DEPARTMENT OF AGRICULTURE

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 60.6% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

**Budget Amendments**

Budget amendments increased federal authority by $7.4 million. The federal Specialty Crop Block Grant Program (SCBGP) accounted for $6.4 million of the increase, and this appropriation was 11.5% expended. The purpose of the SCBG is to enhance the competitiveness of specialty crops. Specialty crops are defined as fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops. The agency received a $500,000 grant from the USDA National Institute of Food and Agriculture (NIFA) to address mental health concerns in the agriculture community. Less than 1.0% of the NIFA grant has been expended. Funding for the Food Safety Modernization Act total $367,500 and was 42% expended. Other budget amendments include federal funds for food safety, noxious weed prevention, and marketing.

**COVID-19 Authority**

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts. Administrative authority for CARES I and ARPA appropriations was allocated to the agency by the Governor’s Office. Administration authority is not an appropriation and thus is not included in the total appropriation authority shown on the previous page.
Unexpended federal CARES act funding for COVID-19 totaling $239,937 was carried forward from FY 2021 to FY 2022.

**The Montana Meat Processing Improvement Grant ($239,937)**

The federal government extended the end date for CARES Act funding to December 31, 2021. The agency carried forward $239,937 in unexpended authority for the Montana Meat Processing Improvement Grant. This program was created to aid small and medium-sized meat processors in responding to the COVID-19 crisis through the adaptation and expansion of meat processing infrastructure and capacity in Montana.

**Statutory Appropriations**

Expenditures from statutory appropriations totaled $1.1 million, of which 21.5% or $234,100 is general fund. General fund is statutorily appropriated for the Growth Through Agriculture programs, Montana Cooperative Development Center, and food development programs. The agency expended $356,500 from state special revenue statutorily appropriated for research and marketing programs for potatoes, pulse crops, and other agriculture development programs. The agency expended $500,700 in proprietary revenue statutorily appropriated for hail insurance claims.
**HB 2 Budget Modifications**

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget through November 30, 2021. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The positive modifications and negative modifications are shown by program, expenditure account, and fund type.

Modifications to the $19.2 million HB 2 budget did not increase total authority. The agency moved $77,501 in authority for personal services from the Agricultural Development and Agricultural Sciences divisions to the Central Management Division. Language in HB 2 gave the agency the authority to allocate the reduction for 1.0% vacancy savings in each year of the biennium. Changes in the operating plan moved authority of $90,982 for personal services and $27,500 for equipment to operating expenses, grants, transfers-out, and debt service.
HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through November 30, 2021.

State special revenue supports 85.5% of the agencies HB 2 budget, federal sources support 6.5%, general fund 5.5%, and the remaining 2.5% is proprietary revenue.

Personal Services

The budget for personal services was 34.2% expended through the end of November, which is 0.6% higher than the average for the three previous biennia of 33.6%.

Operating Expenses

The budget for operating expenses was 23.5% expended through November of FY 2022; during the same time period in the last three biennia, this rate has ranged between 22.9% and 31.3% with an average of 26.8%.
Personal Services

The following chart shows the filled and vacant FTE within the agency as of November 1, 2021.

![Position Status Chart]

Total FTE

The Department of Agriculture has 119.06 FTE funded in HB 2

- Centralized Services Division – 19.00 FTE
- Agricultural Sciences Division – 61.79 FTE
- Agricultural Development Division – 38.27 FTE

Utilization Rate

Of the total personal services hours available, the agency has utilized 84.8%. The Centralized Services Division utilization rate is 94.2%; the Agricultural Sciences Division rate is 84.5%; and the rate for the Agricultural Development Division is 81.2%. The agency has had some issues recruiting, resulting in positions being open longer. Other positions are held open to meet the 5.0% vacancy savings established in HB 2.

Vacancies

Vacant positions total 16.77 FTE. Vacant full time positions total 9.5 FTE, and part-time positions total 7.3 FTE.

Vacant full-time positions include the agency head, an accounting supervisor, scientists, claims examiners, and other technical positions. Full time positions totaling 3.50 FTE have been vacant for more than a year, the longest vacancy being four years. Vacant part-time positions include scientists, inspectors, instructors, and data entry positions. Part-time positions totaling 3.50 FTE have been vacant for more than a year, the longest vacancy being 8.5 years.

Turnover and payroll adjustments

Since July 1, seven FTE have left the agency. Four employees have left state employment; two have retired; and one person transferred to a different agency. Seven positions received increases in pay for longevity. Two positions received adjustments in pay for retention, and one position completed initial training. Combined, all pay adjustments increased the annual personnel costs by about $11,400.
Agriculture Line Itemed Decision Packages

**DP 3004 - Analytical Lab System Replacement (OTO)**

The legislature approved a one-time-only appropriation of $350,000 from state and federal sources to replace laboratory equipment at the Bozeman analytical laboratory. The funding was budgeted in the second year of the biennium.

**DP 5004 - Efficiency Improvements State Grain Lab (OTO)**

The legislature approved a one-time-only appropriation of $145,900 from the general fund to purchase a laboratory inventory management system and one-time-only maintenance/safety improvements. As of November, the agency has expended 5.1% or $7,500 of this appropriation.