

# Greenbook

## LBO Analysis of Enacted Budget

### Department of Agriculture

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Attachment:

    Appropriation Spreadsheet

# LBO Greenbook

## Department of Agriculture

### Quick look...

- Total appropriations are \$176.9 million in FY 2024 and \$185.1 million in FY 2025.
- H.B. 33 provides funding of \$121.4 million across FY 2024 and FY 2025 to support the Department of Agriculture's water quality initiatives under the H2Ohio Program (Fund 6H20), which includes the Soil and Water Phosphorous Program.
- As of August 2023, the Department employed 536 people, of which 488 are full-time.

Fund Group	FY 2022 Actual	FY 2023 Actual	FY 2024 Appropriations	FY 2025 Appropriations
General Revenue (GRF)	\$57,987,986	\$57,285,136	\$44,066,000	\$49,682,000
Dedicated Purpose (DPF)	\$86,058,313	\$58,855,257	\$97,257,674	\$98,429,674
Internal Service Activity (ISA)	\$7,027,467	\$6,604,284	\$8,227,000	\$8,745,000
Capital Projects (CPF)	\$388,829	\$349,475	\$512,000	\$512,000
Federal (FED)	\$21,031,143	\$23,173,705	\$26,823,500	\$27,698,000
Total	\$172,493,739	\$146,267,857	\$176,886,174	\$185,066,674
% change	--	-15.2%	20.9%	4.6%
GRF % change	--	-1.2%	-23.1%	12.7%

## Overview

### Agency overview

The Ohio Department of Agriculture (AGR) safeguards the health of Ohio's food supply to protect consumers, promotes environmental stewardship, and maintains the health of the state's animals and plants. The Department also promotes Ohio's agricultural products by creating economic opportunities for Ohio's farmers, food processors, and agribusinesses. Overall, there are ten operating divisions corresponding to these responsibilities, as well as department-wide staff for support and management oversight. As of August 2023, the Department has 536 total employees, of which 48 are part-time and seasonal employees.

### Appropriation summary

The budget provides a total appropriation of \$176.9 million in FY 2024 and \$185.1 million in FY 2025. Approximately 54.1% or \$195.7 million of all appropriations comes from DPF funding (funds supported by fees or other revenues). Approximately 69.3% of spending in this fund group will support the H2Ohio Program. GRF appropriations account for 25.9% of the budget or \$93.7 million during the biennium. Federal funding accounts for 15.1% or \$54.5 million of appropriations.

## Budget highlights

### Continuation of water quality initiatives

The budget provides \$175.1 million to support the Division of Soil and Water Conservation. Of this amount, \$121.4 million will support the H2Ohio Program. Under the bill, the Soil and Water Phosphorus Program was acquired by Fund 6H20 ALI 700670, H2Ohio. Previously, the Soil and Water Phosphorus Program was funded under GRF ALI 700417, Soil and Water Phosphorus Program.

#### H2Ohio Program

H.B. 33 appropriates \$60.7 million in FY 2024 and \$60.8 million in FY 2025 under Fund 6H20 ALI 700670, H2Ohio, to support the H2Ohio Program. The program was created in H.B. 166 of the 133<sup>rd</sup> General Assembly to reduce algal blooms, improve wastewater infrastructure, and address lead contamination. The responsibility for carrying out these initiatives lies with AGR, the Department of Natural Resources, Ohio Environmental Protection Agency, and the Lake Erie Commission. Fund 6H20 is funded by GRF surplus revenue.

Under AGR, the program has provided incentives to farmers located in the Maumee River Watershed for implementing any of the seven conservation practices designed to reduce phosphorus runoff into waterways. Farmers must develop a voluntary nutrient management plan (VNMP) to be enrolled in the program. VNMPs are developed in collaboration with local soil and water conservation districts (SWCDs). This gives farmers recommendations on both soil fertility and an environmental site risk for fields which can help farmers identify nutrient and sediment loss. Farmers receive up to \$10 per acre incentive once a VNMP is approved by an SWCD. Farmers can also receive up to \$10 per acre for each year up to three years the VNMP is implemented.

The budget transfers the Soil and Water Phosphorus Program into Fund 6H20 ALI 700670, H2Ohio. This is to be used to continue programs that reduce total phosphorous and dissolved reactive phosphorus in the Western Lake Erie Basin and other critical regions in the state as defined by the Director of Agriculture. These efforts will include providing (1) equipment for subsurface placement of nutrients into the soil, (2) equipment for nutrient placement based on geographic information system data, (3) soil testing, (4) implementation of variable rate technology, (5) equipment implementing manure transformation and manure conversion technologies, (6) tributary monitoring, (7) best management practices recognized to reduce nutrients, (8) a revolving loan program, and (9) matching funds for the Conservation Reserve Enhancement Program in the Western Lake Erie Basin and Scioto River Basin. Of this ALI, a minimum of \$10.7 million in each fiscal year must be used for programs to assist in reducing total phosphorus, dissolved reactive phosphorus, sediment, and other nutrients in the Western Lake Erie Basin.

### Funding for soil and water conservation districts

The bill earmarks \$4.2 million in each fiscal year for SWCDs in the Western Lake Erie Basin and other priority regions, as defined by the AGR Director, under GRF ALI 700509, Soil and Water District Support. Specifically, this money is earmarked for staffing costs and to assist in soil testing and nutrient management plan development, including manure transformation and manure

conversion technologies, enhanced filter strips, water management, and H2Ohio Program support.

## Fee changes

The budget proposes two fee changes, which are listed in Table 1.

Fee Name	Program Supported	Prior Amount	Enacted Amount	Additional Information
Ride Reinspection/ Supplemental Inspection Fee	Amusement Ride Safety	\$0	\$160- \$1,200	Extends existing fee to ride reinspections and supplemental inspections required by Tyler's Law. <i>Fiscal effect: An increase in revenue will be deposited into the Amusement Rides Fund (Fund 5780).</i>
Legume Inoculator License Fee	Plant Health	\$5	\$0	Removes the license and associated fee. <i>Fiscal effect: A minimal decrease in revenue for the Commercial Feed and Seed Fund (Fund 4C90), corresponding to a reduced workload.</i>

## Agricultural commodity handler claims

The bill revises several of the circumstances under which claims are reimbursed at 100% from the Agricultural Commodity Depositors Fund (Fund 4980). These claims occur when an agricultural commodity handler fails to pay a depositor of agricultural commodities. This provision will likely increase amounts paid to depositors from Fund 4980.

## Vetoed provisions

The bill would have (1) expanded the internet sales exemption from auction laws and (2) created an auctioneer continuing education exemption for those who completed a licensed apprenticeship as an auctioneer before September 13, 2022. The internet sales exemption would have decreased the number of auctioneer and auction firm licenses issued by AGR. Both of the auctioneer and auction firm licenses are biennial and cost \$200. These proceeds are deposited into the Auctioneers Fund (Fund 5B80).

# Analysis of FY 2024-FY 2025 budget

## Introduction

This section provides an analysis of the funding for each appropriation line item (ALI) in AGR's budget. For organizational purposes, these ALIs are grouped into seven major categories based on their funding purposes.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the AGR section of the budget bill.

In the analysis, each appropriation item's expenditures for FY 2023 and appropriations for FY 2024 and FY 2025 are listed in a table. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation. If the appropriation is earmarked, the earmarks are listed and described.

Categorization of AGR's Appropriation Line Items for Analysis of FY 2024-FY 2025 Budget				
Fund	ALI	ALI Name		Category
<b>General Revenue Fund Group</b>				
GRF	700401	Animal Health Programs	1:1	Animal and Food Safety
GRF	700403	Dairy Division	1:2	Animal and Food Safety
GRF	700404	Ohio Proud	4:1	Commodities and Marketing
GRF	700406	Consumer Protection Lab	1:3	Animal and Food Safety
GRF	700407	Food Safety	1:4	Animal and Food Safety
GRF	700409	Farmland Preservation	6:1	Farmland Preservation
GRF	700410	Plant Industry	2:1	Plant Health
GRF	700412	Weights and Measures	5:1	Other Agriculture Services
GRF	700415	Poultry Inspection	1:6	Animal and Food Safety
GRF	700418	Livestock Regulation Program	1:7	Animal and Food Safety
GRF	700424	Livestock Testing and Inspections	1:7	Animal and Food Safety
GRF	700426	Dangerous and Restricted Animals	1:8	Animal and Food Safety
GRF	700427	High Volume Breeder Kennel Control	1:9	Animal and Food Safety
GRF	700428	Soil and Water Division	3:1	Soil and Water
GRF	700499	Meat Inspection Program – State Share	1:5	Animal and Food Safety
GRF	700501	County Agricultural Societies	5:4	Other Agriculture Services
GRF	700509	Soil and Water District Support	3:2	Soil and Water
GRF	700511	Ride Inspection	5:3	Other Agriculture Services
GRF	700512	Local Fairs	5:5	Other Agriculture Services
GRF	700674	Hemp Production	2:3	Plant Health

Categorization of AGR's Appropriation Line Items for Analysis of FY 2024-FY 2025 Budget				
Fund	ALI	ALI Name		Category
<b>Dedicated Purpose Fund Group</b>				
4900	700651	License Plates – Sustainable Agriculture	4:4	Commodities and Marketing
4940	700612	Agricultural Commodity Marketing Program	4:2	Commodities and Marketing
4960	700626	Ohio Grape Industries	4:3	Commodities and Marketing
4970	700627	Grain Warehouse Program	4:2	Commodities and Marketing
4C90	700605	Commercial Feed and Seed	2:2	Plant Health
4D20	700609	Auction Education	5:2	Other Agriculture Services
4E40	700606	Utility Radiological Safety	7:1	Administration
4P70	700610	Food Safety Inspection	1:4	Animal and Food Safety
4R00	700636	Ohio Proud Marketing	4:1	Commodities and Marketing
4R20	700637	Dairy Industry Inspection	1:2	Animal and Food Safety
4T60	700611	Poultry and Meat Inspection	1:6	Animal and Food Safety
5780	700620	Ride Inspection	5:3	Other Agriculture Services
5B80	700629	Auctioneers	5:2	Other Agriculture Services
5BV0	700660	Heidelberg Water Quality Lab	3:3	Soil and Water
5BV0	700661	Soil and Water Districts	3:2	Soil and Water
5FC0	700648	Plant Pest Program	2:2	Plant Health
5H20	700608	Metrology Lab and Scale Certification	5:1	Other Agriculture Services
5L80	700604	Livestock Management Programs	1:7	Animal and Food Safety
5MA0	700657	Dangerous and Restricted Animals	1:8	Animal and Food Safety
5MR0	700658	High Volume Breeders and Kennels	1:9	Animal and Food Safety
5MS0	700659	Captive Deer	1:10	Animal and Food Safety
5LP0	700662	Pet Store License	1:11	Animal and Food Safety
5QW0	700653	Watershed Assistance	3:4	Soil and Water
5WJ0	700671	Hemp Program	2:3	Plant Health
6520	700634	Animal, Consumer, and ATL Labs	1:3	Animal and Food Safety
6690	700635	Pesticide, Fertilizer, and Lime Inspection Program	2:2	Plant Health
6H20	700670	H2Ohio	3:5	Soil and Water
<b>Internal Service Activity Fund Group</b>				
5DA0	700644	Laboratory Administration Support	7:2	Administration
5GH0	700655	Administrative Support	7:3	Administration
<b>Capital Projects Fund Group</b>				
7057	700632	Clean Ohio Agricultural Easement Operating	6:1	Farmland Preservation

Categorization of AGR's Appropriation Line Items for Analysis of FY 2024-FY 2025 Budget				
Fund	ALI	ALI Name		Category
<b>Federal Fund Group</b>				
3260	700618	Meat Inspection Program – Federal Share	1:5	Animal and Food Safety
3360	700617	Ohio Farm Loan – Revolving	6:2	Farmland Preservation
3820	700601	Federal Cooperative Contracts	2:4	Plant Health
3AB0	700641	Agricultural Easement	6:1	Farmland Preservation
3J40	700607	Federal Administrative Programs	7:4	Administration
3R20	700614	Federal Plant Industry	2:5	Plant Health

## Category 1: Animal and Food Safety

This category of ALIs provides funding for AGR's animal and food-related services. This includes all ALIs funding animal diseases; food safety and inspections; dairy, livestock, and poultry inspections; and ALIs that fund AGR's labs. This category also includes funding for the Dangerous and Wild Animal Program and Commercial Dog Breeders Program.

### C1:1: Animal Health Programs (ALI 700401)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700401, Animal Health Programs	\$5,485,895	\$7,622,000	\$7,622,000
	% change	--	38.9%
			0.0%

This ALI is the primary funding source for the Division of Animal Health. 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 accredited by the American Association of Veterinarian Laboratory Diagnosticians. The Division is responsible for protecting the health of livestock and poultry. The testing services offered by ADDL include avian serology, bacteriology, histology, immunohistochemistry, molecular diagnostics, pathology, serology, and virology. The laboratory's regulatory responsibilities include oversight of animal disease control and eradication efforts through quarantine, vaccination verification, movement permits, and tracing animal identification. Additionally, ADDL is designated as a Tier 1 lab by the United States Department of Agriculture (USDA) National Animal Health Laboratory Network which provides capabilities for diagnostic testing to respond to emerging and emergency animal disease situations at the state, regional, and national level.

The significant increase in FY 2024 primarily includes adding 12.5 full-time equivalent (FTEs) to (1) respond to large-scale disease outbreaks and response activities including the Avian Flu (HPAI) which impacts chickens and Chronic Wasting Disease (CWD) which impacts deer, (2) meet the increasing demand for bull stud, swine, and poultry testing, and (3) modernize lab systems. Additionally, funding will support a client portal for HPAI, online customer submissions, equipment integration, dashboards (internal and external), a laboratory information



management system (LIMS), and provide support for transitions to electronic program processing and sample submissions.

### **C1:2: Dairy Division (ALIs 700403 and 700637)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700403, Dairy Division	\$1,376,168	\$1,441,000	\$1,513,000
% change	--	4.7%	5.0%
Fund 4R20 ALI 700637, Dairy Industry Inspection	\$1,581,996	\$1,950,000	\$1,970,000
% change	--	23.3%	1.0%

GRF ALI 700403, Dairy Division, is used in conjunction with the Dairy Inspection Fund (Fund 4R20) ALI 700637, Dairy Industry Inspection, to administer the state's milk inspection program. Fund 4R20 ALI 700637, Dairy Industry Inspection, is supported by licensing and milk inspection fees, and is used with the GRF funding 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 reports that each licensed producer is required to file with the Department.

Together, the ALIs are used to cover payroll and maintenance expenses necessary to license dairy producers and dairy processors. 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.

### **C1:3: Laboratory Services (ALIs 700406 and 700634)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700406, Consumer Protection Lab	\$1,387,883	\$1,621,000	\$1,705,000
% change	--	16.8%	5.2%
Fund 6520 ALI 700634, Animal, Consumer, and ATL Labs	\$5,402,655	\$6,833,500	\$7,144,700
% change	--	26.5%	4.6%

These two ALIs, GRF ALI 700406, Consumer Protection Lab, and Fund 6520 ALI 700634, Animal, Consumer, and ATL Labs, are 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. Additionally, the analytical toxicology section annually tests samples for horses competing at Ohio's commercial race tracks and county fairs. The increase in these ALIs includes higher costs for materials, equipment, personnel – including an additional FTE, and

significant increases in testing volumes. Fees received for laboratory services are deposited into the Animal and Consumer Analytical Lab Fund (Fund 6520).

### **C1:4: Food Safety (ALIs 700407 and 700610)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700407, Food Safety	\$1,403,938	\$1,568,000	\$1,657,000
% change	--	11.7%	5.7%
Fund 4P70 ALI 700610, Food Safety Inspection	\$903,820	\$1,200,000	\$1,259,000
% change	--	32.8%	4.9%

These two ALIs support the Food Safety Division. GRF ALI 700407, Food Safety, is used to cover payroll and maintenance costs. The Division conducts surveillance, random sampling, facility inspections, consultations, technical assistance, and training. Spending under Fund 4P70 ALI 700610, Food Safety Inspection, is supported through 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.

The Division has a contract for 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. The Division is also responsible for implementing rules under the Federal Food Safety Modernization Act. The Division inspects food manufacturing facilities annually, registers home bakeries, collects food samples annually, and distributes food defense self-assessment guides and informational brochures to retail food establishments. The Division will hire an additional inspector to accomplish these duties in this biennium.

### **C1:5: Meat Inspection (ALIs 700499 and 700618)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700499, Meat Inspection Program – State Share	\$6,922,662	\$7,436,000	\$7,839,000
% change	--	7.4%	5.4%
Fund 3260 ALI 700618, Meat Inspection Program – Federal Share	\$5,141,122	\$5,541,500	\$5,814,000
% change	--	7.8%	4.9%

These two ALIs support the Meat Inspection Program. GRF ALI 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 ALI 700618, Meat Inspection Program – Federal Share.

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. It regulates meat and poultry establishments statewide – most are fully inspected facilities and provide slaughtering and processing operations for resale. The remaining establishments operate under a “custom exempt” status and provide a “not-for-sale” service to individuals who wish to have their own animals slaughtered. Due to the increased need in inspections, the Division will hire four additional meat inspectors, contingent on receiving federal matching funds.

### **C1:6: Poultry Inspection (ALIs 700415 and 700611)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700415, Poultry Inspection	\$862,394	\$909,000	\$954,000
% change	--	5.4%	5.0%
Fund 4T60 ALI 700611, Poultry and Meat Inspection	\$0	\$104,900	\$109,900
% change	--	N/A	4.8%

These two ALIs support various poultry inspection functions. GRF ALI 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 ALI also supports the Ohio Egg Quality Assurance Program, which focuses on controlling the threat of salmonella. ADDL conducts all of the testing associated with these activities.

The second ALI, 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 \$100 for all licenses. These fees, as well as fines and penalties are deposited into the Poultry and Meat Inspection Fund (Fund 4T60).

### **C1:7: Livestock Regulation (ALIs 700418, 700424, and 700604)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700418, Livestock Regulation Program	\$1,368,485	\$1,411,000	\$1,453,000
% change	--	3.1%	3.0%
GRF ALI 700424, Livestock Testing and Inspections	\$169,032	\$126,000	\$129,000
% change	--	-25.5%	2.38%
Fund 5L80 ALI 700604, Livestock Management Program	\$108,960	\$245,000	\$245,000
% change	--	124.9%	0.0%

These ALIs support the Department’s responsibilities to regulate livestock throughout the state. The first of these ALIs, GRF ALI 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 order control.

There are three primary licenses that exist under the Livestock Environmental Permitting Program. These are the (1) Permit to Install (PTI), (2) Permit to Operate (PTO), and (3) 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. These licensed fees are deposited into the Livestock Management Fund (Fund 5L80).

The second of these ALIs, GRF ALI 700424, Livestock Testing and Inspections, pays for the supplies necessary to collect urine, blood, or tissue samples from livestock exhibited at county, independent, and state fairs. These funds also help to support the analytical and toxicology laboratory testing section of CPL. This ALI does not directly fund any employees, as separate GRF funding pays those costs.

The third ALI, Fund 5L80 ALI 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 also deposited into Fund 5L80.

### **C1:8: Dangerous Wild Animal Program (ALIs 700426 and 700657)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700426, Dangerous and Restricted Animals	\$608,743	\$667,000	\$687,000
% change	--	9.6%	3.0%
Fund 5MA0 ALI 700657, Dangerous and Restricted Animals	\$880	\$10,000	\$10,000
% change	--	1,036.4%	0.0%

These two ALIs support the administrative costs for administering the Dangerous Wild Animal Program which regulates the possession of dangerous wild animals and restricted snakes. Fund 5MA0 ALI 700657, Dangerous and Restricted Animals, consists of permit fees and penalties.

### C1:9: Commercial Dog Breeders Program (ALIs 700427 and 700658)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700427, High Volume Breeder Kennel Control	\$1,359,748	\$1,449,000	\$1,524,000
% change	--	6.6%	5.2%
Fund 5MRO ALI 700658, High Volume Breeders and Kennels	\$197,913	\$486,700	\$510,000
% change	--	145.9%	4.8%

These two ALIs support the Commercial Dog Breeders Program. GRF ALI 700427, High Volume Breeder Kennel Control, is used to cover operating costs, including staff and inspections for the Commercial Dog Breeders Program and pet store regulations. In regard to 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. There has been a large increase in the number of licenses and permits issued due to industry growth which will increase the number of employees needed to complete inspections.

Fund 5MRO ALI 700658, High Volume Breeders and Kennels, consists of license fees received from high volume breeders. License fees depend on the number of puppies sold in a calendar year as shown in the table below.

Number of Puppies	Annual Fee
40 to 60 puppies	\$150
61 to 150 puppies	\$250
151 to 250 puppies	\$350
251 to 350 puppies	\$500
351 or more puppies	\$750

A portion of the license and registration 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.

### C1:10: Captive Deer (ALI 700659)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5MS0 ALI 700659, Captive Deer	\$1,232	\$18,000	\$18,000
% change	--	1,360.9%	0.0%

This ALI supports the Captive Deer Program, a monitoring and testing program to ensure the safety of the captive whitetail deer population from Chronic Wasting Disease. Specifically, the ALI funds (1) administrative costs associated with enforcement of the program, (2) licensing of captive deer propagating facilities and hunting reserves, (3) disease testing, mitigation, and elimination, (4) investigations and inspections of the premises of whitetail deer licenses, and (5) education and outreach to facility owners. The license fee ranges from \$25 to \$250 depending on herd size. License fees are deposited into the Captive Deer Fund (Fund 5MS0).

### **C1:11: Pet Store License (ALI 700662)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5PLO ALI 700662, Pet Store License	\$0	\$31,400	\$32,900
% change	--	N/A	4.8%

This ALI is used to support AGR's responsibilities to regulate pet stores. The Pet Store License Fund (Fund 5PLO) receives revenue from pet store license fees (\$500) and civil penalties. Any excess costs incurred over the recommended appropriation are paid under Fund 5MRO ALI 700658, High Volume Breeders and Kennels and GRF ALI 700427, High Volume Breeder Kennel Control.

## **Category 2: Plant Health**

This category of ALIs provides funds for the Division of Plant Health which includes the Grain Warehouse, Feed and Seed, Pesticide and Fertilizer Regulation, and Plant Pest Control sections. Additionally, it contains appropriations for the Hemp Program that began in FY 2020. The Division conducts plant inspections 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.

### **C2:1: Plant Industry (ALI 700410)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700410, Plant Industry	\$444,201	\$475,000	\$489,000
% change	--	6.9%	3.0%

This item supports 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 ALI supports the inspection of apiaries and monitoring and control of invasive plant pests and diseases. In addition, the ALI can be used to fund nursery stock certification inspection for import and export products such as lumber, logs, seed, fruit, and vegetables.

## C2:2: Pesticide and Fertilizer Regulation (ALIs 700605, 700648, and 700635)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 4C90 ALI 700605, Commercial Feed and Seed	\$1,870,379	\$2,369,000	\$2,396,000
% change	--	26.7%	1.1%
Fund 5FC0 ALI 700648, Plant Pest Program	\$1,379,067	\$1,300,000	\$1,328,000
% change	--	-5.7%	2.2%
Fund 6690 ALI 700635, Pesticide, Fertilizer, and Lime Inspection Program	\$3,951,958	\$5,735,000	\$6,188,000
% change	--	45.1%	7.9%

These ALIs support the Plant Division's various responsibilities relating to testing germination of packaged seeds, verifying label statements on feed and fertilizers, and regulating nursery stock.

ALI 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.

ALI 700648, Plant Pest Program, is supported through various nursery stock fees that are deposited into the Plant Pest Program Fund (Fund 5FC0). This ALI is used to fund annual inspections of nursery stock producers and plant-based commodities entering commerce within the state. The program also registers apiaries and coordinates apiary inspections to monitor the health of the state's honey bee population. State and federal pest quarantines are also administered under funding in this ALI.

ALI 700635, Pesticide, Fertilizer, and Lime Inspection Program, is used to register pesticides, license applicators, test applicators, perform routine pesticide inspections, investigate citizen complaints, and enforce pesticide laws. The ALI is also used to provide funding for the Fertilizer Applicator Certification Program which requires Ohio's farmers and commercial fertilizer applicators to complete training provided by OSU Extension. The funding under this ALI is made up of license fees collected from dealers and applicators that are deposited into the Pesticide, Fertilizer, and Lime Program Fund (Fund 6690).

## C2:3: Hemp Program (ALIs 700674 and 700671)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700674, Hemp Production	\$245,346	\$250,000	\$250,000
% change	--	1.9%	0.0%
Fund 5WJ0 ALI 700671, Hemp Program	\$520,263	\$400,000	\$411,400
% change	--	-23.12%	2.85%

These ALIs are used to administer and enforce the Hemp Law which was created by S.B. 57 of the 133<sup>rd</sup> General Assembly. It supports costs incurred under the Hemp Program, including personnel, testing and collecting hemp or cannabidiol (CBD) products, and equipment. The Department began accepting and approving licenses to allow for the cultivation of hemp in CY 2020. Demand for hemp as a crop has been lower than anticipated by the industry and therefore less profitable than expected.

### **C2:4: Federal Cooperative Contracts (ALI 700601)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 3820 ALI 700601, Federal Cooperative Contracts	\$9,892,136	\$11,269,000	\$11,399,000
% change	--	13.9%	1.2%

This ALI 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. This ALI contains approximately 31 various federal grants and contracts under the federal Plant and Animal Disease, Pest Control and Animal Care, and Food Safety programs. Additionally, this ALI includes federal grants for the Agricultural Soil and Water Conservation Program. 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.

### **C2:5: Federal Plant Industry (ALI 700614)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 3R20 ALI 700614, Federal Plant Industry	\$6,282,769	\$7,652,000	\$8,029,000
% change	--	21.8%	4.9%

This ALI also is used to distribute funding from federal grants and cooperative agreements and is used for cost sharing in the operation of the Gypsy Moth Program as well as for operating the Pesticide Program and performing pest and disease surveys for the USDA. Additionally, this ALI is used for Asian Longhorned Beetle and Spotted Lantern Fly eradication efforts, which pose a threat to Ohio's timber crop.

## **Category 3: Soil and Water**

This category of funding includes ALIs within the Department's budget that fund AGR's soil and water conservation responsibilities. The Division of Soil and Water Conservation is charged with (1) providing support to Ohio's 88 soil and water conservation districts (SWCDs), (2) implementing statewide agricultural and nonpoint source water pollution control programs, (3) supporting local development of watershed management and protection action plans, and (4) administering conservation programs and cost share for Agricultural Pollution Best Management Practices.



### C3:1: Soil and Water Division (ALI 700428)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700428, Soil and Water Division	\$4,155,516	\$4,000,000	\$4,000,000
% change	--	-3.7%	0.0%

This ALI is the primary source of operating support for the Division of Soil and Water Conservation. The Division staff consists of nutrient management specialists, professional engineers, program specialists, and soil scientists. The nutrient management specialists within the Division implement statewide agricultural and nonpoint source water pollution control programs and assist SWCDs and local watershed groups in implementing these types of programs. The Division's professional engineers provide engineering services to help install equipment and practices for pollution reduction as well as train SWCD staff, including administrative, financial, organizational, and strategic planning assistance. In addition, Division staff also assists the Ohio Soil and Water Conservation Commission with its oversight responsibilities. Lastly, the Division's soil scientists update and maintain soil information based on data collected in county-based soil survey projects.

### C3:2: Soil and Water Conservation District Support (ALIs 700509 and 700661)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700509, Soil and Water District Support	\$10,260,500	\$12,510,000	\$12,510,000
% change	--	21.9%	0.0%
Fund 5BV0 ALI 700661, Soil and Water Districts	\$8,183,850	\$9,500,000	\$9,500,000
% change	--	16.1%	0.0%

The Division of Soil and Water Conservation uses these two ALIs to provide direct assistance to Ohio's 88 county SWCDs for the planning, design, and construction of conservation projects to reduce soil erosion and protect local water resources. A portion of these funds are also used to provide technical assistance, support local watershed coordinators, implement pollution control programs, and related activities. SWCDs are required to match state assistance pursuant to a formula adopted by the Ohio Soil and Water Conservation Commission. Under the current formula, the state provides a base of \$15,000 to each SWCD regardless of the total local match revenue. The first \$20,000 of local match revenue is matched by the state at 200% in FY 2023. All funds above \$20,000 and below \$500,000 will be matched at a uniform match rate that is calculated on the remaining available state match funds. If an SWCD receives over \$500,000 in local funds, the state will match 60% of the amount that would otherwise have gone to that district under the match percentage determined by the formula.

Funding for this direct assistance under ALI 700661, Soil and Water Districts, is supported by the Soil and Water Districts Assistance Fund (Fund 5BV0). Fund 5BV0 receives revenue from

(1) a disposal fee of 25¢ per ton of construction and demolition debris, (2) 25¢ per ton of municipal solid waste, and (3) 50¢ per tire on the sale of new tires. Additionally, ALI 700661, Soil and Water District Support, can be used to pay any SWCD an annual amount not to exceed \$40,000 upon receipt of request and justification from the district and approval by the Ohio Soil and Water Conservation Commission.

In addition to the direct assistance explained above, the bill earmarks funding for SWCDs in the Western Lake Erie Basin and other priority regions, as defined by the AGR Director, under GRF ALI 700509, Soil and Water District Support. Specifically, \$4.2 million in both FY 2024 and FY 2025 under this ALI is earmarked for staffing costs and to assist in soil testing and nutrient management plan development, including manure transformation and manure conversion technologies, enhanced filter strips, water management, and H2Ohio Program support.

### **C3:3: Heidelberg Water Quality Lab (ALI 700660)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5BV0 ALI 700660, Heidelberg Water Quality Lab	\$275,000	\$275,000	\$275,000
% change	--	0.0%	0.0%

This ALI supports the National Center for Water Quality Research at Heidelberg University in Tiffin. The laboratory performs research on soil and water issues, including studying agricultural impacts on soil and water resources and conducting water quality analyses. Funding for this ALI is provided by the solid waste, construction and demolition debris, and tire sale fees credited to Fund 5BV0.

### **C3:4: Watershed Assistance (ALI 700653)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5QW0 ALI 700653, Watershed Assistance	\$558,459	\$565,000	\$565,000
% change	--	1.2%	0.0%

This ALI supports Ohio's watersheds and is funded by various grants, fees, and contributions made directly to it. Specifically, this ALI funds the Muskingum Water District Program and SWCD Staff Technical and Administrative Development programs. The Muskingum Watershed Conservancy District provides funding to local SWCDs to cost share with landowners for projects that conserve and manage natural resources and ecosystems within the Muskingum River and Duck Creek watersheds. The Staff Technical and Administrative Development programs are training programs for newly hired SWCD staff.

**C3:5: H2Ohio (ALI 700670)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 6H20 ALI 700670, H2Ohio	\$29,216,304	\$60,659,574	\$60,755,574
% change	--	107.6%	0.2%

This ALI is used to support the H2Ohio Program, the Governor's water quality initiative aimed to reduce phosphorous in waterways, creating wetlands, addressing failing septic systems, and preventing lead contamination through programs implemented by the departments of Agriculture, Natural Resources, and the Ohio Environmental Protection Agency. This ALI has been used to provide incentive payments to farmers located in the Maumee River Watershed for implementing any of the seven best conservation practices proven to reduce phosphorous runoff on farmland and into the waterways. Incentive payments depend on the best conservation practice implemented by landowners.

Under current law, the H2Ohio Fund (Fund 6H20) is required to be used for: (1) agricultural water projects, which focuses on agricultural practices, (2) community water projects, which involve a public water system operated by a political subdivision, (3) nature water projects, which involve a natural water system, (4) awarding or allocating grants or money, issuing loans, or making purchases for the development and implementation of projects and programs that are designed to address water quality priorities, (5) funding cooperative research, data gathering and monitoring, and demonstration projects related to water quality priorities, (6) encouraging cooperation with and among leaders from state legislatures, state agencies, political subdivisions, business and industry, labor, agriculture, environmental organizations, institutions of higher education, and water conservation districts, and (7) other purposes, policies, programs, and priorities identified by the Lake Erie Commission in coordination with the state agencies or boards responsible for water protection and water management.

Additionally, the budget transfers the Soil and Water Phosphorus Program into this fund and ALI. The bill requires the Department to establish programs that reduce total phosphorous and dissolved reactive phosphorus in the Western Lake Erie Basin and other critical regions in the state as defined by the Director of Agriculture. This can be achieved by providing (1) equipment for subsurface placement of nutrients into the soil, (2) equipment for nutrient placement based on geographic information system data, (3) soil testing, (4) implementation of variable rate technology, (5) equipment implementing manure transformation and manure conversion technologies, (6) tributary monitoring, (7) best management practices recognized to reduce nutrients, (8) a revolving loan program, and (9) matching funds for the Conservation Reserve Enhancement Program in the Western Lake Erie Basin and Scioto River Basin.

Of this ALI, a minimum of \$10.7 million in each fiscal year must be used for programs to assist in reducing total phosphorus, dissolved reactive phosphorus, sediment, and other nutrients in the Western Lake Erie Basin. Fund 6H20 receives transfers from surplus balances in the GRF.

## Category 4: 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.

### C4:1: Ohio Proud (ALIs 700404 and 700636)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700404, Ohio Proud	\$117,150	\$204,000	\$180,000
% change	--	74.1%	-11.8%
Fund 4R00 ALI 700636, Ohio Proud Marketing	\$27,961	\$30,500	\$30,500
% change	--	9.1%	0.0%

These ALIs are used to fund Ohio Proud, a domestic marketing program to promote Ohio food and agricultural products within the state and throughout the country. Companies may be involved in the Ohio Proud Program and Ohio Proud Logo Program, in which the Ohio Proud logo is placed on domestic products sold by the participating company. Companies pay an initial \$50 fee to join Ohio Proud which is deposited into the Ohio Proud Marketing Program Fund (Fund 4R00). Additionally, AGR may sell merchandise that promotes the Ohio Proud Program and deposit any of those proceeds into Fund 4R00. The increase in appropriation for ALI 700404 can be attributed to a decrease in marketing activity during the COVID-19 pandemic followed by an expanded marketing effort.

### C4:2: Commodities (ALIs 700612 and 700627)

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 4940 ALI 700612, Agricultural Commodity Marketing Program	\$113,392	\$200,000	\$200,000
% change	--	76.4%	0.0%
Fund 4970 ALI 700627, Grain Warehouse Program	\$468,724	\$500,000	\$500,000
% change	--	6.7%	0.0%

ALI 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 Department provides oversight for eight marketing programs: (1) apple, (2) beef, (3) corn, (4) egg, (5) small fruit and vegetable, (6) sheep and wool, (7) propane, and (8) hemp.

ALI 700627, Grain Warehouse Program, is used to pay the costs of licensing and regulating grain warehouses and handlers. Funds are used to inspect 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. Examination fees range from \$50 to \$1,200

depending on the size of the facility up to a storage capacity of 10.0 million bushels and then an extra \$30 per 1 million bushels above 10.0 million.

### **C4:3: Ohio Grape Industries (ALI 700626)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 4960 ALI 700626, Ohio Grape Industries	\$1,478,860	\$1,550,000	\$1,550,000
% change	--	4.8%	0.0%

This ALI funds 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 funded 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. This program is funded through a 5¢ per gallon tax on all wine sales in Ohio that is deposited into the Ohio Grape Industries Fund (Fund 4960).

### **C4:4: License Plates – Sustainable Agriculture (ALI 700651)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 4900 ALI 700651, License Plates – Sustainable Agriculture	\$24,610	\$18,300	\$18,300
% change	--	-25.6%	0.0%

This ALI is used to promote agriculture awareness and programs through the issuance of license plates.

## **Category 5: Other Agriculture Services**

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

### **C5:1: Weights and Measures (ALIs 700412 and 700608)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700412, Weights and Measures	\$663,423	\$757,000	\$791,000
% change	--	14.1%	4.5%
Fund 5H20 ALI 700608, Metrology Lab and Scale Certification	\$1,013,088	\$1,391,000	\$1,460,000
% change	--	37.3%	5.0%

These two ALIs support the operating expenses of the Division of Weights and Measures. Specifically, GRF ALI 700412, Weights and Measures, is used to pay the operating costs of the

Division, which primarily entails employee salaries. The Division annually inspects measuring devices, processes device permits, registers service persons, issues calibration certificates in the Metrology Lab, and provides training for state and local jurisdiction inspectors. The appropriation increase for this ALI includes IT software modernization efforts and additional funding to offset free calibration services for the equipment used by county inspectors to enforce state laws and rules.

Funding for this program under ALI 700608, Metrology Lab and Scale Certification, is derived from fees paid by private companies for calibration and measuring device certification services which are deposited into the Metrology and Scale Certification Fund (Fund 5H20). The funding is used to certify and ensure the accuracy of secondary weights and measures standards.

### **C5:2: Auctioneers (ALIs 700629 and 700609)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5B80 ALI 700629, Auctioneers	\$210,199	\$367,600	\$367,600
% change	--	74.9%	0.0%
Fund 4D20 ALI 700609, Auction Education	\$17,762	\$52,400	\$54,900
% change	--	195.0%	4.8%

These two ALIs are used to pay the operating expenses related to the regulation of the auctioneer industry, including the licensing of auctioneers, and providing continuing education. ALI 700629, Auctioneers, is used to pay the operating expenses of licensing auctioneers. Auctioneers are required to renew their license biennially, which includes a fee of \$200 that is deposited into the Auctioneers Fund (Fund 5B80).

The funding under ALI 700609, Auction Education, is used to provide continuing education to licensed auctioneers. The ALI 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).

### **C5:3: Amusement Ride Safety (ALIs 700511 and 700620)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700511, Ride Inspection	\$628,748	\$716,000	\$749,000
% change	--	13.9%	4.6%
Fund 5780 ALI 700620, Ride Inspection	\$989,496	\$1,355,000	\$1,417,000
% change	--	36.9%	4.6%

These ALIs support the efforts of the Division of Amusement Ride Safety to oversee and enforce safety requirements that apply to amusement rides, games, and concessions. The increase under GRF ALI 700511, Ride Inspection, will support an additional FTE in this biennium as a result of reinspections and supplemental inspections required by Tyler's Law.

Fund 5780 ALI 700620, Ride Inspection, is supported by fees for licenses, inspections, reinspections, and fines for amusement ride operators. The bill would extend the existing fees for ride inspections to ride reinspections and supplemental inspections.

### **C5:4: County Agricultural Societies (ALI 700501)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700501, County Agricultural Societies	\$4,679,467	\$380,000	\$380,000
% change	--	-91.9%	0.0%

This GRF subsidy ALI is used to reimburse part of the expenses incurred by 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. The elevated spending in FY 2023 reflects a supplemental appropriation of \$4.5 million under H.B. 45 of the 134<sup>th</sup> General Assembly to provide additional subsidies.

### **C5:5: Local Fairs (ALI 700512)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700512, Local Fairs	\$0	\$0	\$4,700,000
% change	--	N/A	N/A

This GRF subsidy ALI is used to support county and independent agricultural societies.

## **Category 6: Farmland Preservation**

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

### **C6:1: Farmland Preservation (ALIs 700409, 700632, and 700641)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
GRF ALI 700409, Farmland Preservation	\$501,195	\$524,000	\$550,000
% change	--	4.6%	5.0%
Fund 7057 ALI 700632, Clean Ohio Agricultural Easement Operating	\$349,475	\$512,000	\$512,000
% change	--	46.5%	0.0%
Fund 3AB0 ALI 700641, Agricultural Easement	\$0	\$200,000	\$200,000
% change	--	N/A	0.0%

These ALIs support 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.

GRF ALI 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.

ALI 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 starts to flow directly to the landowner when the easement is purchased.

The third ALI, 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.

### **C6:2: Ohio Farm Loan (ALI 700617)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 3360 ALI 700617, Ohio Farm Loan – Revolving	\$163,726	\$225,000	\$225,000
% change	--	37.4%	0.0%

This ALI is used to award grants for rural rehabilitation of farmland that benefit rural residents and has a long-term impact on the community. The grant 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. Additionally, the ALI is used to award grants for organizations pursuing youth-focused agricultural interest. Specifically, this ALI supports the Agriculture and Rural Community Outreach Program administered by the Ohio Future Farmers of America organization. Lastly, this ALI supports the Department's costs related to administering farmland programs. The program is funded with liquidated assets of the Ohio Rural Rehabilitation Corporation. The remaining funds are targeted toward eligible work. To the extent practical, the Department is moving away from recurring expenses toward one-time projects, as there are no new revenues for this program.

### **Category 7: Administration**

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



**C7:1: Utility Radiological Safety (ALI 700606)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 4E40 ALI 700606, Utility Radiological Safety	\$98,314	\$109,800	\$112,900
% change	--	11.7%	2.8%

This ALI is used to pay AGR's share of 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.

**C7:2: Laboratory Administration Support (ALI 700644)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5DA0 ALI 700644, Laboratory Administration Support	\$1,244,651	\$1,479,000	\$1,551,000
% change	--	18.8%	4.9%

This ALI 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 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 that are deposited into the Laboratory Administration Fund (Fund 5DA0).

**C7:3: Administrative Support (ALI 700655)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5GH0 ALI 700655, Administrative Support	\$5,359,633	\$6,748,000	\$7,194,000
% change	--	25.9%	6.6%

This ALI 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, periodically depositing the proceeds into the Central Support Indirect Cost Fund (Fund 5GH0). The increased appropriations in the FY 2024-FY 2025 biennium account for hiring five additional FTEs to perform communication, legal, program administration, and enforcement services.

**C7:4: Federal Administrative Programs (ALI 700607)**

Fund/ALI	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 3J40 ALI 700607, Federal Administrative Programs	\$1,693,952	\$1,936,000	\$2,031,000
% change	--	14.3%	4.9%

This ALI 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. Expenses that are paid from this source of funding include utility billings 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.

Line Item Detail by Agency			FY 2022	FY 2023	Appropriations FY 2024	FY 2023 to FY 2024 \$ Change	% Change	Appropriations FY 2025	FY 2024 to FY 2025 \$ Change	% Change
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: As Enacted</b>							
<b>AGR Department of Agriculture</b>										
GRF	700401	Animal Health Programs	\$ 5,471,281	\$ 5,485,895	\$ 7,622,000	\$ 2,136,105	38.94%	\$ 7,622,000	\$ 0	0.00%
GRF	700403	Dairy Division	\$ 1,341,747	\$ 1,376,168	\$ 1,441,000	\$ 64,832	4.71%	\$ 1,513,000	\$ 72,000	5.00%
GRF	700404	Ohio Proud	\$ 92,180	\$ 117,150	\$ 204,000	\$ 86,850	74.14%	\$ 180,000	(\$24,000)	-11.76%
GRF	700406	Consumer Protection Lab	\$ 1,645,597	\$ 1,387,883	\$ 1,621,000	\$ 233,117	16.80%	\$ 1,705,000	\$ 84,000	5.18%
GRF	700407	Food Safety	\$ 1,449,926	\$ 1,413,938	\$ 1,568,000	\$ 154,062	10.90%	\$ 1,657,000	\$ 89,000	5.68%
GRF	700409	Farmland Preservation	\$ 998,767	\$ 501,195	\$ 524,000	\$ 22,805	4.55%	\$ 550,000	\$ 26,000	4.96%
GRF	700410	Plant Industry	\$ 261,007	\$ 444,201	\$ 475,000	\$ 30,799	6.93%	\$ 489,000	\$ 14,000	2.95%
GRF	700412	Weights and Measures	\$ 666,670	\$ 663,423	\$ 757,000	\$ 93,577	14.11%	\$ 791,000	\$ 34,000	4.49%
GRF	700415	Poultry Inspection	\$ 813,176	\$ 862,394	\$ 909,000	\$ 46,606	5.40%	\$ 954,000	\$ 45,000	4.95%
GRF	700417	Soil and Water Phosphorus Program	\$ 16,503,090	\$ 14,634,641	\$ 0	(\$14,634,641)	-100.00%	\$ 0	\$ 0	N/A
GRF	700418	Livestock Regulation Program	\$ 1,401,352	\$ 1,368,485	\$ 1,411,000	\$ 42,515	3.11%	\$ 1,453,000	\$ 42,000	2.98%
GRF	700424	Livestock Testing and Inspections	\$ 94,471	\$ 169,032	\$ 126,000	(\$43,032)	-25.46%	\$ 129,000	\$ 3,000	2.38%
GRF	700426	Dangerous and Restricted Animals	\$ 606,417	\$ 608,743	\$ 667,000	\$ 58,257	9.57%	\$ 687,000	\$ 20,000	3.00%
GRF	700427	High Volume Breeder Kennel Control	\$ 1,317,459	\$ 1,359,748	\$ 1,449,000	\$ 89,252	6.56%	\$ 1,524,000	\$ 75,000	5.18%
GRF	700428	Soil and Water Division	\$ 3,892,332	\$ 4,155,516	\$ 4,000,000	(\$155,516)	-3.74%	\$ 4,000,000	\$ 0	0.00%
GRF	700499	Meat Inspection Program - State Share	\$ 6,807,673	\$ 6,922,662	\$ 7,436,000	\$ 513,338	7.42%	\$ 7,839,000	\$ 403,000	5.42%
GRF	700501	County Agricultural Societies	\$ 391,697	\$ 4,679,467	\$ 380,000	(\$4,299,467)	-91.88%	\$ 380,000	\$ 0	0.00%
GRF	700509	Soil and Water District Support	\$ 8,690,382	\$ 10,260,500	\$ 12,510,000	\$ 2,249,500	21.92%	\$ 12,510,000	\$ 0	0.00%
GRF	700511	Ride Inspection	\$ 904,185	\$ 628,748	\$ 716,000	\$ 87,252	13.88%	\$ 749,000	\$ 33,000	4.61%
GRF	700512	Local Fairs	\$ 4,450,000	\$ 0	\$ 0	\$ 0	N/A	\$ 4,700,000	\$ 4,700,000	N/A
GRF	700674	Hemp Production	\$ 188,577	\$ 245,346	\$ 250,000	\$ 4,654	1.90%	\$ 250,000	\$ 0	0.00%
<b>Sub-Total General Revenue Fund</b>			<b>\$ 57,987,986</b>	<b>\$ 57,285,136</b>	<b>\$ 44,066,000</b>	<b>(\$13,219,136)</b>	<b>-23.08%</b>	<b>\$ 49,682,000</b>	<b>\$ 5,616,000</b>	<b>12.74%</b>
4900	700651	License Plates - Sustainable Agriculture	\$ 0	\$ 24,610	\$ 18,300	(\$6,310)	-25.64%	\$ 18,300	\$ 0	0.00%
4940	700612	Agricultural Commodity Marketing Program	\$ 218,270	\$ 113,392	\$ 200,000	\$ 86,608	76.38%	\$ 200,000	\$ 0	0.00%
4960	700626	Ohio Grape Industries	\$ 1,199,682	\$ 1,478,860	\$ 1,550,000	\$ 71,140	4.81%	\$ 1,550,000	\$ 0	0.00%
4970	700627	Grain Warehouse Program	\$ 291,019	\$ 468,724	\$ 500,000	\$ 31,276	6.67%	\$ 500,000	\$ 0	0.00%
4980	700628	Grain Indemnity	\$ 1,663,860	\$ 0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A

Line Item Detail by Agency			FY 2022	FY 2023	Appropriations FY 2024	FY 2023 to FY 2024 \$ Change	% Change	Appropriations FY 2025	FY 2024 to FY 2025 \$ Change	% Change
<b>AGR</b>	<b>Department of Agriculture</b>									
4C90	700605	Commercial Feed and Seed	\$ 2,289,448	\$ 1,870,379	\$ 2,369,000	\$ 498,621	26.66%	\$ 2,396,000	\$ 27,000	1.14%
4D20	700609	Auction Education	\$ 12,750	\$ 17,762	\$ 52,400	\$ 34,638	195.01%	\$ 54,900	\$ 2,500	4.77%
4E40	700606	Utility Radiological Safety	\$ 91,352	\$ 98,314	\$ 109,800	\$ 11,486	11.68%	\$ 112,900	\$ 3,100	2.82%
4P70	700610	Food Safety Inspection	\$ 750,981	\$ 903,820	\$ 1,200,000	\$ 296,180	32.77%	\$ 1,259,000	\$ 59,000	4.92%
4R00	700636	Ohio Proud Marketing	\$ 33,091	\$ 27,961	\$ 30,500	\$ 2,539	9.08%	\$ 30,500	\$ 0	0.00%
4R20	700637	Dairy Industry Inspection	\$ 1,630,375	\$ 1,581,996	\$ 1,950,000	\$ 368,004	23.26%	\$ 1,970,000	\$ 20,000	1.03%
4T60	700611	Poultry and Meat Inspection	\$ 100,000	\$ 0	\$ 104,900	\$ 104,900	N/A	\$ 109,900	\$ 5,000	4.77%
5780	700620	Ride Inspection	\$ 505,941	\$ 989,496	\$ 1,355,000	\$ 365,504	36.94%	\$ 1,417,000	\$ 62,000	4.58%
5B80	700629	Auctioneers	\$ 145,329	\$ 210,199	\$ 367,600	\$ 157,401	74.88%	\$ 367,600	\$ 0	0.00%
5BV0	700660	Heidelberg Water Quality Lab	\$ 275,000	\$ 275,000	\$ 275,000	\$ 0	0.00%	\$ 275,000	\$ 0	0.00%
5BV0	700661	Soil and Water Districts	\$ 8,084,370	\$ 8,183,850	\$ 9,500,000	\$ 1,316,150	16.08%	\$ 9,500,000	\$ 0	0.00%
5CV1	700672	Coronavirus Relief - Local Fairs	\$ 932,499	\$ 0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A
5FC0	700648	Plant Pest Program	\$ 1,307,775	\$ 1,379,067	\$ 1,300,000	(\$79,067)	-5.73%	\$ 1,328,000	\$ 28,000	2.15%
5H20	700608	Metrology Lab and Scale Certification	\$ 976,564	\$ 1,013,088	\$ 1,391,000	\$ 377,912	37.30%	\$ 1,460,000	\$ 69,000	4.96%
5L80	700604	Livestock Management Program	\$ 66,732	\$ 108,960	\$ 245,000	\$ 136,040	124.85%	\$ 245,000	\$ 0	0.00%
5MA0	700657	Dangerous and Restricted Animals	\$ 0	\$ 880	\$ 10,000	\$ 9,120	1,036.44%	\$ 10,000	\$ 0	0.00%
5MR0	700658	High Volume Breeders and Kennels	\$ 272,101	\$ 197,913	\$ 486,700	\$ 288,787	145.92%	\$ 510,000	\$ 23,300	4.79%
5MS0	700659	Captive Deer	\$ 0	\$ 1,232	\$ 18,000	\$ 16,768	1,360.87%	\$ 18,000	\$ 0	0.00%
5PL0	700662	Pet Store License	\$ 0	\$ 0	\$ 31,400	\$ 31,400	N/A	\$ 32,900	\$ 1,500	4.78%
5QW0	700653	Watershed Assistance	\$ 544,304	\$ 558,459	\$ 565,000	\$ 6,541	1.17%	\$ 565,000	\$ 0	0.00%
5U10	700624	Auction Recovery	\$ 0	\$ 10,115	\$ 0	(\$10,115)	-100.00%	\$ 0	\$ 0	N/A
5WJ0	700671	Hemp Program	\$ 727,502	\$ 520,263	\$ 400,000	(\$120,263)	-23.12%	\$ 411,400	\$ 11,400	2.85%
5YB0	700676	Farm Financial Management Institute	\$ 250,000	\$ 250,000	\$ 0	(\$250,000)	-100.00%	\$ 0	\$ 0	N/A
6520	700634	Animal, Consumer, and ATL Labs	\$ 4,680,619	\$ 5,402,655	\$ 6,833,500	\$ 1,430,845	26.48%	\$ 7,144,700	\$ 311,200	4.55%
6690	700635	Pesticide, Fertilizer, and Lime Inspection Program	\$ 3,671,596	\$ 3,951,958	\$ 5,735,000	\$ 1,783,042	45.12%	\$ 6,188,000	\$ 453,000	7.90%
6H20	700670	H2Ohio	\$ 55,337,154	\$ 29,216,304	\$ 60,659,574	\$ 31,443,270	107.62%	\$ 60,755,574	\$ 96,000	0.16%
<b>Sub-Total Dedicated Purpose Fund Group</b>			<b>\$ 86,058,313</b>	<b>\$ 58,855,257</b>	<b>\$ 97,257,674</b>	<b>\$ 38,402,417</b>	<b>65.25%</b>	<b>\$ 98,429,674</b>	<b>\$ 1,172,000</b>	<b>1.21%</b>
5DA0	700644	Laboratory Administration Support	\$ 1,311,272	\$ 1,244,651	\$ 1,479,000	\$ 234,349	18.83%	\$ 1,551,000	\$ 72,000	4.87%
5GH0	700655	Administrative Support	\$ 5,716,195	\$ 5,359,633	\$ 6,748,000	\$ 1,388,367	25.90%	\$ 7,194,000	\$ 446,000	6.61%
<b>Sub-Total Internal Service Activity Fund Group</b>			<b>\$ 7,027,467</b>	<b>\$ 6,604,284</b>	<b>\$ 8,227,000</b>	<b>\$ 1,622,716</b>	<b>24.57%</b>	<b>\$ 8,745,000</b>	<b>\$ 518,000</b>	<b>6.30%</b>

Line Item Detail by Agency			FY 2022	FY 2023	Appropriations FY 2024	FY 2023 to FY 2024 \$ Change	% Change	Appropriations FY 2025	FY 2024 to FY 2025 \$ Change	% Change
<b>AGR Department of Agriculture</b>										
7057	700632	Clean Ohio Agricultural Easement Operating	\$ 388,829	\$ 349,475	\$ 512,000	\$ 162,525	46.51%	\$ 512,000	\$ 0	0.00%
<b>Sub-Total Capital Projects Fund Group</b>			<b>\$ 388,829</b>	<b>\$ 349,475</b>	<b>\$ 512,000</b>	<b>\$ 162,525</b>	<b>46.51%</b>	<b>\$ 512,000</b>	<b>\$ 0</b>	<b>0.00%</b>
3260	700618	Meat Inspection Program - Federal Share	\$ 5,143,946	\$ 5,141,122	\$ 5,541,500	\$ 400,378	7.79%	\$ 5,814,000	\$ 272,500	4.92%
3360	700617	Ohio Farm Loan - Revolving	\$ 86,687	\$ 163,726	\$ 225,000	\$ 61,274	37.42%	\$ 225,000	\$ 0	0.00%
3820	700601	Federal Cooperative Contracts	\$ 7,815,137	\$ 9,892,136	\$ 11,269,000	\$ 1,376,864	13.92%	\$ 11,399,000	\$ 130,000	1.15%
3AB0	700641	Agricultural Easement	\$ 18,109	\$ 0	\$ 200,000	\$ 200,000	N/A	\$ 200,000	\$ 0	0.00%
3J40	700607	Federal Administrative Programs	\$ 966,080	\$ 1,693,952	\$ 1,936,000	\$ 242,048	14.29%	\$ 2,031,000	\$ 95,000	4.91%
3R20	700614	Federal Plant Industry	\$ 7,001,185	\$ 6,282,769	\$ 7,652,000	\$ 1,369,231	21.79%	\$ 8,029,000	\$ 377,000	4.93%
<b>Sub-Total Federal Fund Group</b>			<b>\$ 21,031,143</b>	<b>\$ 23,173,705</b>	<b>\$ 26,823,500</b>	<b>\$ 3,649,795</b>	<b>15.75%</b>	<b>\$ 27,698,000</b>	<b>\$ 874,500</b>	<b>3.26%</b>
<b>Department of Agriculture Total</b>			<b>\$ 172,493,739</b>	<b>\$ 146,267,857</b>	<b>\$ 176,886,174</b>	<b>\$ 30,618,317</b>	<b>20.93%</b>	<b>\$ 185,066,674</b>	<b>\$ 8,180,500</b>	<b>4.62%</b>
<b>Grand Total</b>			<b>\$ 172,493,739</b>	<b>\$ 146,267,857</b>	<b>\$ 176,886,174</b>	<b>\$ 30,618,317</b>	<b>20.93%</b>	<b>\$ 185,066,674</b>	<b>\$ 8,180,500</b>	<b>4.62%</b>