

NATURAL RESOURCES AND RECREATION

Agency 495

Department of Agriculture

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2005-07 Expenditure Authority	675.2	25,250	83,700	108,950
Total Maintenance Level	691.3	22,749	88,464	111,213
Difference	16.1	(2,501)	4,764	2,263
Percent Change from Current Biennium	2.4%	(9.9)%	5.7%	2.1%
Performance Changes				
Future of Farming Evaluation		450		450
Animal Records Imaging		74		74
Pesticide Notification Project	.5	150		150
Animal Health Enforcement/Response#	4.2	1,121		1,121
Administrative and Operational Capacity	5.0	950		950
Biofuels Quality Assurance	2.3		1,507	1,507
Heart of Washington Campaign		600		600
Livestock Nutrient Management Fund Shift			(50)	(50)
Revise Pension Gain-Sharing #		(46)	(166)	(212)
Nonrepresented Staff Health Benefit		50	178	228
WFSE Collective Bargaining Agreement		130	2,051	2,181
WPEA Collective Bargaining Agreement		399	440	839
Nonrepresented Staff Salary Change		601	1,912	2,513
Self Insurance Premium		(128)	(108)	(236)
Subtotal	12.0	4,351	5,764	10,115
Total Proposed Budget	703.3	27,100	94,228	121,328
Difference	28.1	1,850	10,528	12,378
Percent Change from Current Biennium	4.2%	7.3%	12.6%	11.4%
Total Proposed Budget by Activity				
Agency Administration	47.9	3,867	5,941	9,808
Agricultural Fairs	2.0		4,225	4,225
Agricultural Promotion and Protection	1.5	3,135	1,378	4,513
Animal Health	15.7	2,868	600	3,468
Chemistry Laboratory	9.0	1,116	2,431	3,547
Commission Merchants	3.7		523	523
Commodity Commissions		10		10
Feed Regulation	6.8	148	774	922
Fertilizer Regulation	5.5		849	849
Food Safety	44.1	4,205	2,865	7,070
Fruit and Vegetable Inspection	210.3		24,019	24,019
Grain Inspection	104.4		10,953	10,953
Grain Warehouse Audit	3.2		522	522
Hop Inspection	5.0		665	665

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	Annual FTEs	General Fund State	Other Funds	Total Funds
International Marketing	7.2	2,085	601	2,686
Livestock Identification	18.5	74	1,893	1,967
Livestock Nutrient Management Program	7.7		1,142	1,142
Microbiology Laboratory	13.1	1,624	879	2,503
Nursery Inspection	14.6		2,053	2,053
Organic Food Certification	17.0		2,696	2,696
Pesticide Regulation	56.2	804	10,101	10,905
Plant Protection	53.2	4,456	5,278	9,734
Planting Stock Certification	6.5		684	684
Seed Inspection/Certification	26.8		3,257	3,257
Small Farm and Direct Marketing	2.0	290		290
Weights and Measures Inspection	21.4	558	4,207	4,765
Other Statewide Adjustments		1,860	5,692	7,552
Total Proposed Budget	703.3	27,100	94,228	121,328

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Future of Farming Evaluation

The long-term future of Washington's agriculture industry will be impacted by changing global business, transportation and market access conditions, as well as increased population, urbanization, climate change and other environmental impacts. Development of a strategy that evaluates the strengths, weaknesses, opportunities and threats facing agriculture in Washington is critical to protecting this sector of our state's economy. Funding will allow the Department to assess the changing dynamics of agricultural production that impacts domestic and global demand for agricultural products. The Department shall develop recommendations and submit a preliminary report to the Office of Financial Management and appropriate legislative committees by November 1, 2007. It will submit a final report by September 1, 2008.

Animal Records Imaging

One-time funding is provided to the Department to convert archived Animal Health and Livestock Identification records from paper to an electronic format. This will enhance the Department's ability to quickly retrieve information to respond in the event of an animal health incident or investigation.

Pesticide Notification Project

The Pesticide Notification Project will investigate whether a voluntary notification program would be significant in reducing the risks of pesticide exposure from agricultural applications near schools, hospitals, nursing homes, and licensed day care facilities. The scope of notification would be limited to pesticides labeled as "Danger/Poison" and applied by aerial or airblast application methods. The Department estimates that there are 200 sensitive facilities near the types of farms, and fruit orchards that would be affected. The Department will submit an interim report in December 2008, and then run the pilot for a second season in calendar year 2009. The final report to the Governor will be submitted in December 2009.

Animal Health Enforcement/Response#

Threats to animal health are growing due to the increased transport of domesticated animals as well as the introduction of diseases from wild species. The animal health program will increase its enforcement and disease outbreak response capability. To adequately monitor and respond to potential disease outbreaks, the Department will deploy additional staff to investigate, monitor, test, and enforce animal health laws for all livestock entering the state. In cooperation with the U.S. Department of Agriculture, the Department will recruit and train a Reserve Veterinary Corps to assist with disease identification, monitoring, response, control, and disposal of animals.

Administrative and Operational Capacity

The Department of Agriculture contracted with an outside consultant to assess the agency's administrative and operational capacity. The assessment concluded that the Department lacks adequate capacity to fully implement its mission. In some cases, capacity does not exist to provide reasonable oversight of agency resources, programs, and performance. This item represents the first phase in addressing these serious gaps. Specific functions include an assistant director for oversight of administrative services; a strategic planning, performance, and Government Management Accountability and Performance (GMAP) Program manager; a risk management and safety manager; and a partial response to Human Resources Management System (HRMS) shortfalls. These positions and functions do not currently exist within the Department.

Biofuels Quality Assurance

In 2006, legislation was enacted that expanded the Motor Fuel Quality program's scope to include biodiesel, biodiesel blends, and ethanol blends. Funding was not provided for the cost of sampling and testing biofuels. To ensure full implementation of the legislation, the Department has begun adopting standards for biofuels to guarantee that the public receives a high quality product. This item provides the resources to inspect production, distribution, and retail facilities that make, transport, or sell biofuels. (Motor Vehicle Account-State, Energy Freedom Account-State)

Heart of Washington Campaign

The agricultural and food industries in Washington contributes \$29 billion to the state's economy. Farmers, ranchers and the food industry employ 160,000 people and ensure quality agricultural products are available to consumers and for export. Funding is provided to expand the "From the Heart of Washington" campaign to allow promotional activities throughout the year to increase awareness of the importance of the agricultural and food industries to our state and to boost purchases of Washington food products.

Livestock Nutrient Management Fund Shift

The Livestock Nutrient Management Program was transferred from the Department of Ecology to the Department of Agriculture in 2003. The program is funded from both the Water Quality Permit Account and the Water Quality Account. Funding is shifted from the Water Quality Permit Account to the Water Quality Account to reflect lower fee revenues. The program's overall funding is also reduced by \$50,000 to reflect expenditures made by the Department of Ecology, rather than the Department of Agriculture, from the Water Quality Permit Account. (Water Quality Permit Account-State, Water Quality Account-State)

Self Insurance Premium

Funding for the Department's self insurance premium is decreased to reflect claims experience. (General Fund-State, General Fund-Federal, Agricultural Local Account-Private/Local, Grain Inspection Revolving Account-Private/Local, Fruit and Vegetable Inspection Account-Private/Local)

ACTIVITY DESCRIPTIONS

Agency Administration

This activity provides executive leadership, policy development and review, financial services, computer and information technology services, personnel services, communications, administrative procedures guidance, legal services, and safety, homeland security, and emergency management programs for the department's 25 programs. The budget amounts for this activity are the overhead component of agency administrative costs.

Agricultural Fairs

The Fairs program provides about \$2 million in financial assistance to agricultural fairs and youth shows each year. The director of the Department of Agriculture appoints a seven-member Fairs Commission to recommend fund allocations to participating fairs. This program coordinates the activities of the commission, audits all required reports and information from participating fairs, and verifies that fairs operate in compliance with state law. Currently, 68 fairs participate in the Fairs program. (Fair Account-Nonappropriated, Water Quality Account-State)

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Agricultural Promotion and Protection

This activity provides funding for bio-energy coordination, the "From the Heart of Washington" campaign, and other activities that promote the sale of food and agricultural products produced in the state. It also includes moneys appropriated for specific projects that assist the state's agricultural industry. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Animal Health

The Animal Health program protects animals and the public from communicable animal diseases, such as brucellosis, tuberculosis, salmonella, rabies, avian influenza, and others. To prevent such diseases from entering the state, the program monitors the movement of animals across state lines by issuing or denying import permits, and monitoring mandatory health certificates for all animals entering the state. The program is responsible for emergency management planning to ensure the state is prepared to trace back and control foreign or domestic animal diseases of concern. It cooperates with universities, the U.S. Department of Agriculture, and others to collect samples and data. (General Fund-State, General Fund-Federal)

Chemistry Laboratory

The Chemistry Laboratory in Yakima supports department programs by analyzing samples taken in investigations of alleged pesticide misuse, monitoring for pesticide residues in foods, and determining if commercial feed and fertilizer samples meet label guarantees. These activities are funded by a mix of state, federal, and local funds. The laboratory also participates in a federally-funded program for monitoring pesticide residue levels in fruits, vegetables, and other commodities, and performs fee-for-service chemical analysis for the hop industry. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated)

Commission Merchants

The Commission Merchants program protects agricultural producers against theft, fraud, and unfair business practices by licensing persons and businesses involved in buying and selling agricultural products. Licensees who purchase or handle agricultural products on consignment must be bonded. Funded by license fees, the program investigates producer complaints against commission merchants and cooperates with federal, state, and local law enforcement agencies. (Agricultural Local Account-Nonappropriated)

Commodity Commissions

This program administers agency responsibilities related to the state's 24 agricultural commodity commissions. Each commission is funded by producers and engages primarily in marketing and/or research related to its specific commodity. The director of Agriculture is a board member of each commission. The program reviews and approves commission programs and budgets; supervises or coordinates the nomination, election, or appointment of commission members; and oversees the issuance, amendment, or termination of commission marketing orders. (General Fund-State)

Feed Regulation

The Commercial Feed program regulates the distribution of animal feeds to ensure product identity, quality, and proper labeling. It registers and reviews labels of more than 2,000 pet food products, and licenses about 500 manufacturers and initial distributors of other animal feed products. It inspects feed mills for compliance with good manufacturing practices, and also analyzes feed samples to determine accuracy of label guarantees. The program is funded primarily by fees paid by the feed industry. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated)

Fertilizer Regulation

The Commercial Fertilizer program licenses 2,500 fertilizer products for distribution in the state, and analyzes fertilizer samples to verify label guarantees for plant nutrients and to ensure that heavy metal content does not exceed state standards. It inspects fertilizer facilities and irrigation systems to ensure required safeguards are in place to prevent ground water and surface water contamination. The program is funded entirely by fees paid by the fertilizer industry. (Agricultural Local Account-Nonappropriated)

Food Safety

The Food Safety program protects the public from injury and illness caused by food products that are contaminated, adulterated, or otherwise unfit for consumption. This is accomplished through surveillance, regulation, and inspection of the dairy, egg, food processing, and food storage industries. Inspectors examine facilities for product adulteration, cleanliness, evidence of rodent infestation, potential for cross contamination with chemicals and toxic materials, appropriate holding temperatures, and sanitary preparation techniques. It is funded by the state General Fund, federal funds, and fees paid by food processors, food storage warehouses, milk processors, and the egg industry. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated)

Fruit and Vegetable Inspection

The Fruit and Vegetable Inspection program provides inspection services to the fresh produce and processing industry to ensure orderly marketing of fruits and vegetables. Commodities are inspected for quality, size, labeling, condition, and contract specifications, and may be certified as free from disease and insects as required by domestic and international markets. These services are provided through district offices in Yakima and Wenatchee and ten field offices throughout the state. This is a self-supporting, fee-for-service program. (Fruit and Vegetable Inspection Account-Nonappropriated)

Grain Inspection

The Grain Inspection program provides inspection and analytical and weighing services to ensure orderly commerce for grain, dry peas, dry beans, lentils, rapeseed, and similar commodities sold in or from Washington. These services are offered at eight inspection facilities throughout the state. The program is funded by fees and, as required by federal law, provides service 24 hours a day, seven days a week, upon request. (Grain Inspection Revolving Account-Nonappropriated)

Grain Warehouse Audit

The Grain Warehouse Audit program protects grain producers from undue losses by licensing and bonding grain storage warehouses and grain dealers. The program audits each licensee to assure producers and depositors that licensees are meeting storage requirements and other contractual obligations. The program is funded by license fees. (Agricultural Local Account-Nonappropriated)

Hop Inspection

The Hop Inspection program performs physical grading and chemical analysis of the Washington hop crop (75 percent of the nation's supply) and a significant portion of Oregon and Canadian crops to ensure orderly international and domestic marketing. This is a self-supporting program that is funded by fees paid by hop producers and dealers for requested services. (Agricultural Local Account-Nonappropriated)

International Marketing

The International Marketing program assists food and agricultural companies in selling their products internationally. It contracts with trade representatives in the major markets of Japan, Taiwan, China, and southeast Asia to assist Washington businesses with export transactions and market development. It offers one-on-one assistance to export-ready businesses; organizes and leads companies on trade missions and to major trade shows; and develops and distributes information to buyers on the state's agricultural suppliers. The program also coordinates the department's economic development and domestic marketing efforts. The program works closely with commodity commissions and the Governor's Office to fight trade barriers that prevent or limit overseas market access for Washington's agricultural and food products. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated)

Livestock Identification

The Livestock Identification program maintains the official recordings of more than 6,500 livestock brands. As a theft prevention measure, cattle and horses are inspected for brands or other proof of ownership at public livestock markets, slaughter plants, and prior to moving out of state. Cattle are also inspected at certified feed lots and at any change of ownership. Approximately 550,000 cattle and 10,000 horses are inspected annually. The program licenses and bonds public livestock markets to ensure proper payment for cattle, and also licenses and audits certified feed lots to verify inspection certificates for slaughtered cattle. This program is funded through fees paid by the livestock industry. (Agricultural Local Account-Nonappropriated)

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Livestock Nutrient Management Program

The Livestock Nutrient Management program inspects the state's 550 dairy farms, provides technical assistance, and takes action to ensure animal feeding operations comply with state and federal water quality laws. It coordinates with the Department of Ecology on the regulation of those dairies and other concentrated animal feeding operations (CAFOs) that hold a National Pollutant Discharge Elimination System (NPDES) permit. (Water Quality Account-State, Water Quality Permit Account-State, Livestock Nutrient Management Account-State)

Microbiology Laboratory

The Microbiology Laboratory, located in Olympia, supports the department's Food Safety program by testing food and dairy products for food poisoning organisms and by examining food products for contamination by insects, rodents, or filth. The laboratory also tests dairy products for quality and to meet requirements for the interstate shipment of milk. Laboratory staff members inspect and certify commercial and dairy industry laboratories that perform officially sanctioned dairy microbiology. It also supports the agency's Animal Health program by testing animal blood and tissue for disease. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated)

Nursery Inspection

The Nursery Inspection program inspects nurseries to ensure that consumers and the nursery industry are provided healthy, pest-free, and disease-free plant materials. The program enforces agricultural quarantines to prevent pest introduction and, on request, provides inspection services to certify that Washington nursery stock and plant materials are free from disease and insects, as required by domestic and international markets. The program is funded by license fees paid by nursery dealers and fees paid for requested inspections. (Agricultural Local Account-Nonappropriated)

Organic Food Certification

The Organic Food program protects consumers and supports the organic food industry by ensuring that all food products making organic claims meet standards for organic production and labeling. It inspects, certifies, and provides technical assistance to more than 850 organic producers, processors, and handlers. The program is funded by fees paid by the organic industry. (General Fund-Federal, Agricultural Local Account-Nonappropriated)

Pesticide Regulation

The Pesticide Program regulates the sale and use of pesticides in Washington. It investigates complaints of pesticide misuse, conducts field inspections of pesticide manufacturers and applicators, and provides technical assistance to pesticide users. It reviews and registers more than 11,000 pesticide products for use in the state. It licenses and administers a continuing education program for more than 25,000 pesticide applicators, dealers and consultants, and oversees a program to train Spanish-speaking farm workers in the safe and legal use of pesticides. It administers the waste pesticide program which disposes of canceled, suspended, or unusable pesticides. It also protects resources such as ground water from pesticide or fertilizer contamination and conducts selected surface water monitoring as part of a program to evaluate and mitigate the impact of pesticides on threatened or endangered species. (General Fund-State, General Fund-Federal, Agricultural Local Account-Nonappropriated, State Toxics Control Account-State)

Plant Protection

The Plant Protection program protects the state's resources by preventing the establishment of high-risk insects, plant diseases, and weeds. Staff members conduct surveys and inspections, disseminate information, enforce agricultural quarantines, provide laboratory diagnostic services, review and permit the release of certain insects and exotic plant pathogens, and carry out projects to eradicate pests. The program coordinates statewide efforts to control purple loosestrife and to eradicate spartina, both non-native aquatic weeds, and to control Japanese knotweed. It works with the State Noxious Weed Control Board and is responsible for noxious weed control in counties without weed boards. (General Fund-State, General Fund-Federal, Aquatic Lands Enhancement Account-State, Agricultural Local Account-Nonappropriated)

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Planting Stock Certification

The Planting Stock Certification program provides testing and inspection services to ensure disease-free planting stock for various agricultural industries. Voluntary certification programs are currently provided for fruit trees and related ornamentals, seed potatoes, hops, grapes, mint, garlic, and strawberries. This is a self-supporting, fee-for-service program. (Agricultural Local Account-Nonappropriated)

Seed Inspection/Certification

The Seed Inspection program conducts pre-harvest field inspections and laboratory testing of agricultural, vegetable, and flower seeds grown under the seed certification program. It tests seed samples submitted by seed growers and companies to determine compliance with purity and germination standards and to certify seed for domestic and international marketing. It also operates the only official seed testing laboratory in the state. This is a self-supporting, fee-for-service program. (Agricultural Local Account-Nonappropriated)

Small Farm and Direct Marketing

The Small Farm and Direct Marketing program works to improve the viability of the state's small farms by reducing market barriers and developing or enhancing direct marketing opportunities for farmers. (General Fund-State)

Weights and Measures Inspection

The Weights and Measures program regulates the use and accuracy of all commercial weighing, measuring, and counting devices, including gas pumps, grocery store scale systems, price scanners, vehicle-tank meters, and liquid petroleum gas measuring devices. Staff inspect and test devices for accuracy and suitability for service and inspect packaged commodities for correct content (net weight, volume or count), labeling, and pricing. The program monitors motor fuel quality by analyzing fuel samples for octane, oxygenate, and other product quality factors. The program also operates the state metrology laboratory and provides calibration services to businesses, laboratories, and government entities. (General Fund-State, Motor Vehicle Account-State, Agricultural Local Account-Nonappropriated)

Other Statewide Adjustments

This item reflects proposed compensation and other adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.