

**Testimony Regarding the Budget of the Kansas Department of Agriculture
to
The Senate Budget Subcommittee on the Department of Agriculture**

**by Dale Rodman
Secretary of Agriculture
Kansas Department of Agriculture**

February 1, 2012

Chairman Taddiken and members of the committee, I appear before you today regarding the Department's budget. The Kansas Department of Agriculture has weathered budget and staff reductions over the past few years and emerged more efficient. I have been impressed with the quality of the service being provided by the Department through these challenges. I am working to bring tools to the agency to continue to meet our statutory requirements in a timely, efficient and service-oriented manner.

ERO 40 from last year brought Animal Health, Conservation and Agriculture Marketing functions into the Department of Agriculture. This has been a win-win situation for all involved, with greater synergies and efficiencies while at the same time improving our customer service to the agriculture community and to the public, while also exceeding expected cost-savings.

For this year, the Governor's recommendations include a reduced resources cut affecting several areas of the Department. When our reduced SGF resources were proposed, the pro-rated share of the Division of Water Resources required cutting staff positions. As the year and the drought progressed, we received a large volume — more than 2,250 — drought term applications. In addition, we have begun processing hydraulic fracturing permit applications. I know that our ability to process water permits in a timely fashion is a concern of the Subcommittee. I am providing you today with information regarding the status of permit processing and our plan for utilization of permit fees to provide the resources needed to help with permit processing.

Last year, this Subcommittee added authority for us to utilize some available federal and fee funds to purchase vehicles. We have 173 vehicles in our fleet, and 75 are at or near the replacement threshold. I would note that we are proposing legislation which would allow our Food Safety Program to provide two annual inspections for school lunch facilities. A second annual inspection is being required by the USDA for certification of the program, and federal school lunch funding depends on this happening. As a result, we would need to hire four additional inspectors to cover the approximately 1,400 additional inspections. We have vacant positions that can be used and the schools would provide fees from their federal funding. However, we would need to be able to purchase additional vehicles with the fee funds.

The Governor's enhancements this year include funding for the feral swine eradication program (\$175,000) and an additional appropriation (\$75,000) for the state grain warehouse program. The grain warehouse funding will allow maintenance of a viable state program. Another area of enhanced funding last year was for market reports. For FY2013, the Governor has recommended an increase of \$250,000 from EDIF for agricultural marketing to be used for domestic and international economic development to assist the agency in meeting the Governor's goal of growing the state's agricultural economy.

Last year, you approved a proviso that established a compliance education fee fund. The proviso allows civil penalty fines to be deposited into this fund, for the purpose of providing education to help our licensees — our customers — come into compliance with laws and regulations and to maintain their businesses and the jobs and economic benefit to the state that they provide. We find that many times, when a business has violations, we need more tools to help them. Often, we have to issue a legal order or a civil penalty fine, and need to also be doing more to provide compliance education. This proviso has allowed us to provide additional training service to licensees needing assistance to come into compliance.

Regarding provisos, I would note that the proviso allowing the Department to charge fees for providing laboratory analyses for other states or agencies was amended into SB 191 by the House Agriculture and Natural Resources Budget Committee and passed the House today 107-18. SB 191 originally related to water when it left the Senate.

Other provisos regarding conservation funds are needed to carry over balances for ongoing conservation projects and contracts.

For FY2013 Water Plan Funds in the Division of Conservation, there is a line item for a water right purchase program. These are funds that would be used for the Water Transition Assistance Program (Water TAP) or Conservation Reserve Enhancement Program (CREP) contracts, similarly to FY2012. This year, there is one sum of the funding of both programs.

I would note that our Governor's recommendations for FY2013 include a reduction of six positions due to the Voluntary Retirement Incentive Program (VRIP). These positions were approved for the agency to retain, but were inadvertently cut. I anticipate that there would be a Governor's Budget Amendment to restore these positions.

I will stand for questions. Thank you.