description of AGR and an overview of the provisions of the executive budget that affect AGR, including a discussion of new fees to support various programs.
2. Analysis of Executive Proposal: Provides a detailed analysis of the executive budget recommendations for AGR, including funding for each appropriation line item. The line items for AGR are organized into six categories.
3. Attachments: Includes the Catalog of Budget Line Items (COBLI) for AGR, which briefly describes each line item, accompanied by the LSC budget spreadsheet.

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**ATTACHMENTS:**

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

# Department of Agriculture

- Total recommended budget of \$57.8 million in FY 2016 and \$57.7 million in FY 2017
- Fertilizer Applicator Certification Program underway in FY 2015
- Dangerous and Wild Animals and Commercial Dog Breeders laws became fully enforceable in FY 2014

## OVERVIEW

### Agency Overview

The Ohio Department of Agriculture (AGR) is 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 carries out these responsibilities through twelve operating divisions.

As of February 2015, the Department employs 424 full-time staff. This number will increase slightly as additional personnel are hired for the Fertilizer Applicator Certification Program. These hires are expected to occur before the end of FY 2015.

### Appropriation Overview

#### By Fund Group

The executive budget for AGR provides funding of almost \$57.8 million in FY 2016, an increase of approximately \$5.2 million (9.8%) when compared to estimated FY 2015 spending of \$52.6 million. Table 1 below displays the amounts proposed for departmental operations for the FY 2016-FY 2017 biennium by fund group alongside estimated spending for FY 2015.

Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$15,254,231	\$16,329,231	7.1%	\$16,254,231	-0.5%
Dedicated Purpose	\$18,452,308	\$19,269,313	4.4%	\$19,269,313	0.0%
Internal Service Activity	\$5,456,329	\$5,568,073	2.1%	\$5,568,073	0.0%
Capital Projects	\$304,169	\$310,000	1.9%	\$310,000	0.0%
Federal	\$13,145,941	\$16,301,000	24.0%	\$16,301,000	0.0%
<b>TOTAL</b>	<b>\$52,612,978</b>	<b>\$57,777,617</b>	<b>9.8%</b>	<b>\$57,702,617</b>	<b>-0.1%</b>

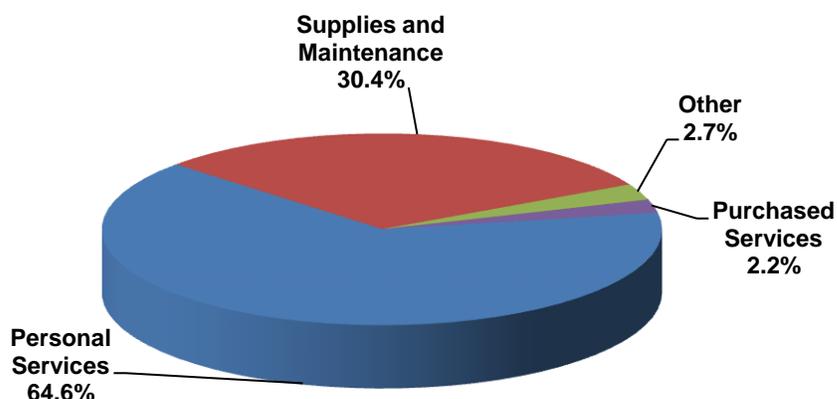
\*FY 2015 figures represent estimated expenditures.

Of the overall proposed budget, there is an approximate \$1.1 million (7.1%) increase in GRF funding to support the Commercial Dog Breeders Program, the Dangerous Wild Animal Program, the Food Safety Inspection Program, and for invasive plant pest and disease control efforts. With regard to departmental programs supported by fees, there is an overall increase of approximately \$817,000 (4.4%), most of which is to support the Pesticide, Fertilizer, and Lime Inspection Program. For programs supported by federal funding, the recommended budget provides an increase of \$3.2 million (24.0%) between FY 2015 and FY 2016. Approximately \$2.6 million (75.5%) of the increase in federal funding is related to grants and cooperative agreements for various pest control programs operated by the Plant Health Division, including the Asian Longhorned Beetle and Gypsy Moth programs.

**By Type of Expense**

Chart 1 illustrates the executive budget recommendation for AGR by category of expense. As the chart shows, personal services spending accounts for 64.6% of spending, or about \$36.8 million of the amount budgeted in FY 2016 and \$37.9 million of the amount budgeted in FY 2017. Supplies and maintenance expenses make up about 30.4% of budgeted expenses, approximately \$18.1 million in FY 2016 and \$17.0 million in FY 2017. This encompasses many of the costs for maintaining the Reynoldsburg headquarters, including the Animal Disease Diagnostic Laboratory and the Consumer Protection Laboratory. The remaining approximately \$2.9 million (5.0%) in each fiscal year is slated for (1) equipment, subsidies, capital items, and transfer payments and (2) purchased services related to contracts with different media groups to assist with agriculture marketing projects, contracts with consultants for laboratory services, and contracts with the Ohio State University (OSU) for pesticide and fertilizer training and training materials.

**Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2016-FY 2017**



## Budget Highlights and Issues of Interest

### Fertilizer Applicator Certification Program

S.B. 150 of the 130th General Assembly required the Department to create a fertilizer applicator certification program. The bill required a person applying fertilizer in agricultural production with 50 acres or more to achieve certification by September 30, 2017. Individuals applying "start-up" fertilizer through a planter or who apply fertilizer to 50 acres or less are not required to be certified. Additionally, the bill required individuals who are licensed as a commercial or private applicator of pesticides under continuing law to become certified but exempts them from certification fees.

The program is overseen by the Division of Plant Health. The Department contracts with OSU Extension for the training courses and materials related to the certification process. Fertilizer applicator training courses began in September 2014. To date, 2,506 farmers have completed the training. The Department expects the number of farmers required to be certified will range from 45,000 to 75,000. The initial certification training class is three hours and is valid for three years. Two hours of recertification training is required every three years. In addition to the training class, there is a \$30 fee for the certification. Fees are deposited into the Pesticide, Fertilizer, and Lime Program Fund (Fund 6690).

In January 2015, the Department received Controlling Board approval to increase the appropriation for Fund 6690 line item 700635, Pesticide, Fertilizer, and Lime Inspection Program by \$439,200. The additional funding will cover the cost of seven new employees that will administer this program. This includes three inspectors, two clerical staff, one field supervisor, and one administrator. The ultimate costs of the program will depend on the number of farmers required to be certified and inspection costs.

### Dangerous Wild Animal Program

S.B. 310 of the 129th General Assembly prohibited the ownership of a dangerous wild animal after January 1, 2014 if the owner does not meet proper registration and permitting requirements. As part of this program, the Department constructed a temporary holding facility for housing dangerous and wild animals surrendered to the state at a cost of approximately \$2.9 million. Since January 2014, AGR issued 64 dangerous and wild animal owner permits and approximately 70 animals have been through the temporary facility before being transferred. Overall, five employees are assigned to this program. These employees include two inspectors, and two shared clerical staff and one shared veterinarian between this program and the Commercial Dog Breeders Program.

Funding for the Dangerous Wild Animal Program comes from both the GRF and the permit fees described above that are deposited into the Dangerous and Restricted Animal Fund (Fund 5MA0). The bulk of the funding, however, comes from the GRF. For the FY 2016-FY 2017 biennium, the recommended budget provides \$800,000 in GRF funding each fiscal year under appropriation item 700426, Dangerous and Restricted Animals. This is supplemented by permit fees deposited into the Dangerous and Restricted Animal Fund (Fund 5MA0). The executive recommends \$50,000 in each fiscal year from this source of revenue appropriated under line item 700657, Dangerous and Restricted Animals.

### Commercial Dog Breeders Program

Another regulatory program that was established in the 129th General Assembly that became fully enforceable on January 1, 2014 was licensing for "high volume breeders." Under S.B. 130, an individual is prohibited from operating a high volume breeding operation in Ohio without a license from the Department. The Department is required to annually inspect each facility that is registered as a high volume breeder. Additionally, AGR is required to inspect operations if a complaint is filed against a high volume breeder. To offset the cost of licensing and enforcement, there are a series of fees based on the number of litters produced by a high volume breeder. These fees are deposited into the High Volume Breeder Kennel Control License Fund (Fund 5MR0) and are shown in Table 2 below. Additionally, a portion of the fees is remitted to county dog and kennel funds to defray the costs that county auditors incur for licensing dogs and county dog wardens incur for their operations. The portion of the fee that is remitted to county auditors and county dog wardens ranges from \$50 to \$100 based on the individual county fees. The Department began collecting revenue from these fees in FY 2014 and collected approximately \$164,000 in that fiscal year.

<b>License Type</b>	<b>Annual Fee</b>
High Volume Breeder (9-15 litters)	\$150
High Volume Breeder (16-25 litters)	\$250
High Volume Breeder (26-35 litters)	\$350
High Volume Breeder (36-45 litters)	\$500
High Volume Breeder (46+ litters)	\$750
Dog Retailers	\$500
Animal Rescues	No fee

For the FY 2016-FY 2017 biennium, the total proposed funding for the Commercial Dog Breeders Program is \$624,000. Of that amount, \$174,000 in each fiscal year would come from the fees deposited into Fund 5MR0, and \$450,000 in each fiscal

year would come from the GRF. Specifically, this funding will pay for the administration of the program, including three inspectors, one supervisor, and two clerical staff and one veterinarian shared with the Dangerous Wild Animal Program. A change sought by the executive would eliminate a current law requirement that money may only be released from Fund 5MR0 with Controlling Board approval and the total amount that may be requested from the fund be capped at \$2.5 million per biennium. Removing the requirement for Controlling Board approval will provide additional flexibility to the fund the program.

### **Restrictions on the Application of Fertilizer and Manure in the Western Lake Erie Basin**

The executive budget proposal includes new responsibilities for both the Department of Agriculture and the Department of Natural Resources regarding the application of fertilizer and manure in the western basin of Lake Erie. Specifically, H.B. 64 prohibits, with certain exceptions, the application of fertilizer or manure on frozen ground, on saturated soil, and during certain weather conditions in this area. The Director of Agriculture oversees the state's fertilizer laws, whereas the Director of Natural Resources regulates the application of manure. As a consequence of these additional oversight and enforcement responsibilities, the Department of Agriculture could incur some new costs. Presumably, part of this additional expense will be offset by civil penalties that could be imposed. These civil penalties would likely be deposited into the Pesticide, Fertilizer, and Lime Program Fund (Fund 6690).

## ANALYSIS OF EXECUTIVE PROPOSAL

### Introduction

This section provides an analysis of the Governor's recommended funding for each appropriation item in AGR's budget. In this analysis, AGR's line items are grouped into six major categories. For each category a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. The six categories used in this analysis are as follows:

1. Animal and Food Safety;
2. Plants and Pesticides;
3. Commodities and Marketing;
4. Other Agriculture Services;
5. Farmland Preservation; and
6. Agriculture Administration.

To aid the reader in finding each item in the analysis, the table below shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Categorization of AGR's Appropriation Line Items for Analysis of Executive Proposal		
Fund	ALI and Name	Category
<b>General Revenue Fund Group</b>		
GRF 700401	Animal Health Programs	1: Animal and Food Safety
GRF 700403	Dairy Division	1: Animal and Food Safety
GRF 700404	Ohio Proud	3: Commodities and Marketing
GRF 700406	Consumer Protection Lab	1: Animal and Food Safety
GRF 700407	Food Safety	1: Animal and Food Safety
GRF 700409	Farmland Preservation	5: Farmland Preservation
GRF 700410	Plant Industry	2: Plants and Pesticides
GRF 700412	Weights and Measures	4: Other Agriculture Services
GRF 700415	Poultry Inspection	1: Animal and Food Safety
GRF 700418	Livestock Regulation Program	1: Animal and Food Safety
GRF 700424	Livestock Testing and Inspections	1: Animal and Food Safety
GRF 700426	Dangerous and Restricted Animals	1: Animal and Food Safety
GRF 700427	High Volume Breeder Kennel Control	1: Animal and Food Safety
GRF 700499	Meat Inspection Program – State Share	1: Animal and Food Safety
GRF 700501	County Agricultural Societies	5: Farmland Preservation

<b>Categorization of AGR's Appropriation Line Items for Analysis of Executive Proposal</b>			
<b>Fund</b>	<b>ALI and Name</b>		<b>Category</b>
<b>Dedicated Purpose Fund Group</b>			
4900	700651	License Plates – Sustainable Agriculture	3: Commodities and Marketing
4940	700612	Agricultural Commodity Marketing Program	3: Commodities and Marketing
4960	700626	Ohio Grape Industries	3: Commodities and Marketing
4970	700627	Grain Warehouse Program	3: Commodities and Marketing
4C90	700605	Commercial Feed and Seed	2: Plants and Pesticides
4D20	700609	Auction Education	4: Other Agriculture Services
4E40	700606	Utility Radiological Safety	6: Agriculture Administration
4P70	700610	Food Safety Inspection	1: Animal and Food Safety
4R00	700636	Ohio Proud Marketing	3: Commodities and Marketing
4R20	700637	Dairy Industry Inspection	1: Animal and Food Safety
4T60	700611	Poultry and Meat Inspection	1: Animal and Food Safety
5780	700620	Ride Inspection	4: Other Agriculture Services
5880	700633	Brand Registration	4: Other Agriculture Services
5B80	700629	Auctioneers	4: Other Agriculture Services
5CP0	700765	License Plate Scholarships	3: Commodities and Marketing
5FC0	700648	Plant Pest Program	2: Plants and Pesticides
5H20	700608	Metrology Lab and Scale Certification	4: Other Agriculture Services
5L80	700604	Livestock Management Program	1: Animal and Food Safety
5MA0	700657	Dangerous and Restricted Animals	1: Animal and Food Safety
5MR0	700658	High Volume Breeders and Kennels	1: Animal and Food Safety
6520	700634	Animal, Consumer, and ATL Labs	1: Animal and Food Safety
6690	700635	Pesticide, Fertilizer, and Lime Inspection Program	2: Plants and Pesticides
<b>Internal Service Activity Fund Group</b>			
5DA0	700644	Laboratory Administration Support	6: Agriculture Administration
5GH0	700655	Administrative Support	6: Agriculture Administration
<b>Capital Projects Fund Group</b>			
7057	700632	Clean Ohio Agricultural Easement Operating	5: Farmland Preservation
<b>Federal Fund Group</b>			
3260	700618	Meat Inspection – Federal Share	1: Animal and Food Safety
3360	700617	Ohio Farm Loan – Revolving	5: Farmland Preservation
3820	700601	Federal Cooperative Contracts	2: Plants and Pesticides
3AB0	700641	Agricultural Easement	5: Farmland Preservation
3J40	700607	Federal Administrative Programs	6: Agriculture Administration
3R20	700614	Federal Plant Industry	2: Plants and Pesticides

## Category 1: Animal and Food Safety

This category includes line items that fund AGR's animal and food-related services. This includes all line items funding animal diseases; food safety and inspections; dairy, livestock, and poultry inspections; and line items that fund AGR's labs. This category also includes funding for the Dangerous Wild Animal Program as well as the Commercial Dog Breeders Program. GRF funding makes up approximately \$15.0 million of the executive budget for this category in FY 2016 and \$14.9 million in FY 2017, or 54.4% of funding over the biennium. Dedicated Purpose line items account for a further \$16.1 million (29.4%), followed by federal funds, at just under \$4.5 million (16.2%) of the funding in each fiscal year.

<b>Governor's Recommended Amounts for Animal and Food Safety</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>General Revenue Fund</b>				
GRF	700401	Animal Health Programs	\$3,686,687	\$3,686,687
GRF	700403	Dairy Division	\$1,163,115	\$1,088,115
GRF	700406	Consumer Protection Lab	\$1,287,556	\$1,287,556
GRF	700407	Food Safety	\$1,359,069	\$1,359,069
GRF	700415	Poultry Inspection	\$592,978	\$592,978
GRF	700418	Livestock Regulation Program	\$1,108,071	\$1,108,071
GRF	700424	Livestock Testing and Inspections	\$92,493	\$92,493
GRF	700426	Dangerous and Restricted Animals	\$800,000	\$800,000
GRF	700427	High Volume Breeder Kennel Control	\$450,000	\$450,000
GRF	700499	Meat Inspection Program – State Share	\$4,425,097	\$4,425,097
<b>General Revenue Fund Subtotal</b>			<b>\$14,965,066</b>	<b>\$14,890,066</b>
<b>Dedicated Purpose Fund Group</b>				
4P70	700610	Food Safety Inspection	\$957,328	\$957,328
4R20	700637	Dairy Industry Inspection	\$1,658,247	\$1,658,247
4T60	700611	Poultry and Meat Inspection	\$120,000	\$120,000
5L80	700604	Livestock Management Program	\$135,000	\$135,000
5MA0	700657	Dangerous and Restricted Animals	\$50,000	\$50,000
5MR0	700658	High Volume Breeders and Kennels	\$174,000	\$174,000
6520	700634	Animal, Consumer, and ATL Labs	\$4,966,383	\$4,966,383
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$8,060,958</b>	<b>\$8,060,958</b>
<b>Federal Fund Group</b>				
3260	700618	Meat Inspection Program – Federal Share	\$4,450,000	\$4,450,000
<b>Federal Fund Group Subtotal</b>			<b>\$4,450,000</b>	<b>\$4,450,000</b>
<b>Total Funding: Animal and Food Safety</b>			<b>\$27,476,024</b>	<b>\$27,401,024</b>

**Animal Health Programs (700401)**

This GRF line item is the primary funding source for the Division of Animal Industry. It funds field and laboratory staff, as well as costs for laboratory supplies and equipment maintenance contracts for the Animal Disease Diagnostic Laboratory (ADDL). ADDL is responsible for protecting the health of livestock and poultry, and is one of 42 labs nationally that is accredited by the American Association of Laboratory Diagnosticians. ADDL offers 310 different diagnostic tests and completes approximately 600,000 analyses each fiscal year. The services offered by ADDL are avian serology, bacteriology, molecular diagnostics, pathology, serology, toxicology, and virology. The lab's regulatory responsibilities include oversight of animal disease control and eradication efforts through quarantine, vaccination verification, movement permits, and tracing animal identification. Additionally, ADDL promotes participation in the National Animal Identification System. The system consists of premises registrations, animal identifications, and animal tracking in an attempt to quickly identify animals or premises that have been in contact with a foreign animal disease or other disease of concern within 48 hours of discovery. The executive recommendation for this line item is \$3.7 million in both FY 2016 and FY 2017, a decrease of \$250,000 (6.4%) from FY 2015 estimated spending for these various testing services.

**Dairy Division and Dairy Industry Inspection (700403 and 700637)**

GRF line item 700403, Dairy Division, is used in conjunction with the Dairy Inspection Fund (Fund 4R20) line item 700637, Dairy Industry Inspection, to administer the state's milk inspection program. Together, the line items are used to cover payroll and maintenance expenses necessary to license 2,923 dairy producers and 123 dairy processors in Ohio. There are 2,788 active dairy farms in the state of Ohio, of which 2,102 are Grade A farms and 686 are manufactured farms. Registered sanitarians inspect dairy farm operations, tank trucks, and processing and manufacturing facilities to verify sanitary conditions by checking for bacteria, coliform, excessive antibiotics, pesticide residue, foreign substances, and excess water and butterfat. The Dairy Division conducted approximately 125,000 lab tests on licensed producers and processors in calendar year (CY) 2013. The executive recommendation for the GRF funding component under line item 700403, Dairy Division, is \$1.2 million in FY 2016, an increase of 6.9% over FY 2015 estimated spending. The executive recommends \$1.1 million in FY 2017.

Fund 4R20 line item 700637, Dairy Industry Inspection, is supported by licensing and milk inspection fees, and is used in conjunction with the GRF funding mentioned above to administer the milk inspection program. Generally, all the licensing fees for dairy producers are \$15, but milk inspection fees vary dependent upon data contained in receiving reports that each licensed producer is required to file with the Department.

The executive recommendation for this line item is \$1.7 million in each fiscal year, a decrease of 1.9% over estimated FY 2015 spending under the fee-based component of the milk inspection program. Fund 4R20 collected approximately \$1.6 million in revenue in FY 2014 and is estimated to collect \$1.7 million in FY 2015.

### **Consumer Protection Lab and Animal, Consumer, and ATL Labs (700406 and 700634)**

GRF line item 700406, Consumer Protection Lab, is used to operate the Consumer Protection Laboratory (CPL). The lab performs chemical analysis and microbiological surveillance testing for food, livestock, and poultry feed to assure food product safety and verify the accuracy of product labeling. CPL is comprised of four different lab sections: microbiology, general chemistry, pesticides, and analytical toxicology. The number of tests and samples reported in CY 2013 for each section is summarized in Table 3.

<b>Section</b>	<b>Samples Reported</b>	<b>Tests Reported</b>
Microbiology	12,615	23,150
General Chemistry	4,309	27,403
Pesticides	313	2,075
Analytical Toxicology	14,277	34,424

Additionally, the analytical toxicology section annually tests samples for horses competing at Ohio's seven commercial race tracks and more than 60 county fairs. The section provides testing on approximately 9,000 horses each year. The executive recommendation for this line item is \$1.3 million in FY 2016 and FY 2017, on par with estimated FY 2015 spending.

The second line item, 700634, Animal, Consumer, and ATL Labs, is supported by fees received for laboratory services that are deposited into the Animal and Consumer Analytical Lab Fund (Fund 6520). This fund collected approximately \$4.8 million in revenue in FY 2014. Receipts for FY 2015 are estimated to be in the range of \$5.1 million. The executive recommendation for this line item is approximately \$5.0 million in both FY 2016 and FY 2017, equivalent to the FY 2015 spending estimate for these laboratory testing services.

### **Food Safety and Food Safety Inspection (700407 and 700610)**

GRF line item 700407, Food Safety, is used to cover payroll and maintenance costs for the Food Safety Inspection Division. The Food Safety Inspection Division conducts surveillance, random sampling, facility inspections, consultations, technical assistance, and training. The Division has a contract for 500 facility inspections through the Food and Drug Administration (FDA), and contracts with the U.S. Department of

Agriculture (USDA) to conduct pesticide program and microbiological program sampling. In addition, the Division will be responsible for implementing the Federal Food Modernization Act in conjunction with the FDA, which will eventually require additional inspections. The Division inspects over 2,153 food manufacturing facilities annually, has distributed over 500 bundles of food defense information to food facilities, collects over 950 food samples annually, and offered more than 100 trainings and programs to local health districts. The executive recommendation for this line item is \$1.4 million in FY 2016 and FY 2017, an increase from FY 2015 estimated spending of \$849,000.

Fund 4P70 line item 700610, Food Safety Inspection, consists of testing fees charged by local health departments for food sampling, and license fees from wholesale bakeries, soft drink bottlers, canneries, frozen food establishments, cold storage warehouses, and syrups and extracts manufacturers. It also consists of license fees collected by local health departments from retail food establishments that are transmitted to the Department. This fund collected \$858,216 in revenue in FY 2014 and is estimated to collect \$900,000 in FY 2015. The executive recommendation for this line item is \$957,000 in both FY 2016 and FY 2017, slightly less than estimated FY 2015 spending of just over \$1.0 million.

#### **Meat Inspection Program – State Share and Federal Share (700499 and 700618)**

GRF line item 700499, Meat Inspection Program – State Share, is used to provide the 50% state match required to operate the federally approved meat inspection program. The federal share from the USDA is appropriated under line item 700618, Meat Inspection Program – Federal Share. The executive recommendation for the GRF state match under line item 700499, is \$4.4 million in both FY 2016 and FY 2017, an increase of approximately 6.0% compared to estimated FY 2015 spending of \$4.2 million. The executive recommendation for the federal share, line item 700618, is approximately \$4.5 million in both FY 2016 and FY 2017, just under \$100,000 (1.5%) more than estimated FY 2015 spending.

The Meat Inspection Division has the regulatory authority to inspect any animal or bird at the time of harvest for the presence of harmful pathogenic microorganisms. The Division regulates 292 meat and poultry establishments statewide. Of those, 213 are fully inspected facilities and provide slaughtering and processing operations for resale. The remaining 79 establishments operate under a "custom exempt" status and provide a "not-for-sale" service to individuals who wish to have their own animals slaughtered. Approximately 90.0% of the Meat Inspection Division's costs are for salaries and fringe benefits. Travel costs and laboratory testing comprise the remaining costs for the program.

**Poultry Inspection and Poultry and Meat Inspection (700415 and 700611)**

These two line items support various poultry inspection functions. GRF line item 700415, Poultry Inspection, provides funding for poultry laboratory testing, sample collection, and veterinary inspection of live birds transported into the state. These activities help prevent and combat avian influenza through testing, inspection, and surveillance programs. This line item also supports the Ohio Egg Quality Assurance Program, which focuses on controlling the threat of salmonella. Ohio ranks second in egg production nationally. ADDL conducts all of the testing associated with these activities, which number about 160,000 tests per year. The executive budget provides funding of \$592,978 in both FY 2016 and FY 2017, matching estimated FY 2015 expenditures.

The second line item, 700611, Poultry and Meat Inspection, pays for the costs related to licensing and regulating poultry establishments. The Division of Meat Inspection requires establishments to be relicensed annually. The cost is \$50 for all licenses. These fees, as well as fines and penalties are deposited into the Poultry and Meat Inspection Fund (Fund 4T60). Fund 4T60 collected approximately \$61,000 in revenue in FY 2014 and is on pace to collect an estimated \$60,000 in FY 2015. The executive recommendation for this line item is \$120,000 in both FY 2016 and FY 2017, the same amount expected to be spent in FY 2015.

**Livestock Regulation Program, Livestock Testing and Inspections, and Livestock Management Program (700418, 700424, and 700604)**

The first of these line items, GRF line item 700418, Livestock Regulation Program, pays for the operating expenses associated with the Livestock Environmental Permitting Program. The program issues permits to install after reviewing applications for large animal feeding facilities. The program also develops administrative rules and guidelines for operating procedures, compliance monitoring, ground water quality, manure handling and containment, as well as rodent, pest, and odor control. The executive recommendation for this line item is \$1.1 million in both FY 2016 and FY 2017, matching FY 2015 estimated expenditures.

There are three primary licenses that exist under this program: Permit to Install (PTI), Permit to Operate (PTO), and Certified Livestock Manager. The PTI is a one-time fee of \$2,250 that is paid before construction of a livestock facility begins. The PTO fee is \$1,000, and must be renewed every five years. The Certified Livestock Manager fee is \$50, and must be renewed every three years. As of the end of CY 2013, there were 204 licensed permitted farms in Ohio.

The second of these line items, GRF line item 700424, Livestock Testing and Inspections, pays for the supplies necessary to collect urine, blood, or tissue samples from livestock exhibited at 94 Ohio county, independent, and state fairs. These funds

also help to support the analytical and toxicology laboratory testing section of CPL. This line item does not directly fund any employees, as separate GRF funding pays those costs. The executive recommendation for this line item is \$92,493 in both FY 2016 and FY 2017, a decrease of 10.0% over estimated FY 2015 spending of \$102,770.

The third line item, 700604, Livestock Management Program, covers the cost of abating problems associated with concentrated animal feeding facilities (CAFFs). Specifically, the funding is used to administer emergency remediation for any water quality problems that cannot be quickly rectified through enforcement actions. The funding is supported by application and permit fees, and the proceeds of any fees and amounts recouped from abatement work. These amounts are deposited into the Livestock Management Fund (Fund 5L80). This fund collected approximately \$137,000 in revenue in FY 2014 and an estimated \$100,000 in FY 2015. The executive recommendation for this line item is \$135,000 in both FY 2016 and FY 2017, an increase of \$75,000 compared to FY 2015 estimated expenditures of \$60,000 in this area.

#### **Dangerous and Restricted Animals, Dangerous and Restricted Animals (700426 and 700657)**

These line items are used to administer the Dangerous Wild Animal Program. Five employees work under this program. They include two inspectors, two shared clerical staff, and one shared veterinarian between this program and the Commercial Dog Breeders Program. Since January 2014, the Department has issued 64 dangerous and wild animal owner permits and approximately 70 animals have been through the temporary holding facility. Proposed spending under GRF line item 700426, Dangerous and Restricted Animals, is \$800,000 in each fiscal year, matching estimated FY 2015 expenditures. The GRF funding is supplemented by fees deposited into the Dangerous and Restricted Animal Fund (Fund 5MA0), described immediately below.

Funding from the fee-based component of the Dangerous Wild Animal Program is \$50,000 in each fiscal year and is appropriated under Fund 5MA0, line item 700657, Dangerous and Restricted Animals. Fund 5MA0 collected \$24,285 in FY 2014 and is estimated to collect \$25,000 in FY 2015.

#### **High Volume Breeder Kennel Control and High Volume Breeders and Kennels (700427 and 700658)**

These line items will be used to administer the Commercial Dog Breeders Program. GRF line item 700427, High Volume Breeder Kennel Control, is used to cover operating costs, including staff and inspections for the Commercial Dog Breeders Program. The Department annually inspects each facility that is registered as a high volume breeder and inspects these operations if a complaint is filed. The executive recommendation for this line item is \$450,000 in both FY 2016 and FY 2017, a substantial increase over anticipated FY 2015 spending of \$250,000 on the GRF portion of the

program. Overall, the GRF portion accounts for 72.1% of the overall recommended funding for the Commercial Dog Breeders Program.

The remaining 27.9% of recommended program spending for the FY 2016-FY 2017 biennium – \$174,000 in each fiscal year – comes from license fees received from high volume breeders that are deposited into the High Breeder Kennel Control License Fund (Fund 5MR0). This funding is appropriated under line item, 700658, High Volume Breeders and Kennels. License fees depend on the number of litters produced by a high volume breeder. Fees range from no fee for animal rescues to \$750 if the high volume breeder has more than 46 litters. In FY 2014, the Department collected approximately \$164,000 in license and registration fees. A portion of the fees are remitted to county dog and kennel funds to defray the costs that county auditors incur for licensing dogs and county dog wardens bear for their operations.

## Category 2: Plants and Pesticides

This category funds the Department's plant inspection and pesticide regulation activities. This includes consumer and farmer protection regulations, such as inspecting honey bee colonies, controlling the spread of gypsy moths and other pests, testing germination of packaged seeds, verifying label statements on feed and fertilizers, certifying fertilizer and commercial pesticide applicators, and regulating nursery stock. Federal funding makes up \$21.0 million (57.9%) of the executive budget for this category over the biennium. Dedicated purpose line items account for approximately \$14.7 million (40.7%), followed by the GRF, at \$250,000 (1.4%) of the funding in each fiscal year.

<b>Governor's Recommended Amounts for Plants and Pesticides</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>General Revenue Fund</b>				
GRF	700410	Plant Industry	\$250,000	\$250,000
<b>General Revenue Fund Subtotal</b>			<b>\$250,000</b>	<b>\$250,000</b>
<b>Dedicated Purpose Fund Group</b>				
4C90	700605	Commercial Feed and Seed	\$1,760,000	\$1,760,000
5FC0	700648	Plant Pest Program	\$1,190,000	\$1,190,000
6690	700635	Pesticide, Fertilizer, and Lime Inspection Program	\$4,418,041	\$4,418,041
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$7,368,041</b>	<b>\$7,368,041</b>
<b>Federal Fund Group</b>				
3820	700601	Federal Cooperative Contracts	\$4,500,000	\$4,500,000
3R20	700614	Federal Plant Industry	\$6,000,000	\$6,000,000
<b>Federal Fund Group Subtotal</b>			<b>\$10,500,000</b>	<b>\$10,500,000</b>
<b>Total Funding: Plants and Pesticides</b>			<b>\$18,118,041</b>	<b>\$18,118,041</b>

### Plant Industry (700410)

GRF line item 700410, Plant Industry, is used by the Division of Plant Health to oversee the Department's Apiary, Grain Warehouse, Feed and Seed, Pesticide and Fertilizer Regulation, and Plant Pest Control sections. The line will support the inspection of apiaries and monitoring and control of invasive plant pests and diseases. In addition the line item can be used to fund nursery stock certification inspection for import and export of products such as lumber, logs, seed, fruit, and vegetables. The executive recommendation for this line item is \$250,000 in both FY 2016 and FY 2017.

**Commercial Feed and Seed, Plant Pest Program, and Pesticide, Fertilizer, and Lime Inspection Program (700605, 700648, and 700635)**

These line items fund the Plant Division's various responsibilities relating to testing germination of packaged seeds, verifying label statements on feed and fertilizers, and regulating nursery stock. In CY 2013, staff licensed 14,023 pesticide commercial applicators and 14,667 pesticide private applicators, and registered 14,803 pesticide products for use in Ohio. Additionally, as of CY 2013, there were 368 registered pesticide business locations in Ohio.

**700605**

Fund 4C90, line item 700605, Commercial Feed and Seed, is used to test feeds for medication, perform routine inspections of feed mills, perform BSE (mad cow) inspections, testing lime, fertilizer sampling, and inspections of fertilizer contaminants and anhydrous ammonia facilities. The executive recommendation for this line item is \$1.8 million in both FY 2016 and FY 2017, an increase of 2.9% from estimated FY 2015 spending of \$1.7 million. The fund consists of per-unit fees charged to feed dealers for feed inspections. There were 4,498 specialty fertilizer registrations in CY 2013. There were approximately 1,838 routine inspections on pesticide and fertilizer dealers and facilities during this same period.

**700648**

Line item 700648, Plant Pest Program, is supported through various nursery stock fees that are deposited into the Plant Pest Program Fund (Fund 5FC0). This line item is used to fund annual inspections of nursery stock producers. There were 1,237 dealer inspections under this program in CY 2013. State and federal pest quarantines are also administered under funding in this line item. The executive recommendation for this line item is \$1.2 million in both FY 2016 and FY 2017, matching FY 2015 estimated spending. Fund 5FC0 collected \$1.2 million in revenues in FY 2014 and is forecast to collect approximately the same amount in FY 2015.

**700635**

The executive recommendation for line item 700635, Pesticide, Fertilizer, and Lime Inspection Program, is \$4.4 million in both FY 2016 and FY 2017, an increase of 14.5% when compared to estimated FY 2015 spending of \$3.9 million. This funding is used to register pesticides, license applicators, test applicators, perform routine pesticide inspections, investigate citizen complaints, and enforce pesticide laws. The funding under this line item comes from license fees collected from dealers and applicators that are deposited into the Pesticide, Fertilizer, and Lime Program Fund (Fund 6690). Fund 6690 received \$4.4 million in revenue in FY 2014 and is expected to collect approximately the same amount in FY 2015.

Note that this line item will also be used to provide funding for the Fertilizer Applicator Certification Program that was established in the 130th General Assembly. The Department contracts with OSU Extension for the training courses and materials related to the certification process. Fertilizer applicator training courses began in September 2014. To date, 2,506 farmers have completed the training. The Department expects the number of farmers required to be certified will range from 45,000 to 75,000. The funding will cover the cost of seven new employees that will administer this program. This includes three inspectors, two clerical staff, one field supervisor, and one administrator.

### **Federal Cooperative Contracts (700601)**

This line item receives revenues from federal agencies for grants and contracted services provided by the Department. These federal awards are deposited into the Cooperative Contracts Fund (Fund 3820) to facilitate cash flow where revenue from these various federal sources is intermittently received. The six various federal grants and contracts are under the federal Plant and Animal Disease, Pest Control and Animal Care, and Consolidated Pesticide Enforcement Cooperative Agreements. Once the Department receives federal funding for these purposes, the required sums of cash are then transferred to the appropriate program-specific fund. In some cases, the costs related to the above programs are paid directly from Fund 3820. Receipts from the federal government totaled \$2.8 million in FY 2014 and are expected to be \$3.0 million all-told by the close of FY 2015. The executive recommendation for this line item is \$4.5 million in both FY 2016 and FY 2017, an increase of 18.8% when compared to FY 2015 estimated spending on these various federally funded projects.

### **Federal Plant Industry (700614)**

Line item 700614, Federal Plant Industry, is also used to distribute funding from federal grants and cooperative agreements and is used for cost sharing in the operation of the Gypsy Moth as well as for operating the Pesticide Program and performing pest and disease surveys for the USDA. Additionally, this line item is used for Asian Longhorned Beetle eradication, which has posed a threat to Ohio's timber crop. The executive recommendation for this line item is \$6.0 million in both FY 2016 and FY 2017 for insect control and eradication, a 75.5% increase from the estimated FY 2015 spending of \$3.4 million on these efforts.

### Category 3: Commodities and Marketing

This category is used to fund the Department's marketing activities, which seek to increase consumer purchasing and awareness of Ohio-based foods and other agricultural products.

Governor's Recommended Amounts for Commodities and Marketing				
Fund		ALI and Name	FY 2016	FY 2017
<b>General Revenue Fund</b>				
GRF	700404	Ohio Proud	\$50,000	\$50,000
<b>General Revenue Fund Subtotal</b>			<b>\$50,000</b>	<b>\$50,000</b>
<b>Dedicated Purpose Fund Group</b>				
4900	700651	License Plates – Sustainable Agriculture	\$7,000	\$7,000
4940	700612	Agricultural Commodity Marketing Program	\$213,000	\$213,000
4960	700626	Ohio Grape Industries	\$970,000	\$970,000
4970	700627	Grain Warehouse Program	\$332,672	\$332,672
4R00	700636	Ohio Proud Marketing	\$35,500	\$35,500
5CP0	700652	License Plate Scholarships	\$10,000	\$10,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$1,568,172</b>	<b>\$1,568,172</b>
<b>Total Funding: Commodities and Marketing</b>			<b>\$1,618,172</b>	<b>\$1,618,172</b>

#### Ohio Proud and Ohio Proud Marketing (700404 and 700636)

These line items are used to fund Ohio Proud, a domestic marketing program to promote Ohio food and agricultural products within the state and throughout the country. There are approximately 461 partners in 77 counties that produce more than 3,000 different products that are licensed members of the Ohio Proud Program. Participating companies are also involved in the Ohio Proud logo program, in which the Ohio Proud logo is placed on domestic products sold by the participating company. These line items fund two employees.

GRF line item 700404, Ohio Proud, pays the operating costs of the program, and constitutes 58.5% of the overall funding for the initiative. The executive recommendation for this line item is \$50,000 in both FY 2016 and FY 2017, matching estimated FY 2015 spending of \$50,000 for this purpose.

Line item 700636, Ohio Proud Marketing, is funded through the initial \$100 fee paid by companies to join Ohio Proud. The executive recommendation for this line item is \$35,500 in both FY 2016 and FY 2017, an increase of 10.9% from FY 2015 estimated spending of \$32,026. The Ohio Proud Marketing Program Fund (Fund 4R00) collected \$17,565 in FY 2014, and revenues for FY 2015 are estimated to be \$18,000.

**Agricultural Commodity Marketing Program and Grain Warehouse Program (700612 and 700627)**

Line item 700612, Agricultural Commodity Marketing Program, consists of voluntary assessments from the producers of agricultural commodities to cover the operating costs for marketing those commodities. The division provides oversight for six marketing programs: (1) apple, (2) beef, (3) corn, (4) egg, (5) small fruit and vegetable, and (6) sheep and wool. The executive recommendation for this line item is \$213,000 in both FY 2016 and FY 2017, matching FY 2015 estimated expenditures.

Line item 700627, Grain Warehouse Program, is used to pay the costs of licensing and regulating grain warehouses and handlers. Funds are used to pay for two employees and for the cost of inspecting grain elevators to determine the quantity of grain stored and financial status of the facility. The Commodity Handlers Regulatory Fund (Fund 4970) consists of inspection fees paid by commodity handlers, and interest transferred in from a related indemnity fund. In CY 2013, there were 400 facilities examined. Examination fees range from \$50 to \$1,200 depending on the size of the facility. The executive recommendation for this line item is \$332,672 in both FY 2016 and FY 2017, an increase of 22.6% over estimated FY 2015 spending in this area. The interest transfers in each year of the upcoming biennium will support the recommended appropriations.

**Ohio Grape Industries (700626)**

This line item is used to fund the Ohio Grape Industries Program, which promotes the sale and production of grape products within the state by providing new information on growing techniques, marketing strategies, and identification of grape varieties suitable for cultivation in Ohio. Several research programs funding through the Ohio Grape Industries Fund (Fund 4960) have resulted in techniques for growing high-quality grapes in a "cool climate" environment which has helped to reduce losses from severe weather. Currently, there are 175 licensed wineries in Ohio, an increase of 41% since FY 2008. This line item is funded through a five cent per gallon tax on all wine sales in Ohio that is deposited into the Ohio Grape Industries Fund (Fund 4960). This has yielded receipts of approximately \$1.0 million in FY 2014 and is expected to generate \$1.1 million in FY 2015. The executive recommendation for this line item is \$970,000 in both FY 2016 and FY 2017, matching estimated FY 2015 spending.

**License Plates – Sustainable Agriculture and License Plate Scholarships (700651 and 700652)**

The first line item, 700651, License Plates – Sustainable Agriculture, is used to promote agriculture awareness and programs through the issuance of license plates. In FY 2014, 178 "Sustainable Agriculture" license plates were issued. The executive recommends \$7,000 in each fiscal year for this line item. The second line item, 700652,

License Plate Scholarships, is used to help fund the Ohio Agriculture License Plate Scholarship Program, which is designed to help benefit individuals who attend an institution of higher learning located in this state and are enrolled in a program related to agriculture. This line item is appropriated \$10,000 in each fiscal year.

### Category 4: Other Agriculture Services

This category encompasses line items that fund other agricultural services not directly related to food or plant regulation.

<b>Governor's Recommended Amounts for Other Agriculture Services</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>General Revenue Fund</b>				
GRF	700412	Weights and Measures	\$600,000	\$600,000
<b>General Revenue Fund Subtotal</b>			<b>\$600,000</b>	<b>\$600,000</b>
<b>Dedicated Purpose Fund Group</b>				
4D20	700609	Auction Education	\$35,000	\$35,000
5780	700620	Ride Inspection	\$1,215,142	\$1,215,142
5880	700633	Brand Registration	\$5,000	\$5,000
5B80	700629	Auctioneers	\$340,000	\$340,000
5H20	700608	Metrology Lab and Scale Certification	\$552,000	\$552,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$2,147,142</b>	<b>\$2,147,142</b>
<b>Total Funding: Other Agriculture Services</b>			<b>\$2,747,142</b>	<b>\$2,747,142</b>

#### **Weights and Measures and Metrology Lab and Scale Certification (700412 and 700608)**

These line items are used to pay the operating expenses of the Division of Weights and Measures, which consists of ten employees. Specifically, GRF line item 700412, Weights and Measures, is used to pay the operating costs of the Division, which primarily entails employee salaries. The executive recommendation for this line item is \$600,000 in each fiscal year, matching FY 2015 estimated expenditures. The Division oversees commercial marketplace scales, gas pumps, and supermarket check outs. It provides advice, assists, and trains county and city weights and measures staff, and enforces laws pertaining to true weights and measures. In CY 2013, the Division administered 14,931 physical standards tests and made 1,229 physical standards adjustments which encompassed 436 companies and agencies. The Division also inspected 1,628 vehicle and livestock scales, 846 law enforcement scales, and 633 bulk and vehicle tank meters.

The second line item, 700608, Metrology Lab and Scale Certification, is funded through fees paid by private companies for calibration and measuring device certification services which are deposited into the Metrology and Scale Certification Fund (Fund 5H20). This line item provides funding to certify and ensure the accuracy of secondary weights and measures standards. The executive recommendation for line item 700608, Metrology Lab and Scale Certification, is \$552,000 in both FY 2016 and FY 2017, an increase of 8.7% from FY 2015 estimated spending of \$507,755. In FY 2014, Fund 5H20 receipts were \$731,781. Approximately \$735,000 is expected in FY 2015.

**Auctioneers and Auction Education (700629 and 700609)**

These line items are used to pay the operating expenses related to the regulation of the auctioneer industry, including the licensing of auctioneers, and providing continuing education. Line item 700629, Auctioneers, is used to pay the operating expenses of licensing auctioneers, of whom there are approximately 3,200 statewide. The executive recommendation for this line item is \$340,000 in both FY 2016 and FY 2017, a 3.3% increase from FY 2015 estimates. Auctioneers are required to renew their license biennially, which includes a fee of \$200 that is deposited into the Auctioneer Fund (Fund 5B80). In FY 2014, Fund 5B80 collected \$321,538 in revenue. The revenue estimate for FY 2015 is \$340,000.

The funding under line item 700609 is used to provide continuing education to licensed auctioneers. The executive recommendation for this line item is \$35,000 in both FY 2016 and FY 2017, an increase of 16.7% from FY 2015 estimated spending of \$30,000. The line item is funded by the proceeds from \$7.50 collected from each initial or renewed auctioneer's license in Ohio. This amount is then deposited into the Auction Education Fund (Fund 4D20). Receipts were approximately \$29,000 in FY 2014 with \$35,000 expected in FY 2015.

**Ride Inspection (700620)**

This line item is used to oversee and enforce safety requirements for the operation of amusement rides. The line item funds ten employees, and is supported by fees for permits, inspections, reinspections, and fines for amusement ride operators. In CY 2013, inspectors of this division inspected approximately 3,589 amusement rides and 592 games in the state. The Amusement Ride Inspection Fund (Fund 5780) collected \$1.2 million in revenue in FY 2014, with a similar amount expected for FY 2015. The executive recommendation for this line item is \$1.2 million in both FY 2016 and FY 2017, an increase of 3.7% over estimated spending for FY 2015.

**Brand Registration (700633)**

This line item is used to record livestock brands and keep a central registry of brands used on livestock. Brands are used infrequently, explaining the modest amount appropriated for this purpose. The executive recommendation for this line item is \$5,000 in both FY 2016 and FY 2017.

## Category 5: Farmland Preservation

This category includes line items used to fund initiatives and programs aimed at the preservation of agricultural farmland in Ohio.

<b>Governor's Recommended Amounts for Farmland Preservation</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>General Revenue Fund</b>				
GRF	700409	Farmland Preservation	\$72,750	\$72,750
GRF	700501	County Agricultural Societies	\$391,415	\$391,415
<b>General Revenue Fund Subtotal</b>			<b>\$464,165</b>	<b>\$464,165</b>
<b>Capital Projects Fund Group</b>				
7057	700632	Clean Ohio Agricultural Easement Operating	\$310,000	\$310,000
<b>Capital Projects Fund Group Subtotal</b>			<b>\$310,000</b>	<b>\$310,000</b>
<b>Federal Fund Group</b>				
3360	700617	Ohio Farm Loan – Revolving	\$101,000	\$101,000
3AB0	700641	Agricultural Easement	\$150,000	\$150,000
<b>Federal Fund Group Subtotal</b>			<b>\$251,000</b>	<b>\$251,000</b>
<b>Total Funding: Farmland Preservation</b>			<b>\$1,025,165</b>	<b>\$1,025,165</b>

### Farmland Preservation, Agricultural Easement, and Clean Ohio Agricultural Easement Operating (700409, 700641, and 700632)

These line items fund the Office of Farmland Preservation, which attempts to preserve fertile farmlands in Ohio through the agricultural easement donation program, the agricultural easement purchase program, and through the implementation of agricultural security areas. Agricultural easement purchases essentially consist of a landowner receiving a predetermined payment for a specified area of property in return for an agreement with the state that the specified property will remain for agricultural use forever, instead of being developed for different purposes. AGR offers easement options periodically. Interested parties can apply for an easement, and through a series of criteria, each applicant is given a score. Depending on available funding, a certain number of applicants are awarded an easement. During a typical cycle of easement awards, there are approximately 200 applicants. In 2013, the program was re-aligned from a state implemented easement purchase program to a state assisted, local sponsor administered easement purchase program. This shifted greater responsibility to the local level rather than add staff at the state level as the program grew. The decentralized program was designed to control administrative costs while boosting local decision making.

GRF line item 700409, Farmland Preservation, pays the operating costs of the Office of Farmland Preservation, which includes payroll for and the administrative

costs associated with implementing its various farmland preservation programs. The executive recommendation for this line item is \$72,750 in both FY 2016 and FY 2017. This equals estimated FY 2015 spending for this purpose.

Line item, 700641, Agricultural Easement, is used to help with purchases of agricultural easements. The Agricultural Easement Fund (Fund 3AB0) received matching grants from the federal government for the purchase of agricultural easements through the federal Farm and Ranch Land Protection Program. However, note that federal matching funds under the 2014 Farm Bill will start to flow directly to the landowner when the easement is purchased. At the end of FY 2014, Fund 3AB0 had a cash balance of approximately \$2.3 million. As a result of the change in the way the federal funds are distributed, the recommended appropriations for the FY 2016-FY 2017 biennium are reduced considerably, from estimated FY 2015 spending of \$403,000 to \$150,000 in both FY 2016 and FY 2017.

The third line item, 700632, Clean Ohio Agricultural Easement Operating, is used to administer agricultural easements in relation to the Clean Ohio bond initiative. The Clean Ohio Agricultural Easement Fund (Fund 7057) collects interest from the Clean Ohio Fund. In CY 2014, the Department purchased a total of 49 easements for approximately \$6.0 million through Clean Ohio Agricultural Easement funds. The executive recommendation for this line item is \$310,000 in both FY 2016 and FY 2017, an increase of 1.9% over the FY 2015 spending estimate.

Since the implementation of the agricultural easement purchase program, approximately \$38.5 million in Clean Ohio funds, \$12.8 million in matching federal funds, and \$1.5 million in Tobacco Master Settlement funds have been disbursed to preserve approximately 54,212 acres of farmland through 315 easements. The agricultural donation program has preserved approximately 7,300 acres of farmland from 62 donations.

### **County Agricultural Societies (700501)**

This GRF subsidy line item is used to reimburse part of the expenses incurred by the 94 county and independent agricultural fairs for youth activities. The amount received through reimbursement is dependent upon the number of fairs seeking reimbursement, and the amount available. Reimbursements are issued after agricultural societies provide a report listing junior fair expenses that they have incurred. There are approximately 100,000 to 110,000 junior fair participants in Ohio each year and reimbursements are generally between \$3,000 and \$5,100 per year. The executive recommendation for this line item is \$391,415 in both FY 2016 and FY 2017, matching estimated FY 2015 spending for these purposes.

**Ohio Farm Loan – Revolving (700617)**

This line item is used to issue loans or grants for projects that will generate economic activity in rural areas. Under the program, the state will guarantee 40% of the loan. The minimum loan that can be granted is \$25,000, with the maximum being generally \$200,000. The interest rate on the guaranteed portion is not to exceed 5% and the loan is not to exceed ten years. Program funds can be used to acquire land; to construct, reconstruct, remodel, renovate, rehabilitate, enlarge, or improve buildings to be used for agricultural purposes; or to buy stationary equipment and fixed assets. Loans cannot be used for refinancing, working capital, inventory or receivables, speculative real estate development, or relocation costs. The executive recommendation for this line item is \$101,000 in both FY 2016 and FY 2017, an increase of 38.3% from estimated FY 2015 spending of \$73,050. Ohio Farm Loan Revolving Fund (Fund 3360) receipts were \$9,781 in FY 2014, with expected receipts of \$9,000 in FY 2015. The estimated closing balance for FY 2015 is expected to be \$2.3 million.

## Category 6: Agriculture Administration

This category consists of line items appropriated across various agency programs, largely for centralized administrative purposes not directly attributable to any of the categories described in this analysis.

Governor's Recommended Amounts for Agriculture Administration				
Fund	ALI and Name		FY 2016	FY 2017
<b>Dedicated Purpose Fund Group</b>				
4E40	700606	Utility Radiological Safety	\$125,000	\$125,000
<i>Dedicated Purpose Fund Group Subtotal</i>			<b>\$125,000</b>	<b>\$125,000</b>
<b>Internal Service Activity Fund Group</b>				
5DA0	700644	Laboratory Administration Support	\$1,164,000	\$1,164,000
5GH0	700655	Administrative Support	\$4,404,073	\$4,404,073
<i>Internal Service Activity Fund Group Subtotal</i>			<b>\$5,568,073</b>	<b>\$5,568,073</b>
<b>Federal Fund Group</b>				
3J40	700607	Federal Administrative Programs	\$1,100,000	\$1,100,000
<i>Federal Fund Group Subtotal</i>			<b>\$1,100,000</b>	<b>\$1,100,000</b>
<b>Total Funding: Agriculture Administration</b>			<b>\$6,793,073</b>	<b>\$6,793,073</b>

### Utility Radiological Safety (700606)

This line item is used to pay all necessary operating costs to ensure nuclear power plants are operated safely and that contingency plans are followed in case of a nuclear accident. The departments of Agriculture, Commerce, and Health, the Emergency Management Agency, the Environmental Protection Agency, and the Public Works Commission have developed a comprehensive policy for the state in case of a nuclear accident. The Utility Radiological Safety Fund (Fund 4E40) consists of sums paid by the Ohio Radiological Preparedness Board of the Public Utilities Commission. The executive recommendation for this line item, AGR's share of these expenses, is \$125,000 in both FY 2016 and FY 2017, an increase of 7.8% compared to estimated FY 2015 spending of \$115,980 for this purpose.

### Laboratory Administration Support (700644)

This line item is used solely to pay the operational expenses of the Ohio Department of Health/Environmental Protection Agency laboratory building on the Department of Agriculture's Reynoldsburg campus. The line item funding is supported by quarterly payments from the Department of Health and the Environmental Protection Agency for their share of utility, supply, and repair costs for the facility. These amounts are deposited into the Laboratory Administration Fund (Fund 5DA0). Those receipts amounted to \$1.0 million in FY 2014 and are estimated to total \$1.1 million by the close of FY 2015. The executive recommendation for this line item is

\$1.2 million in both FY 2016 and FY 2017, an approximate 4.4% increase from FY 2015 estimated spending of \$1.1 million.

### **Administrative Support (700655)**

This line item funds central services and administrative costs related to the operations of each division. AGR uses an indirect cost-funding strategy to charge a given portion of the agency's payroll expenses (approximately 25%), periodically depositing the proceeds into the Central Support Indirect Cost Fund (Fund 5GH0). This fund collected \$4.3 million in FY 2014 and will collect an estimated \$4.5 million in FY 2015 from among the Department's divisions. The executive recommendation for this line item is \$4.4 million in both FY 2016 and FY 2017, a 1.5% increase from FY 2015 estimated expenditures of \$4.3 million.

### **Federal Administrative Programs (700607)**

This line item is used to meet Statewide Cost Allocation Plan (SWCAP) requirements and pay the overhead costs of the agency that are attributable to federal grant activities. Indirect cost activities include the payment of utilities as well as the cost of salaries that are typically applied to federal grants, such as administrative staff. The Indirect Cost Fund (Fund 3J40) consists of federal grant moneys for cooperative agreements with Ohio for such activities as meat and poultry inspections and pesticide enforcement. AGR's indirect cost plan is to periodically take 20% of payroll costs and deposit them into Fund 3J40. In FY 2014, this fund collected approximately \$582,000 in revenues. The estimated revenue collection for FY 2015 is \$1.0 million. The executive recommendation for this line item is \$1.1 million in both FY 2016 and FY 2017, an increase of just over 1.9% from FY 2015 estimated spending.

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**General Revenue Fund**

**GRF 700401 Animal Health Programs**

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,924,612	\$3,960,017	\$3,926,779	\$3,936,687	<b>\$3,686,687</b>	<b>\$3,686,687</b>
	0.9%	-0.8%	0.3%	<b>-6.4%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 943.13; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is the primary source of funding 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 lab conducts diagnostic testing of samples from food animals, horses, small animals, and exotic species. Services include avian serology, bacteriology, molecular diagnostics, pathology, serology, toxicology, and virology.

**GRF 700403 Dairy Division**

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,087,508	\$1,061,635	\$1,106,002	\$1,088,115	<b>\$1,163,115</b>	<b>\$1,088,115</b>
	-2.4%	4.2%	-1.6%	<b>6.9%</b>	<b>-6.4%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 917.07; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used in conjunction with Fund 4R20 line item 700637, Dairy Industry Inspection, to pay for the agency's milk inspection program. Registered sanitarians inspect dairy farm operations, tank trucks, and processing and manufacturing facilities verifying sanitary conditions during milk processing by checking for bacteria, coliform, excessive antibiotics, pesticide residue, foreign substances, and 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.

## Department of Agriculture

### GRF 700404 Ohio Proud

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$62,863	\$48,936	\$49,965	\$50,000	<b>\$50,000</b>	<b>\$50,000</b>
	-22.2%	2.1%	0.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 901.171; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays a portion of the operating costs of the Ohio Proud program, created in 1993 to market agricultural goods produced in Ohio and enhance consumer identity of agricultural products that are raised, grown, or processed in Ohio. In FY 2014, the GRF accounted for 50.0% of total funding for the program, in which there are approximately 500 participants. The remaining funding comes from licensing fees paid by participating companies. These receipts are deposited into the Ohio Proud Marketing Fund (Fund 4R00).

### GRF 700406 Consumer Protection Lab

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,282,366	\$1,282,358	\$1,284,779	\$1,287,556	<b>\$1,287,556</b>	<b>\$1,287,556</b>
	0.0%	0.2%	0.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 901.43; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used in conjunction with Fund 6520 line item 700634, Animal, Consumer, and ATL Labs, for the operation of the Consumer Protection Laboratory (CPL). 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.

## Department of Agriculture

### GRF 700407 Food Safety

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$848,111	\$848,374	\$848,791	\$848,792	<b>\$1,359,069</b>	<b>\$1,359,069</b>
	0.0%	0.0%	0.0%	<b>60.1%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 121.04 and 3717.05; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay personnel and maintenance expenses for the food safety inspection program. The Division of Food Safety is responsible for ensuring a uniform and comprehensive food safety inspection program at retail food establishments by local health departments through survey, evaluation and training. This includes surveillance, random sampling, facility inspection, consultation, and technical assistance. Samples collected by the program are tested at the agency's Consumer Analytical Laboratory. The program also provides enforcement support to local health departments to assure compliance with food safety at retail operations.

### GRF 700409 Farmland Preservation

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$72,324	\$72,749	\$72,532	\$72,750	<b>\$72,750</b>	<b>\$72,750</b>
	0.6%	-0.3%	0.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 901.54; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays 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 700410 Plant Industry

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	<b>\$250,000</b>	<b>\$250,000</b>
	N/A	N/A	N/A	<b>N/A</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**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 funded nursery stock certification inspections for import and export of products such as lumber, logs, seed, fruit and vegetables.

## Department of Agriculture

### GRF 700411 International Trade and Market Development

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,740	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item

**Purpose:** This line item provided funding for domestic and international promotion of Ohio's food and agricultural products. The program encouraged agri-tourism opportunities to expand the understanding of agriculture in Ohio. Staff members represented the agriculture industry at trade shows, coordinated international trade missions, and conducted training seminars on product exporting and market research. The program also promoted development of bio-renewable fuel production facilities and retail dispensing facilities for consumers.

### GRF 700412 Weights and Measures

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$649,926	\$603,075	\$594,856	\$600,000	<b>\$600,000</b>	<b>\$600,000</b>
	-7.2%	-1.4%	0.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 901.10 and 1327.50; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay the operating costs of the Division of Weights and Measures, which primarily entails employee salaries. The Division's 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 assists and trains county and city weights and measures staff. The Division is the custodian of primary standards for Ohio's weights and measures.

## Department of Agriculture

### GRF 700415 Poultry Inspection

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$395,790	\$361,412	\$590,827	\$592,978	<b>\$592,978</b>	<b>\$592,978</b>
	-8.7%	63.5%	0.4%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 918.12 and 918.21; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item provides funding 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 line item also supports the Ohio Egg Quality Assurance Program, which focuses on controlling the threat of salmonella.

### GRF 700418 Livestock Regulation Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,066,975	\$1,128,087	\$1,063,036	\$1,108,071	<b>\$1,108,071</b>	<b>\$1,108,071</b>
	5.7%	-5.8%	4.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 903.02; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Sub. S.B. 141 of the 123rd G.A.)

**Purpose:** This line item is used 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 in operating procedures, compliance monitoring, ground water quality, manure handling and containment, as well as rodent, pest, and odor control.

### GRF 700424 Livestock Testing and Inspections

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$98,615	\$105,524	\$108,901	\$102,770	<b>\$92,493</b>	<b>\$92,493</b>
	7.0%	3.2%	-5.6%	<b>-10.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 901.70 through 901.76; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**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.

## Department of Agriculture

### GRF 700426 Dangerous and Restricted Animals

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$256,482	\$507,582	\$800,000	<b>\$800,000</b>	<b>\$800,000</b>
	N/A	97.9%	57.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 935.01 through 935.99; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Section 601.40 of Am. Sub. H.B. 487 of the 129th G.A.)

**Purpose:** This line item is used to cover the administrative costs of the Dangerous Wild Animal Program created by S.B. 310 of the 129th G.A. Starting in January 2014, the Department began collecting fees from specified classes of dangerous wild animal owners to cover the ongoing costs of the regulatory program. These fees are deposited into the Dangerous and Restricted Animals Fund (Fund 5MA0).

### GRF 700427 High Volume Breeder Kennel Control

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$394,658	\$200,000	<b>\$450,000</b>	<b>\$450,000</b>
	N/A	N/A	-49.3%	<b>125.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to initially fund the Commercial Dog Breeders Program established in S.B. 130 of the 129th General Assembly. The funds are used to cover a portion of operating costs, including staffing and inspection. These costs are also covered by kennel registration fees deposited into the High Volume Breeder Kennel Control License Fund (Fund 5MR0).

### GRF 700499 Meat Inspection Program - State Share

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,053,420	\$4,242,374	\$4,225,845	\$4,175,097	<b>\$4,425,097</b>	<b>\$4,425,097</b>
	4.7%	-0.4%	-1.2%	<b>6.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 918.02; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item provides the 50% state match required to operate the federally approved meat inspection program in Ohio. Program costs are shared with the U.S. Department of Agriculture. The federal share of funding is appropriated under Fund 3260 appropriation item 700618, Meat Inspection Program - Federal Share.

## Department of Agriculture

### GRF 700501 County Agricultural Societies

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$387,170	\$391,411	\$391,360	\$391,415	<b>\$391,415</b>	<b>\$391,415</b>
	1.1%	0.0%	0.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** ORC 1711.01 and 1711.02; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**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.

## Dedicated Purpose Fund Group

### 4900 700651 License Plates - Sustainable Agriculture

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$10,000	\$9,500	<b>\$7,000</b>	<b>\$7,000</b>
	N/A	N/A	-5.0%	<b>-26.3%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: A portion of the proceeds collected by the Registrar of Motor Vehicles for Sustainable Agriculture license plates

**Legal Basis:** ORC 4503.504; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to promote public awareness of agricultural issues and programs through the issuance of the "Sustainable Agriculture" specialty license plates. According to the Bureau of Motor Vehicles, 178 "Sustainable Agriculture" license plates were issued in FY 2014.

### 4940 700612 Agricultural Commodity Marketing Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$226,019	\$183,767	\$215,399	\$213,000	<b>\$213,000</b>	<b>\$213,000</b>
	-18.7%	17.2%	-1.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Voluntary assessments from producers to cover the operating costs of their respective commodity marketing boards

**Legal Basis:** ORC 924.09; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to distribute funding to six commodity marketing boards to market their respective commodity and to promote Ohio agriculture goods (apples, beef, corn, eggs, small fruits and vegetables, and sheep and wool).

## Department of Agriculture

### 4960 700626 Ohio Grape Industries

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$839,261	\$856,808	\$893,546	\$970,000	<b>\$970,000</b>	<b>\$970,000</b>
	2.1%	4.3%	8.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: A five-cent per gallon tax on all wine sales in Ohio

**Legal Basis:** ORC 924.54, 4301.43, and 4301.432; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Ohio Grape Industries Program to enhance the sale and production of grape products within the state by providing information on new growing techniques, marketing strategies and identification of grape varieties suitable for cultivation in Ohio. This line item also funds the Ohio Grape Industries Committee, which promotes the Ohio grape and grape product industries. In addition, this item supports enology and viticulture research to reduce costs and increase the production of high value grapes in Ohio.

### 4970 700627 Grain Warehouse Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$461,147	\$428,874	\$341,293	\$271,428	<b>\$332,672</b>	<b>\$332,672</b>
	-7.0%	-20.4%	-20.5%	<b>22.6%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fees paid by commodity handlers and interest transferred from the Commodity Depositors Fund (Fund 4980)

**Legal Basis:** ORC 926.19; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to oversee the licensure and regulation of 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.

## Department of Agriculture

### 4980 700628 Commodity Indemnity Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,182,901	\$0	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-100%	N/A	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: (1) Fees charged to licensed commodity handlers, not to exceed one half cent per bushel, reviewed annually; 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:** This line item is appropriated when needed to help pay for claims brought by agricultural commodity depositors against insolvent commodity handlers and warehouses. Interest from Fund 4980 is transferred into the Commodity Handlers Regulatory Fund (Fund 4970) to help fund the regulation of grain handlers. In FY 2012, the Department reimbursed 108 farmers a total of \$4.2 million for grain stored at elevators operated by Archibold Elevator, Inc., and Central Erie Supply and Elevator in Sandusky.

### 4C90 700605 Commercial Feed and Seed

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,688,986	\$1,717,392	\$1,692,964	\$1,710,000	<b>\$1,760,000</b>	<b>\$1,760,000</b>
	1.7%	-1.4%	1.0%	<b>2.9%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Per unit fees charged to feed dealers for feed inspections

**Legal Basis:** ORC 905.31 through 905.50 and 923.46; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to test feeds for medication, perform routine inspection of feed mills, perform BSE (mad cow) inspections, testing lime, fertilizer sampling and inspections of fertilizer contaminants and anhydrous ammonia facilities.

## Department of Agriculture

### 4D20 700609 Auction Education

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$15,441	\$32,893	\$28,711	\$30,000	<b>\$35,000</b>	<b>\$35,000</b>
	113.0%	-12.7%	4.5%	<b>16.7%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: \$7.50 of each fee collected for either an initial or renewed auctioneer's or auctioneer firm license in Ohio

**Legal Basis:** ORC 4707.171; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 94 of the 124th G.A.)

**Purpose:** This line item is used to provide continuing education programming for the auctioneering profession in Ohio.

### 4E40 700606 Utility Radiological Safety

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$120,674	\$114,792	\$117,791	\$115,980	<b>\$125,000</b>	<b>\$125,000</b>
	-4.9%	2.6%	-1.5%	<b>7.8%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Moneys paid from the Ohio Radiological Preparedness Board of the Public Utilities Commission

**Legal Basis:** ORC 4937.05; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board on May 4, 1992)

**Purpose:** This line item is used to ensure that nuclear power plants are operated safely and that contingency plans are followed in case of a nuclear accident. The departments of Agriculture, Commerce, Health, the Ohio Emergency Management Agency and Environmental Protection Agency as well as the Public Commission of Ohio are required to maintain a comprehensive policy for state action in case of nuclear power accidents.

## Department of Agriculture

### 4P70 700610 Food Safety Inspection

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$805,147	\$872,679	\$1,019,461	\$1,017,328	<b>\$957,328</b>	<b>\$957,328</b>
	8.4%	16.8%	-0.2%	<b>-5.9%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Testing fees collected by local health departments for food sampling; license fees from various food-related businesses; registration fees for all licensed and inspected food processing establishments

**Legal Basis:** ORC 911.02, 925, 3715, and 3717; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to carry out the duties of the Division of Food Safety. The Division ensures a safe food supply through surveillance, sampling, inspection, consultation, technical assistance and training. The Division has regulatory oversight of food processing plants, wholesale storage and distribution sites, retail facilities, and facilities that sell and distribute over-the-counter drugs, dietary supplements, and cosmetics.

### 4R00 700636 Ohio Proud Marketing

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$25,235	\$31,079	\$24,877	\$32,026	<b>\$35,500</b>	<b>\$35,500</b>
	23.2%	-20.0%	28.7%	<b>10.8%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: \$100 license fee paid by companies; proceeds from the sale of promotional items

**Legal Basis:** ORC 901.171; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item provides approximately 50% of the funding for the Ohio Proud program, established in 1993 to market Ohio agricultural products. The remaining 50% of funding for these activities is through GRF appropriation item 700404, Ohio Proud.

### 4R20 700637 Dairy Industry Inspection

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,645,548	\$1,526,790	\$1,613,768	\$1,690,578	<b>\$1,658,247</b>	<b>\$1,658,247</b>
	-7.2%	5.7%	4.8%	<b>-1.9%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Licensing and milk inspection fees

**Legal Basis:** ORC 917.07; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item supports the agency's Dairy Inspection Program in conjunction with GRF appropriation item 700403, Dairy Division. The program ensures that the milk and dairy products produced, processed, and transported in Ohio are sanitary and safe for consumption.

## Department of Agriculture

### 4T60 700611 Poultry and Meat Inspection

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$366	\$8,488	\$131,741	\$120,000	<b>\$120,000</b>	<b>\$120,000</b>
	2,219.4%	1,452.0%	-8.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: License fees, fines, and penalties from meat and poultry establishments

**Legal Basis:** ORC 918.15; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item supports the administration and operation of the Department's meat and poultry inspection program. The Division of Meat Inspection requires establishments to be re-licensed annually.

### 4T70 700613 Ohio Proud International and Domestic Market Development

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$28,093	\$17,467	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-37.8%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Reimbursements from departmental employees; fees paid by groups participating in trade missions

**Legal Basis:** Discontinued line item

**Purpose:** This line item was used to pay the advance expenses of employees who traveled overseas on trade missions to promote Ohio's food and agricultural products and to encourage agri-tourism to expand the understanding of agriculture in Ohio. Funding was provided by fees collected from companies or individuals wishing to participate in trade missions and trade promotion events.

### 5780 700620 Ride Inspection

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,052,141	\$1,143,612	\$1,151,156	\$1,172,000	<b>\$1,215,142</b>	<b>\$1,215,142</b>
	8.7%	0.7%	1.8%	<b>3.7%</b>	<b>0.0%</b>

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

**Legal Basis:** ORC 1711.50 through 1711.57; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to oversee and enforce safety requirements for the operation of amusement rides. This line item also provides funding for an Amusement Ride Safety Advisory Board that studies subjects pertaining to ride safety and agency rules.

## Department of Agriculture

### 5880 700633 Brand Registration

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$581	\$4,500	<b>\$5,000</b>	<b>\$5,000</b>
	N/A	N/A	673.9%	<b>11.1%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Licensing fees collected from registrants in Ohio

**Legal Basis:** ORC 947.02 and 947.06; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to record livestock brands and keep a central registry of brands used on livestock. Requests for brand registrations are infrequent, explaining the small amount appropriated for this purpose.

### 5B80 700629 Auctioneers

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$283,042	\$268,982	\$314,331	\$329,000	<b>\$340,000</b>	<b>\$340,000</b>
	-5.0%	16.9%	4.7%	<b>3.3%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Licensing fees collected from auctioneers in Ohio

**Legal Basis:** ORC 4707.05; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item pays for operating expenses related to regulating the auctioneer industry. The Department licenses approximately 3,200 persons and firms involved in the auction industry annually.

### 5CP0 700652 License Plate Scholarships

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$540	\$5,000	<b>\$10,000</b>	<b>\$10,000</b>
	N/A	N/A	825.9%	<b>100.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Gifts, grants, bequests of monies, and a portion of the fees collected by the Registrar of Motor Vehicles for Ohio Agriculture license plates.

**Legal Basis:** ORC 901.90, 4503.503; Section 211.10 of Am Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to help fund the Ohio Agriculture License Plate Scholarship Program, which is designed to benefit students who attend an institution of higher learning located in this state and are enrolled in a program that is related to agriculture.

## Department of Agriculture

### 5FC0 700648 Plant Pest Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,056,917	\$1,719,412	\$2,466,794	\$1,190,000	<b>\$1,190,000</b>	<b>\$1,190,000</b>
	62.7%	43.5%	-51.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fee revenue from nursery stock fees and inspections

**Legal Basis:** ORC 927.54; Section 211.10 of Am. Sub. H.B. 59 of the 129th G.A.

**Purpose:** This line item is used to pay the operational costs of inspection and certification of nursery stock producers for harmful pests and issuing phytosanitary certificates for inspected stock.

### 5H20 700608 Metrology Lab and Scale Certification

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$416,407	\$508,368	\$529,544	\$507,755	<b>\$552,000</b>	<b>\$552,000</b>
	22.1%	4.2%	-4.1%	<b>8.7%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fees paid by companies for calibration and measuring device certification services

**Legal Basis:** ORC 1327.48 and 1327.50; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (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.

## Department of Agriculture

### 5HP0 700656 Livestock Care Standards Board

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$27,336	\$20,201	\$51,322	\$0	<b>\$0</b>	<b>\$0</b>
	-26.1%	154.1%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Dedicated Purpose Fund Group: Transfers from various other Department of Agriculture funds; donations and gifts of money

**Legal Basis:** Discontinued line item; (originally established by the Controlling Board on May 10, 2010)

**Purpose:** This line item was used when needed to pay salaries, board member reimbursements, service contract costs and other expenses associated with the 13-member Livestock Care Standards Board, as well as any other Department of Agriculture employees that assist the Board in fulfilling its duties. The line item was only used during the setup period of the program of the program and rule making. The line item is now funded under the Laboratory Services Fund (Fund 6520), appropriation item 700634, Animal, Consumer, and ATL Labs.

### 5L80 700604 Livestock Management Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$186,984	\$54,252	\$63,204	\$60,000	<b>\$135,000</b>	<b>\$135,000</b>
	-71.0%	16.5%	-5.1%	<b>125.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Application fees, permit fees, civil fines, and money recouped to offset hazardous abatement expenses

**Legal Basis:** ORC 903.19; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established in Sub. S.B. 141 of the 123rd G.A.)

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

## Department of Agriculture

### 5MA0 700657 Dangerous and Restricted Animals

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$1,186	\$500	<b>\$50,000</b>	<b>\$50,000</b>
	N/A	N/A	-57.8%	<b>9,900.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Permit fees from owners of dangerous wild animals and restricted snakes

**Legal Basis:** ORC 935.07; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used in conjunction with GRF appropriation item 700426, Dangerous and Restricted Animals, to pay the operational costs of the Dangerous Wild Animal Program operated by the Division of Animal Health, including staffing costs, inspection costs, and maintenance expenses associated with the temporary holding facility. The Department began collecting permit fees under the program in January 2014.

### 5MR0 700658 High Volume Breeders and Kennels

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$212,474	\$160,750	\$180,000	<b>\$174,000</b>	<b>\$174,000</b>
	N/A	-24.3%	12.0%	<b>-3.3%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Annual fees paid by high volume animal breeders and dog retailers, ranging from \$15 to \$750 based on the number of litters produced by a high volume breeder, and a flat fee of \$500 for dog retailers

**Legal Basis:** ORC 956.07 (originally established in Sub. S.B. 310 of the 129th G.A.)

**Purpose:** This line item is used by the Division of Animal Health to license and inspect high volume breeders as required by S.B. 130 of the 129th General Assembly. A portion of these fees are remitted to county dog and kennel funds to defray the costs that county auditors incur for licensing dogs and county dog wardens incur for their operations. The Department began collecting revenue from these fees in FY 2014. Additional funding is provided under GRF line item 700427, High Volume Breeder Kennel Control. S.B. 130 limits the amount that can be expended from Fund 5MR0 to no more than \$2.5 million per biennium, subject to Controlling Board approval.

## Department of Agriculture

### 5U10 700624 Auction Recovery Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$5,752	\$2,418	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-58.0%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

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

**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:** This line item receives appropriations by the 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.

### 6520 700634 Animal, Consumer, and ATL Labs

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,183,136	\$4,187,664	\$5,288,156	\$4,966,382	<b>\$4,966,383</b>	<b>\$4,966,383</b>
	0.1%	26.3%	-6.1%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fees received for laboratory services

**Legal Basis:** ORC 901.43; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to support the operation of the Consumer Protection Laboratory (CPL) and the Animal Disease Diagnostic Laboratory (ADDL). CPL 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.

## Department of Agriculture

### 6690 700635 Pesticide, Fertilizer, and Lime Inspection Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,320,516	\$4,033,210	\$3,971,845	\$3,857,331	<b>\$4,418,041</b>	<b>\$4,418,041</b>
	21.5%	-1.5%	-2.9%	<b>14.5%</b>	<b>0.0%</b>

**Source:** Dedicated Purpose Fund Group: Fees charged to pesticide dealers and applicators

**Legal Basis:** ORC 921.22; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used by the Pesticide and Fertilizer Regulation Section within the Division of Plant Health to cover the costs involved with registering pesticides, licensing applicators, testing applicators, performing routine pesticide inspections, investigating complaints, and enforcing the state and federal pesticide laws. The funding is also used to operate the Fertilizer Applicator Certification Program created by S.B. 150 of the 130th G.A.

## Internal Service Activity Fund Group

### 5DA0 700644 Laboratory Administration Support

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$899,474	\$921,833	\$1,122,441	\$1,115,000	<b>\$1,164,000</b>	<b>\$1,164,000</b>
	2.5%	21.8%	-0.7%	<b>4.4%</b>	<b>0.0%</b>

**Source:** Internal Service Activity Fund Group: Quarterly payments from the Ohio Department of Health (ODH) and the Ohio Environmental Protection Agency (EPA) for their share of utility, supply and repair costs for the shared ODH/EPA laboratory building on the Department of Agriculture's Reynoldsburg campus

**Legal Basis:** ORC 901.44; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board on April 10, 2006)

**Purpose:** This line item is used solely to pay the operational expenses of the ODH/EPA laboratory building on the Department of Agriculture campus.

## Department of Agriculture

### 5GH0 700655 Administrative Support

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,026,925	\$3,886,067	\$4,283,513	\$4,341,329	<b>\$4,404,073</b>	<b>\$4,404,073</b>
	-3.5%	10.2%	1.3%	<b>1.4%</b>	<b>0.0%</b>

**Source:** Internal Service Activity Fund Group: Assessments charged to divisions within the Department of Agriculture

**Legal Basis:** ORC 901.91; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to pay administrative and operational costs for the agency through chargebacks to individual divisions of the agency. Under this arrangement, the Director of Budget and Management must approve a plan for making these assessments. These costs were formerly paid out of appropriations for each agency division and the GRF.

## Capital Projects Fund Group

### 7057 700632 Clean Ohio Agricultural Easement Operating

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$190,073	\$185,443	\$347,474	\$304,169	<b>\$310,000</b>	<b>\$310,000</b>
	-2.4%	87.4%	-12.5%	<b>1.9%</b>	<b>0.0%</b>

**Source:** Capital Projects Fund Group: Interest earned on bond proceeds deposited into the Clean Ohio Revitalization Fund

**Legal Basis:** ORC 901.21; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 3 of the 124th G.A.)

**Purpose:** This line item is used to cover administrative costs associated with the acquisition of agricultural easements under the Clean Ohio Local Agricultural Easement Purchase Program. The money to acquire the agricultural easements is appropriated under capital line item C70009, Clean Ohio Agricultural Easements.

## Department of Agriculture

### Federal Fund Group

#### 3260 700618 Meat Inspection Program - Federal Share

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,041,122	\$4,437,509	\$4,443,600	\$4,385,590	<b>\$4,450,000</b>	<b>\$4,450,000</b>
	9.8%	0.1%	-1.3%	<b>1.5%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: CFDA 10.475, Cooperative Agreement with States for Intrastate Meat and Poultry Inspection

**Legal Basis:** ORC 918.02; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item supports the meat inspection program, which operates under a cooperative agreement between Ohio and the U.S. Department of Agriculture. The source of state matching funds is GRF appropriation item 700499, Meat Inspection Program - State Share. 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.

#### 3360 700617 Ohio Farm Loan - Revolving

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$358,218	\$150,145	\$72,903	\$73,050	<b>\$101,000</b>	<b>\$101,000</b>
	-58.1%	-51.4%	0.2%	<b>38.3%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: Liquidated assets of the Ohio Rural Rehabilitation Corporation, interest earnings on invested principal and loan repayments

**Legal Basis:** ORC 901.30 through 901.34; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board in 1971)

**Purpose:** This line item is used to issue loans that will support projects that generate economic activity in rural communities.

## Department of Agriculture

### 3820 700601 Federal Cooperative Contracts

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,359,221	\$4,586,285	\$3,665,312	\$3,786,700	<b>\$4,500,000</b>	<b>\$4,500,000</b>
	5.2%	-20.1%	3.3%	<b>18.8%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: CFDA 10.025, Plant and Animal Disease, Pest Control and Animal Care; CFDA 66.700, Consolidated Pesticide Enforcement Cooperative Agreements; other federal grant agreements

**Legal Basis:** ORC 901.051; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to disburse federal grants and pay for services that the Department of Agriculture provides on behalf of the federal government. In regard to plant and animal diseases, the funding is used to conduct surveys, inspections to detect and appraise infestations, eradication and control activities, and carry out regulatory actions to prevent interstate spread of infestations and plant and animal diseases. Federal funding is also used for pesticide compliance and monitoring activities carried out by the Department. These programs have been combined and are operated through the Cooperative Contracts Fund (Fund 3820) to aid cash flow, as federal allocations for these various purposes tends to be received intermittently.

### 3AB0 700641 Agricultural Easement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$20,346	\$5,209,873	\$358,327	\$403,000	<b>\$150,000</b>	<b>\$150,000</b>
	25,505.9%	-93.1%	12.5%	<b>-62.8%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: CFDA 10.913, Farm and Ranch Land Protection Program

**Legal Basis:** Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Controlling Board on February 10, 2003)

**Purpose:** This line item is used to receive matching grants from the federal government for the purchase of agricultural easements through the federal Farm and Ranch Land Protection Program, which preserves land for agricultural uses.

## Department of Agriculture

### 3J40 700607 Federal Administrative Programs

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,031,126	\$1,012,521	\$1,088,604	\$1,079,340	<b>\$1,100,000</b>	<b>\$1,100,000</b>
	-1.8%	7.5%	-0.9%	<b>1.9%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: CFDA 10.475, Cooperative Agreements with States for Intrastate Meat and Poultry Inspection; CFDA 10.664, Cooperative Forestry Assistance; CFDA 66.700, Consolidated Pesticide Enforcement Cooperative Agreements; and other federal grant agreements

**Legal Basis:** ORC 921.21; Section 211.10 of Am. Sub. H.B. 59 of the 130th G.A.

**Purpose:** This line item is used to meet Statewide Indirect Cost Allocation Plan (SWICAP) requirements and pay the overhead costs of the agency that are associated with federal grant activities. Indirect cost activities include the payment of utilities as well as the cost of salaries that are generally applied to the federal grants (i.e. legal, administration, human resources, fiscal, and data processing).

### 3R20 700614 Federal Plant Industry

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,588,685	\$3,359,966	\$7,058,493	\$3,418,261	<b>\$6,000,000</b>	<b>\$6,000,000</b>
	29.8%	110.1%	-51.6%	<b>75.5%</b>	<b>0.0%</b>

**Source:** Federal Fund Group: CFDA 10.025, Plant and Animal Disease, Pest Control and Animal Care; CFDA 10.664, Cooperative Forestry Assistance; CFDA 66.700, Consolidated Pesticide Enforcement Cooperative Agreements; and other federal grant agreements

**Legal Basis:** Section 211.10 of Am. Sub. H.B. 59 of the 130th 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 for various pest control programs operated by the Plant Health Division. It is used for cost sharing in the operation of the Asian Longhorned Beetle and Gypsy Moth programs, operating the Pesticide Program, and performing pest and disease surveys for USDA.

# FY 2016 - FY 2017 Introduced Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

Line Item Detail by Agency			Estimate	Introduced	FY 2015 to FY 2016	Introduced	FY 2016 to FY 2017	
			FY 2014	FY 2015	FY 2016	% Change	FY 2017	% Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>AGR Department of Agriculture</b>								
GRF	700401	Animal Health Programs	\$ 3,926,779	\$ 3,936,687	\$ 3,686,687	-6.35%	\$ 3,686,687	0.00%
GRF	700403	Dairy Division	\$ 1,106,002	\$ 1,088,115	\$ 1,163,115	6.89%	\$ 1,088,115	-6.45%
GRF	700404	Ohio Proud	\$ 49,965	\$ 50,000	\$ 50,000	0.00%	\$ 50,000	0.00%
GRF	700406	Consumer Protection Lab	\$ 1,284,779	\$ 1,287,556	\$ 1,287,556	0.00%	\$ 1,287,556	0.00%
GRF	700407	Food Safety	\$ 848,791	\$ 848,792	\$ 1,359,069	60.12%	\$ 1,359,069	0.00%
GRF	700409	Farmland Preservation	\$ 72,532	\$ 72,750	\$ 72,750	0.00%	\$ 72,750	0.00%
GRF	700410	Plant Industry	\$ 0	\$ 0	\$ 250,000	N/A	\$ 250,000	0.00%
GRF	700412	Weights and Measures	\$ 594,856	\$ 600,000	\$ 600,000	0.00%	\$ 600,000	0.00%
GRF	700415	Poultry Inspection	\$ 590,827	\$ 592,978	\$ 592,978	0.00%	\$ 592,978	0.00%
GRF	700418	Livestock Regulation Program	\$ 1,063,036	\$ 1,108,071	\$ 1,108,071	0.00%	\$ 1,108,071	0.00%
GRF	700424	Livestock Testing and Inspections	\$ 108,901	\$ 102,770	\$ 92,493	-10.00%	\$ 92,493	0.00%
GRF	700426	Dangerous and Restricted Animals	\$ 507,582	\$ 800,000	\$ 800,000	0.00%	\$ 800,000	0.00%
GRF	700427	High Volume Breeder Kennel Control	\$ 394,658	\$ 200,000	\$ 450,000	125.00%	\$ 450,000	0.00%
GRF	700499	Meat Inspection Program - State Share	\$ 4,225,845	\$ 4,175,097	\$ 4,425,097	5.99%	\$ 4,425,097	0.00%
GRF	700501	County Agricultural Societies	\$ 391,360	\$ 391,415	\$ 391,415	0.00%	\$ 391,415	0.00%
<b>General Revenue Fund Total</b>			<b>\$ 15,165,913</b>	<b>\$ 15,254,231</b>	<b>\$ 16,329,231</b>	<b>7.05%</b>	<b>\$ 16,254,231</b>	<b>-0.46%</b>
4900	700651	License Plates - Sustainable Agriculture	\$ 10,000	\$ 9,500	\$ 7,000	-26.32%	\$ 7,000	0.00%
4940	700612	Agricultural Commodity Marketing Program	\$ 215,399	\$ 213,000	\$ 213,000	0.00%	\$ 213,000	0.00%
4960	700626	Ohio Grape Industries	\$ 893,546	\$ 970,000	\$ 970,000	0.00%	\$ 970,000	0.00%
4970	700627	Grain Warehouse Program	\$ 341,293	\$ 271,428	\$ 332,672	22.56%	\$ 332,672	0.00%
4C90	700605	Commercial Feed and Seed	\$ 1,692,964	\$ 1,710,000	\$ 1,760,000	2.92%	\$ 1,760,000	0.00%
4D20	700609	Auction Education	\$ 28,711	\$ 30,000	\$ 35,000	16.67%	\$ 35,000	0.00%
4E40	700606	Utility Radiological Safety	\$ 117,791	\$ 115,980	\$ 125,000	7.78%	\$ 125,000	0.00%
4P70	700610	Food Safety Inspection	\$ 1,019,461	\$ 1,017,328	\$ 957,328	-5.90%	\$ 957,328	0.00%
4R00	700636	Ohio Proud Marketing	\$ 24,877	\$ 32,026	\$ 35,500	10.85%	\$ 35,500	0.00%

Prepared by the Legislative Service Commission

# FY 2016 - FY 2017 Introduced Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
<b>AGR Department of Agriculture</b>								
4R20	700637	Dairy Industry Inspection	\$ 1,613,768	\$ 1,690,578	\$ 1,658,247	-1.91%	\$ 1,658,247	0.00%
4T60	700611	Poultry and Meat Inspection	\$ 131,741	\$ 120,000	\$ 120,000	0.00%	\$ 120,000	0.00%
5780	700620	Ride Inspection	\$ 1,151,156	\$ 1,172,000	\$ 1,215,142	3.68%	\$ 1,215,142	0.00%
5880	700633	Brand Registration	\$ 581	\$ 4,500	\$ 5,000	11.11%	\$ 5,000	0.00%
5B80	700629	Auctioneers	\$ 314,331	\$ 329,000	\$ 340,000	3.34%	\$ 340,000	0.00%
5CP0	700652	License Plate Scholarships	\$ 540	\$ 5,000	\$ 10,000	100.00%	\$ 10,000	0.00%
5FC0	700648	Plant Pest Program	\$ 2,466,794	\$ 1,190,000	\$ 1,190,000	0.00%	\$ 1,190,000	0.00%
5H20	700608	Metrology Lab and Scale Certification	\$ 529,544	\$ 507,755	\$ 552,000	8.71%	\$ 552,000	0.00%
5HP0	700656	Livestock Care Standards Board	\$ 51,322	\$ 0	\$ 0	N/A	\$ 0	N/A
5L80	700604	Livestock Management Program	\$ 63,204	\$ 60,000	\$ 135,000	125.00%	\$ 135,000	0.00%
5MA0	700657	Dangerous and Restricted Animals	\$ 1,186	\$ 500	\$ 50,000	9,900.00%	\$ 50,000	0.00%
5MR0	700658	High Volume Breeders and Kennels	\$ 160,750	\$ 180,000	\$ 174,000	-3.33%	\$ 174,000	0.00%
6520	700634	Animal, Consumer, and ATL Labs	\$ 5,288,156	\$ 4,966,382	\$ 4,966,383	0.00%	\$ 4,966,383	0.00%
6690	700635	Pesticide, Fertilizer, and Lime Inspection Program	\$ 3,971,845	\$ 3,857,331	\$ 4,418,041	14.54%	\$ 4,418,041	0.00%
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 20,088,960</b>	<b>\$ 18,452,308</b>	<b>\$ 19,269,313</b>	<b>4.43%</b>	<b>\$ 19,269,313</b>	<b>0.00%</b>
5DA0	700644	Laboratory Administration Support	\$ 1,122,441	\$ 1,115,000	\$ 1,164,000	4.39%	\$ 1,164,000	0.00%
5GH0	700655	Administrative Support	\$ 4,283,513	\$ 4,341,329	\$ 4,404,073	1.45%	\$ 4,404,073	0.00%
<b>Internal Service Activity Fund Group Total</b>			<b>\$ 5,405,954</b>	<b>\$ 5,456,329</b>	<b>\$ 5,568,073</b>	<b>2.05%</b>	<b>\$ 5,568,073</b>	<b>0.00%</b>
7057	700632	Clean Ohio Agricultural Easement Operating	\$ 347,474	\$ 304,169	\$ 310,000	1.92%	\$ 310,000	0.00%
<b>Capital Projects Fund Group Total</b>			<b>\$ 347,474</b>	<b>\$ 304,169</b>	<b>\$ 310,000</b>	<b>1.92%</b>	<b>\$ 310,000</b>	<b>0.00%</b>
3260	700618	Meat Inspection Program - Federal Share	\$ 4,443,600	\$ 4,385,590	\$ 4,450,000	1.47%	\$ 4,450,000	0.00%
3360	700617	Ohio Farm Loan - Revolving	\$ 72,903	\$ 73,050	\$ 101,000	38.26%	\$ 101,000	0.00%
3820	700601	Federal Cooperative Contracts	\$ 3,665,312	\$ 3,786,700	\$ 4,500,000	18.84%	\$ 4,500,000	0.00%
3AB0	700641	Agricultural Easement	\$ 358,327	\$ 403,000	\$ 150,000	-62.78%	\$ 150,000	0.00%
3J40	700607	Federal Administrative Programs	\$ 1,088,604	\$ 1,079,340	\$ 1,100,000	1.91%	\$ 1,100,000	0.00%

## FY 2016 - FY 2017 Introduced Appropriation Amounts

## All Fund Groups

### Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
<b>AGR Department of Agriculture</b>								
3R20	700614	Federal Plant Industry	\$ 7,058,493	\$ 3,418,261	\$ 6,000,000	75.53%	\$ 6,000,000	0.00%
<b>Federal Fund Group Total</b>			<b>\$ 16,687,240</b>	<b>\$ 13,145,941</b>	<b>\$ 16,301,000</b>	<b>24.00%</b>	<b>\$ 16,301,000</b>	<b>0.00%</b>
<b>Department of Agriculture Total</b>			<b>\$ 57,695,541</b>	<b>\$ 52,612,978</b>	<b>\$ 57,777,617</b>	<b>9.82%</b>	<b>\$ 57,702,617</b>	<b>-0.13%</b>