

Representative Jerome Zeringue  
Chairman



Representative Gary Carter  
Vice Chairman

# Fiscal Year 21-22 HB1 Budget Review

## Department of Agriculture and Forestry

House Committee on Appropriations  
House Fiscal Division

*April 8, 2021*

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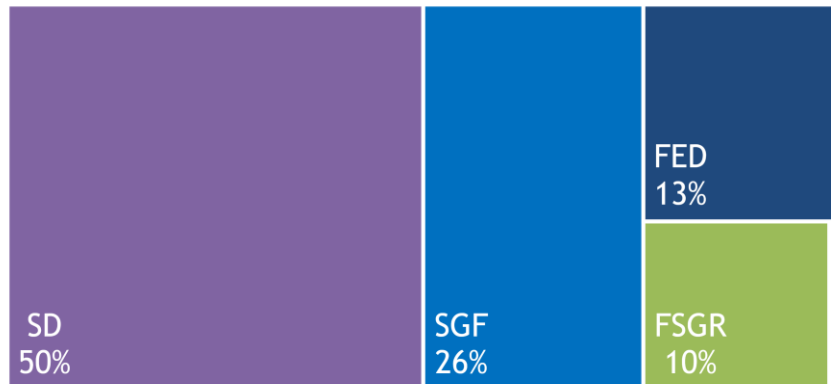
# TABLE OF CONTENTS

	Topic	Page
	FY22 Budget Recommendation	3
	Department Organization	4
	Department Overview	5
	Historical Trends	8
FY20 —	Unspent Authority	9
FY21 —	Current Expenditure Trend	11
	Sources of Funding	12
	Funding Changes	15
FY22	Expenditure Changes	17
	Other Charges	20
	Discretionary Expenses	21
	Personnel Information	22
	Department Contacts	30

# FY22 BUDGET RECOMMENDATION

**Total Budget = \$74,650,094**

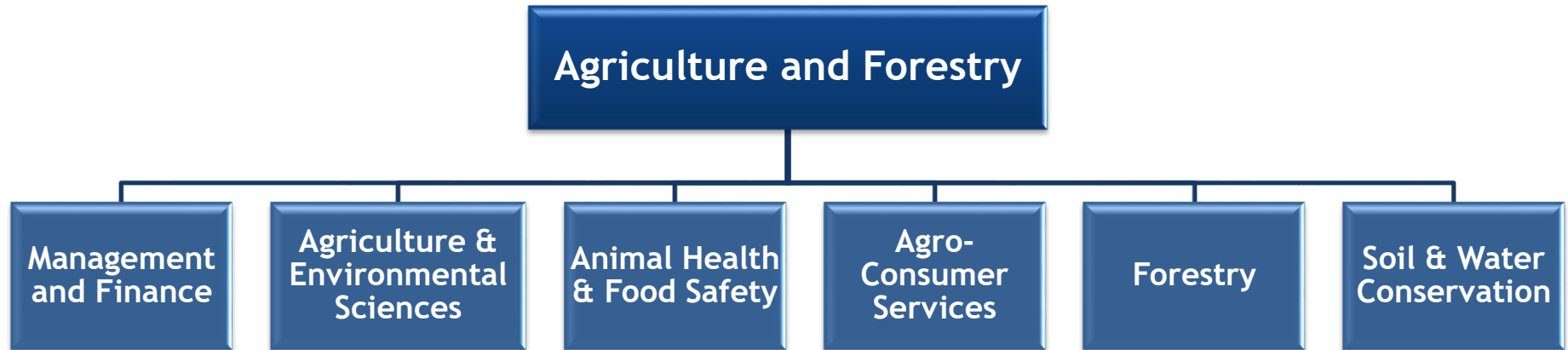
Means of Finance	
State General Fund	\$19,723,864
Interagency Transfers	\$447,345
Fees & Self-generated	\$7,281,777
Statutory Dedications	\$37,267,680
Federal	\$9,929,428
<b>Total</b>	<b>\$74,650,094</b>



Program Breakdown		
	Budget	Positions
Management & Finance	\$20,332,551	106
Ag & Environmental Sciences	\$13,316,960	110
Animal Health & Food Safety	\$14,032,696	104
Agro-Consumer Services	\$8,193,873	77
Forestry	\$16,731,019	167
Soil & Water Conservation	\$2,042,995	9
<b>Total</b>	<b>\$74,650,094</b>	<b>573</b>



# DEPARTMENT ORGANIZATION



# DEPARTMENT OVERVIEW



The Department's mission is to promote, protect and advance agriculture and forestry, and soil and water resources.

## Management and Finance

- Controls support functions for the department, including fiscal services, human resources, information technology, procurement, fleet and facility management, audit, and marketing services.
- Oversees the Medical Marijuana program which regulates production to ensure proper accountability, security, and safety of the marijuana product.

## Agriculture and Environmental Sciences

- **Horticulture and Quarantine Program**- Monitors and provides for the prevention, control, and eradication of regulated and exotic crop pests or diseases endangering Louisiana's food, fiber, forestry, horticultural, and apiary industries and the environment. Oversees the qualifications and practices of persons engaged in the green industry.
- **Pesticide and Environmental Program**- Inspects, enforces, and regulates the registration, distribution, sale, offering for sale, and application of pesticides.
- **Agricultural Chemistry Program**- Administers state laws and regulations which regulate the manufacturing and sale of animal feeds, pet foods, fertilizers, and agricultural liming materials. The Agricultural Chemistry Laboratory is responsible for analyzing agricultural chemicals and other farm input components as part of their regulatory enforcement. The lab will also test the Industrial Hemp plant for THC levels and the contents of the medical marijuana product before it goes to market.
- **Seed Program**- Ensures that seed sold for planting purposes meets seed label guarantees and quality standards. Enforces seed laws and regulations, manages the Seed Certification Program, and operates the state's official seed testing laboratory. This office is also tasked with regulation of the Industrial Hemp Program.

# DEPARTMENT OVERVIEW

## Animal Health and Food Safety

- **Livestock Brand Commission**- Investigates farm related crimes, including identification of livestock through registered brands and markings.
- **Food Quality Services (FQS) Program**- Inspections for fresh fruits and vegetables grown in Louisiana.
- **Poultry & Egg Division**- Enforces state laws, rules, and regulations for egg and poultry production, packing, and sales and establishes grades for products sold in Louisiana.
- **Louisiana Egg Commission**- Promotes eggs/egg products in Louisiana. Licenses all producers, packers, processors, wholesalers, and brokers.
- **Veterinary Health Division**- Protects Louisiana livestock from infectious diseases by administering state and federal disease surveillance programs that include disease reporting, monitoring, investigation, diagnostics, containment, and eradication.
- **Meat & Poultry Inspection Program**- Cooperative state/federal inspection program to ensure safety and proper labeling of meat and poultry.
- **Grading & Certification**- Assures that products purchased by institutions and schools meet the Institutional Meat Purchasing Specifications and general requirements for fish and fishery products.
- **Food Distribution Program**- Ensures the USDA Commodities are distributed to eligible recipient agencies.

## Forestry

- **Forestry Protection**- Includes detection, suppression, and prevention of wildfires on the forest lands of Louisiana. Included in these objectives are community education, training, and outreach.
- **Forestry Management**- Provides landowner assistance to ensure proper forest management practices. These services include technical and practical assistance as well as administering landowner subsidy programs.

# DEPARTMENT OVERVIEW

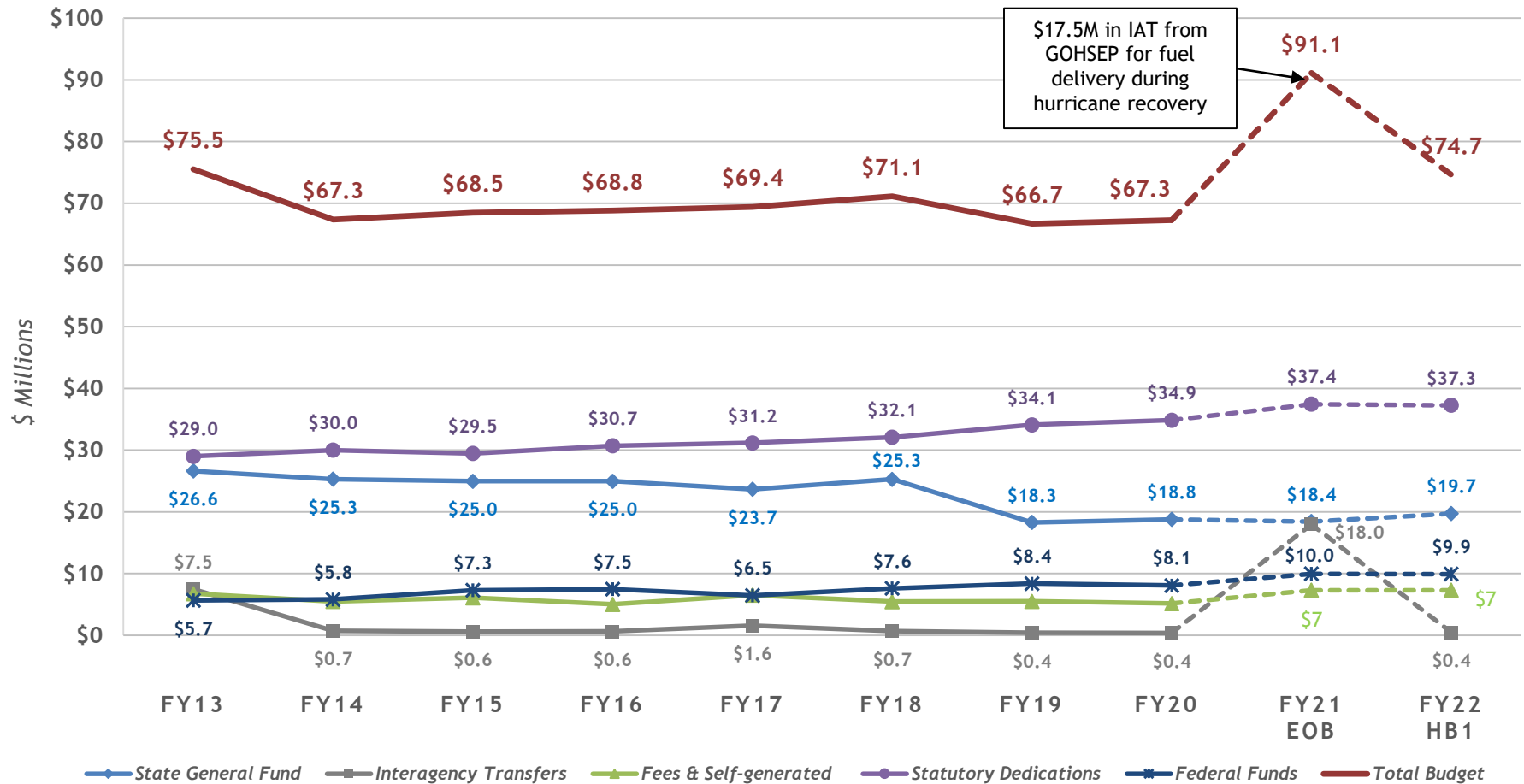
## Agro-Consumer Services

- **Grain Commodity Program**- Inspectors grade agricultural commodities based on quality and condition.
- **Moisture Meter Certification Program**- Certifies all moisture meters utilized in assessing grain moisture for discount purposes.
- **Weights & Measures**- Inspect and test, on an annual basis, all weighing, measuring, metering, scanning, and packaging devices used commercially to ensure that equity prevails for buyers and sellers statewide. This includes motor fuels inspections.
- **Dairy Stabilization Board**- Provides a regulatory program designed to stabilize the dairy industry in order to assure an adequate supply of dairy products to consumers at a fair price.
- **Milk Testing Program**- Works closely with other state-wide dairy groups to regulate and maintain volume measurement and butterfat testing of milk and cream.
- **Commodity Promotion and Research**- Administers promotion and research development programs that serve farmers and consumers through state trade shows, retail promotions, chef demonstrations, market research, development and implementation of promotion and research activities by commodity specific boards, a Senior Farmer's Market Nutrition Program, and WIC Farmer's Market Nutrition Program.

## Soil and Water Conservation

- **Coastal Marsh Re-vegetation Planting Program**- Plan and implement vegetative planting for erosion control and restoration on private and public-owned coastal marshes.
- **USDA-State Cooperative Soil Survey Program**- Ensures the availability of current scientific soils data and interpretive information for the development and application of effective conservation and environmental protection practices.
- **Agricultural Nonpoint Source Pollution Control Program**- Implements site specific conservation and environmental protection plans within priority watersheds.
- **Agricultural Solid Waste Management Program**- Reduces cost of disposal of agricultural waste at regulated solid waste sites, increases beneficial use of most agricultural and forestry processing by-products for improving soil fertility and production and protects air and water quality.
- **Information/Education Outreach Program**- Delivers quality standards-based conservation education materials and resources to classroom educators and students, communities, individuals, and agricultural producers throughout the state.

# HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB1 of the 2021 Regular Session

# FY20 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Authority %	Unspent % by MOF
SGF	\$18,787,387	\$18,785,734	\$1,653	0.0%	0.0%
IAT	\$678,592	\$383,592	\$295,000	43.5%	4.6%
FSGR	\$6,981,777	\$5,163,433	\$1,818,344	26.0%	28.4%
Stat Ded	\$37,415,484	\$34,860,010	\$2,555,474	6.8%	39.9%
Federal	\$9,809,973	\$8,083,434	\$1,726,539	17.6%	27.0%
<b>FY20 Total</b>	<b>\$73,673,213</b>	<b>\$67,276,203</b>	<b>\$6,397,010</b>	<b>8.7%</b>	<b>100.0%</b>

## *Historical Total Unspent Authority for Comparison*

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent %
FY19 Total	\$73,990,663	\$66,696,991	\$7,293,672	9.9%
FY18 Total	\$78,279,518	\$71,130,793	\$7,148,725	9.1%
3 Year Avg.	\$75,314,465	\$68,367,996	\$6,946,469	9.2%

# FY20 UNSPENT AUTHORITY

## Did department collect all revenue budgeted?

	Final Budget (w/o FY21 carryfwd)	Actual Revenue Collections	Uncollected Revenue
SGF	\$18,787,387	\$18,785,734	(\$1,653)
IAT	\$678,592	\$383,592	(\$295,000)
FSGR	\$6,981,777	\$5,163,433	(\$1,818,344)
SD	\$37,415,484	\$36,994,164	(\$421,320)
FED	\$9,809,973	\$8,083,434	(\$1,726,539)
<b>FY20 Total</b>	<b>\$73,673,213</b>	<b>\$69,410,357</b>	<b>(\$4,262,856)</b>
<b>FY19 Total</b>	<b>\$73,990,663</b>	<b>\$71,097,315</b>	<b>(\$2,893,348)</b>
<b>FY18 Total</b>	<b>\$78,279,518</b>	<b>\$73,855,219</b>	<b>(\$4,424,299)</b>
<b>3 Year Avg.</b>	<b>\$75,314,465</b>	<b>\$71,454,297</b>	<b>(\$3,860,168)</b>

The department collected \$4.3 million less than the FY20 budget in all means of finance. Fees and Self-Generated Revenue collections were delayed due to COVID-19 and approximately \$300K in excess budget authority related to the medical marijuana program.

## Did department spend all collections?

	Actual Revenue Collections	Actual Expenditures	Unspent Revenue
SGF	\$18,785,734	\$18,785,734	\$0
IAT	\$383,592	\$383,592	\$0
FSGR	\$5,163,433	\$5,163,433	\$0
SD	\$36,994,164	\$34,860,010	(\$2,134,154)
FED	\$8,083,434	\$8,083,434	\$0
<b>FY20 Total</b>	<b>\$69,410,357</b>	<b>\$67,276,203</b>	<b>(\$2,134,154)</b>
<b>FY19 Total</b>	<b>\$71,097,315</b>	<b>\$66,696,991</b>	<b>(\$4,400,324)</b>
<b>FY18 Total</b>	<b>\$73,855,219</b>	<b>\$71,130,793</b>	<b>(\$2,724,426)</b>
<b>3 Year Avg.</b>	<b>\$71,454,297</b>	<b>\$69,203,498</b>	<b>(\$2,250,799)</b>

The department collected \$2.1 million more than was spent in statutory dedications. The majority of statutory dedication revenue can only be spent within the program that collects the funds. The excess is primarily from the Structural Pest Control Fund and the Feed and Fertilizer Fund.

# FY21 CURRENT EXPENDITURE TREND

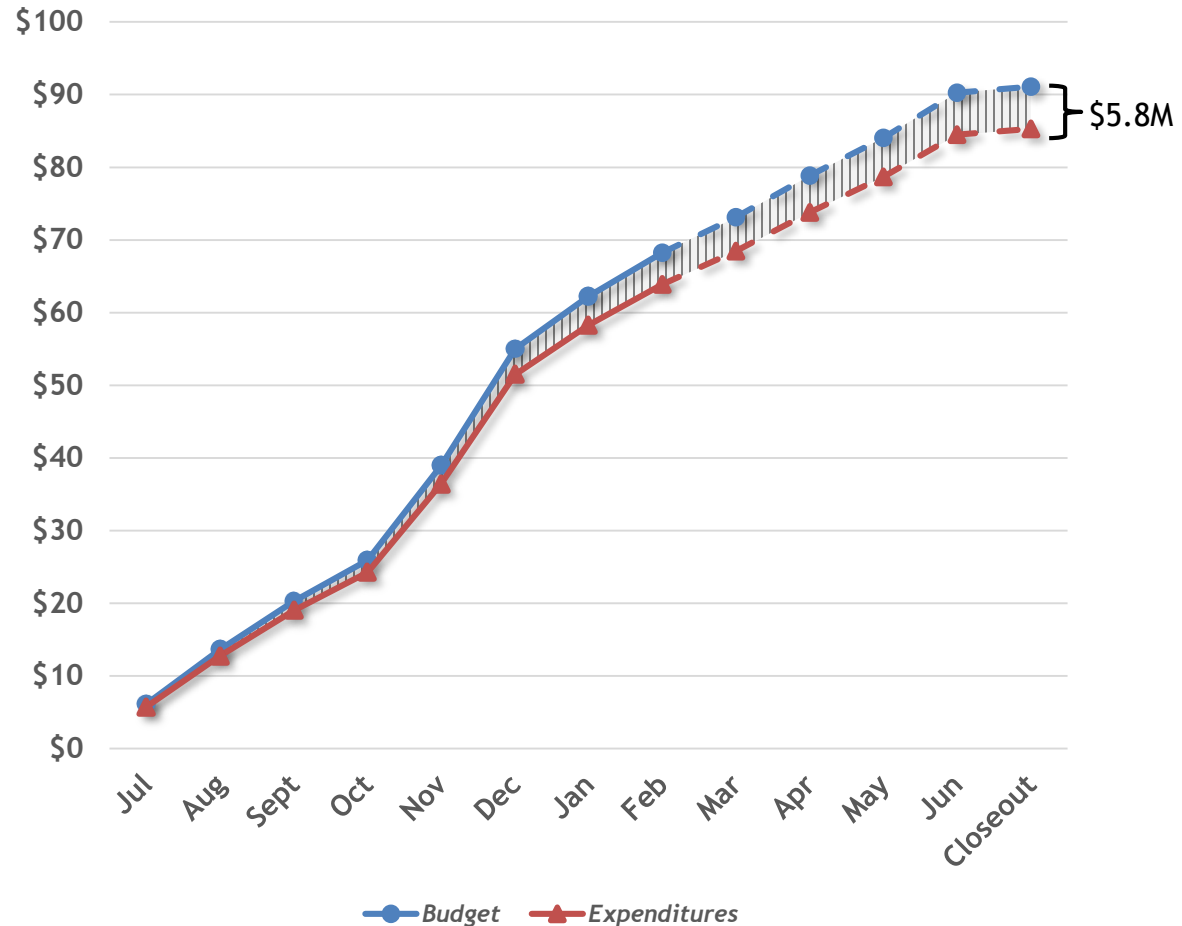
Approximately \$85.3 million (93.6%) from all means of finance could be spent based on actual spending patterns through February and projections through the remainder of the fiscal year. This would leave \$5.8 million or 6.4% of the department's total budget authority unspent.

Projected unspent funds in each program:

- Management and Finance- \$1.4M or 7%
- Agricultural & Envir. Sciences- \$1.1M or 8.7%
- Animal Health & Food Safety- \$1.2M or 3.8%
- Agro-Consumer Services- \$390K or 4.5%
- Forestry- \$1.2M or 8%
- Soil & Water Conservation- \$540K or 27%.

The Office of Forestry expenditures are lower due to fewer fires and delayed filling of vacancies due to the deficit avoidance plan implemented in the first half of the fiscal year. Soil & Water Conservation expenditures are lower due to the timing of federal grants.

In FY20, the department spent 91.3% of its total budget comparing its end of year budget and actual expenditures while factoring out funding carried over into FY21.



# FY22 SOURCES OF FUNDING

## Interagency Transfers \$447,345

- Louisiana Department of Health for refrigerated storage
- Louisiana Military Department for prescribed burning on over 3,000 acres
- Coastal Protection & Restoration Authority for developing erosion control plans on the coast
- Louisiana State Racing Commission

## Self-generated Revenue \$7.3 M

- Market Bulletin subscriptions
- Indian Creek Recreation Area fees
- Licensing fees for medical marijuana production
- Fees for poultry grading
- Fees from dairy assessments
- Fees from various licensing programs
- Fees from various boards and commissions

## Federal Funds \$9.9 M

- U.S. Department of Agriculture
- Environmental Protection Agency
- U.S. Department of Commerce
- Federal Drug Administration
- U.S. Forest Service

# FY22 STATUTORY DEDICATIONS

Fund Name	FY22 HB1	Funding Source	Use
Louisiana Agriculture Finance Authority Fund	\$11,805,994	Transfers from the Pari Mutuel Live Racing Control Fund	Provides for administrative costs throughout the department
Pesticide Fund	\$6,228,045	Fees collected from permits, registration, and penalties for pesticides	Licensing, monitoring, and enforcement of the pesticide program
Petroleum Products Fund	\$4,126,000	Assessments, fees, and penalties pertaining to the inspection of petroleum products	Costs related to the inspection, regulation, and analysis of petroleum products, any commercial weighing or measuring device used in the distribution, handling or sale of petroleum products
Feed and Fertilizer Fund	\$3,004,748	Fees from registration and filing a label with the commissioner of agriculture	Expenses of the offices of agricultural and environmental sciences and animal health and food safety
Horticulture and Quarantine Fund	\$2,600,000	Fees for inspecting nursery stock grown or propagated for sale or distribution	Costs related to the control of crop pests and diseases
Weights and Measures Fund	\$2,474,937	Registration fees from commercial weighting and measuring devices	Expenses of the Weights and Measures activities and programs, including personnel
Agricultural Commodity Dealers & Warehouse Fund	\$2,167,467	Sale of licenses which are required prior to engaging in business of buying or selling agricultural commodities	To carry out the duties of the Agricultural Commodity Dealers and Warehouse Commission
Structural Pest Control Commission Fund	\$1,479,158	Fees received from wood destroying insect reports	For research through the AgCenter, and expenses of the Commission
Forest Protection Fund	\$820,000	Funding from the Forest Protection Tax of \$0.08 per acre of timberland in the state	For the repairs and maintenance of fire suppression equipment

Source: Office of Planning and Budget - Budget Supporting Documents; HB1 of the 2021 Regular Session

# FY22 STATUTORY DEDICATIONS

Fund Name	FY22 HB1	Funding Source	Use
Seed Commission Fund	\$1,126,313	Regulatory fee collected on all seed sold in the state	Activities and expenses of the Seed Commission, including Hemp licensing and testing
Forestry Productivity Fund	\$350,000	Funds equal to 75% of the severance tax on timber received by the state	Implementation of the forestry productivity program, including the amount representing the state's involvement in cooperative agreements between landowners and the department for the implementation of approved practices for the reforestation of forest lands
Sweet Potato Pests and Diseases Fund	\$200,000	\$0.06 per bushel on every bushel of potatoes moved or shipped within the state and up to \$0.10 per thousand on all vines, plants, and slips	Implementation of sweet potato disease prevention programs
Livestock Brand Commission Fund	\$10,000	Fees for brand recordation, renewal or transfer	Expenses of the Livestock Brand Commission activities and programs, including personnel
Wildfire Submission Subfund	\$875,000	Portion of the timber severance tax	Personnel, equipment and supplies for the Forestry program
<b>Total</b>	<b>\$37,267,680</b>		

Source: Office of Planning and Budget - Budget Supporting Documents; HB1 of the 2021 Regular Session

# FY22 FUNDING COMPARISON

Means of Finance	FY20 Actual Expenditures	FY21 Existing Operating Budget 12/1/20	FY22 HB1 Budget	Change from Existing Operating Budget to HB1		Change from Actual Expenditures to HB1	
SGF	\$18,785,734	\$18,432,561	\$19,723,864	\$1,291,303	7.0%	\$938,130	5.0%
IAT	\$383,592	\$17,990,142	\$447,345	(\$17,542,797)	(97.5%)	\$63,753	16.6%
FSGR	\$5,163,433	\$7,281,777	\$7,281,777	\$0	0.0%	\$2,118,344	41.0%
Stat Ded	\$34,860,010	\$37,442,855	\$37,267,680	(\$175,175)	(0.5%)	\$2,407,670	6.9%
Federal	\$8,083,434	\$9,972,168	\$9,929,428	(\$42,740)	(0.4%)	\$1,845,994	22.8%
<b>Total</b>	<b>\$67,276,203</b>	<b>\$91,119,503</b>	<b>\$74,650,094</b>	<b>(\$16,469,409)</b>	<b>(18.1%)</b>	<b>\$7,373,891</b>	<b>11.0%</b>

## Significant funding changes from FY21 EOB:



### \$17.5M IAT

Removes funding from GOHSEP for emergency fuel delivery contract costs incurred during Hurricane Laura



### \$733,700 FSGR/SGF

Moves \$523,700 SGF and \$210,000 FSGR in the Medical Marijuana program from the Office of Management and Finance to the Office of Agricultural and Environmental Sciences, including 5 TO



### \$175,175 Stat Ded

Net decrease in statutory dedications to align with the REC forecast including increases in the new Wildfire Suppression Subfund and Pesticide Fund and decreases in Feed & Fertilizer, Petroleum Products, and Structural Pest Control Commission Funds

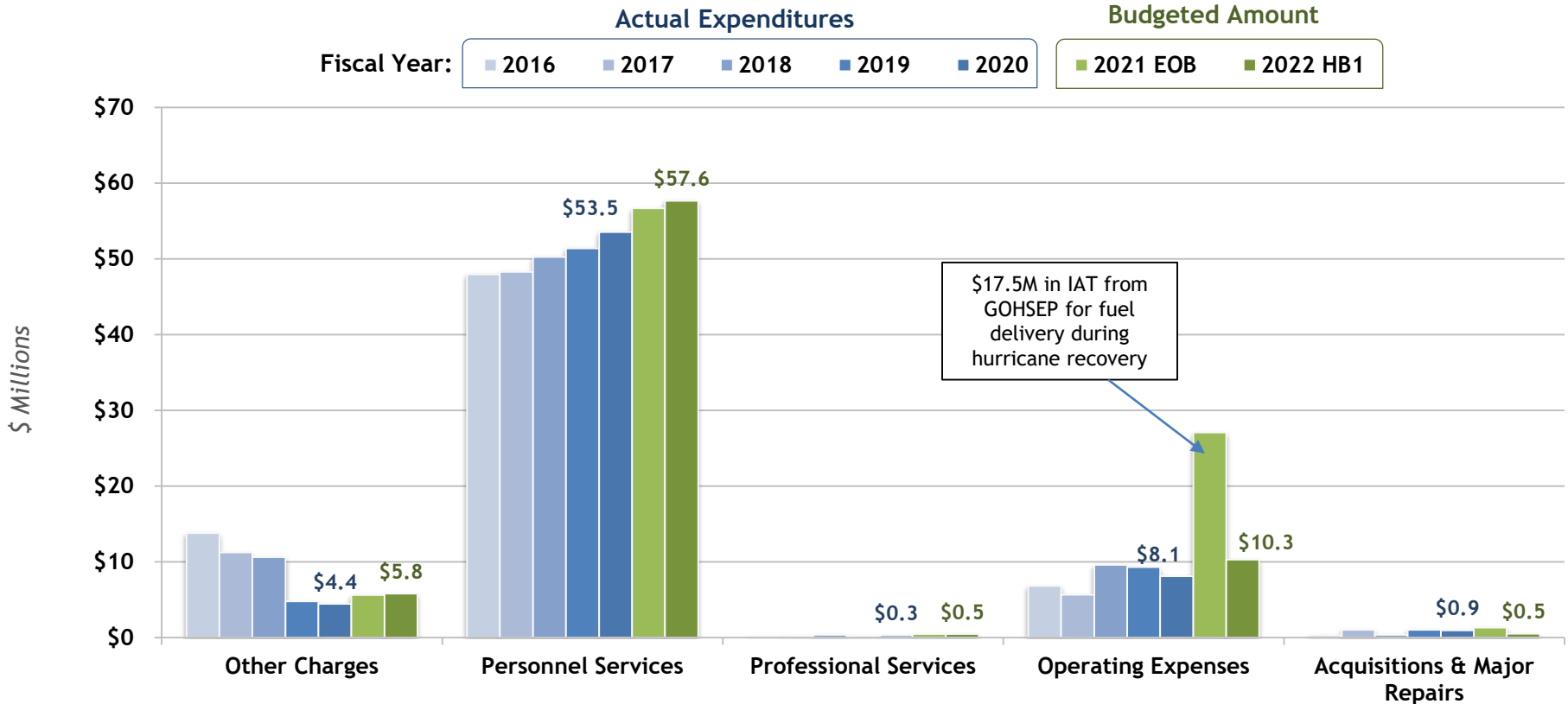
# FEDERAL RELIEF FUNDING

## Hurricanes- Laura, Delta, and Zeta

**\$17.5 M** Interagency Transfers from GOHSEP for expenditures related to the department's Emergency Support Functions during the federally declared disaster for Hurricane Laura. The Department is tasked with emergency fuel support and pet evacuations. The expenses were incurred during the first half FY 21.

**\$4 M** Interagency Transfers from GOHSEP for expenditures related to the department's Emergency Support Functions during federally declared disasters for Hurricanes Laura, Delta and Zeta. The Department is tasked with emergency fuel support and pet evacuations. The expenses were incurred during the second half FY 21.

# EXPENDITURE HISTORY



Source: Office of Planning and Budget - Executive and Proposed Budget Supporting Documents

# FY22 EXPENDITURE COMPARISON

Expenditure Category	FY20 Actual Expenditures	FY21 Existing Operating Budget 12/1/20	FY22 HB1 Budget	Change from Existing Operating Budget to HB1		Change from Actual Expenditures to HB1	
Salaries	\$31,398,160	\$32,641,170	\$32,895,097	\$253,927	0.8%	\$1,496,937	4.8%
Other Compensation	\$1,436,506	\$1,532,995	\$1,532,995	\$0	0.0%	\$96,489	6.7%
Related Benefits	\$20,679,481	\$22,505,650	\$23,206,547	\$700,897	3.1%	\$2,527,066	12.2%
Travel	\$265,308	\$350,851	\$343,805	(\$7,046)	(2.0%)	\$78,497	29.6%
Operating Services	\$4,663,103	\$21,156,848	\$6,351,875	(\$14,804,973)	(70.0%)	\$1,688,772	36.2%
Supplies	\$3,151,215	\$5,551,241	\$3,576,536	(\$1,974,705)	(35.6%)	\$425,321	13.5%
Professional Services	\$284,651	\$463,942	\$460,419	(\$3,523)	(0.8%)	\$175,768	61.7%
Other Charges/IAT	\$4,448,958	\$5,596,278	\$5,782,820	\$186,542	3.3%	\$1,333,862	30.0%
Acq/Major Repairs	\$948,821	\$1,320,528	\$500,000	(\$820,528)	(62.1%)	(\$448,821)	(47.3%)
<b>Total</b>	<b>\$67,276,203</b>	<b>\$91,119,503</b>	<b>\$74,650,094</b>	<b>(\$16,469,409)</b>	<b>(18.1%)</b>	<b>\$7,373,891</b>	<b>11.0%</b>

Source: Office of Planning and Budget - Budget Supporting Documents and HB1 of the 2021 Regular Session

# SIGNIFICANT EXPENDITURE CHANGES

*Compared to the FY21 Existing Operating Budget*

## **\$955 K- Personnel Services**

<b>\$954,824</b>	Net increase in standard statewide budget adjustments, including Market Rate, related benefits, and salary base adjustments offset by a decrease in attrition
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## **(\$17.5 M) - Removes funding from GOHSEP for emergency fuel support and pet evacuation related to Hurricane Laura**

<b>(\$14,804,973)</b>	Operating Services
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<b>(\$1,974,705)</b>	Supplies
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<b>(\$190,000)</b>	Overtime salaries
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## **(\$821 K) - Acquisitions and Major Repairs**

<b>\$500,000</b>	Replace hardware and software that is out of warranty including 100 desktop computers, 100 laptops, and firewall and auditing software upgrades
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<b>(\$1,320,528)</b>	Removes FY21 funding in acquisitions
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# OTHER CHARGES DETAIL

## Other Charges

Amount	Description
\$911,993	Soil and Water Conservation Districts conforming to federal policy
\$382,389	Federal/State grading program with the USDA
\$324,371	Seniors and WIC grant expenses
\$300,000	Farm pesticide hazardous waste pick-up day
\$259,798	Boll Weevil Program- personal and operating services and other charges
\$225,419	Forest stewardship, state fire assistance, cooperative forest health, conservation reserve, and urban and community forestry assistance
\$198,310	Vegetative Planting Program
\$143,000	Food distribution- TEFAP- payments to food banks to assist with distribution costs of USDA commodities to needy citizens
\$126,577	Board of Animal Health-USDA/FDA grants for scrapie
\$121,000	FDA grant for the implementation of Animal Feed Regulatory Program Standards
\$121,000	Livestock Brand Commission
<b>\$3,113,857</b>	<b>Total Other Charges</b>

## Interagency Transfers

Amount	Description
\$1,699,053	Office of Risk Management (ORM)
\$266,893	OTS- Communication Services
\$207,681	Office of Technology Services
\$192,826	Civil Service Fees
\$123,256	Legislative Auditor Fees
\$96,124	DOTD-Topographic Mapping
\$33,509	Uniform Payroll System (UPS) Fees
\$17,629	Office of State Procurement
\$14,903	Office of the State Register
\$10,645	Dept. of Treasury- Central Banking Serv.
\$6,444	Office of State Printing
<b>\$2,668,963</b>	<b>Total Interagency Transfers</b>

# DISCRETIONARY EXPENSES

**Total Budget  
\$74.7 Million**

State General Fund  
\$19.7 Million

Interagency  
Transfers  
\$447,345

Self-generated  
Revenue  
\$7.3 Million

Statutory  
Dedications  
\$37.3 Million

Federal Funds  
\$9.9 Million

Non-discretionary  
\$10 Million

Retiree Group Insurance  
\$5.9 Million

State Retirement UAL  
\$3.8 Million

Commissioner Salary & Benefits  
\$162,783

Legislative Auditor Fees  
\$123,256

Discretionary  
\$9.7 Million

Forestry  
\$5.9 Million

Management and Finance  
\$2.1 Million

Animal Health/Food Safety  
\$1.3 Million

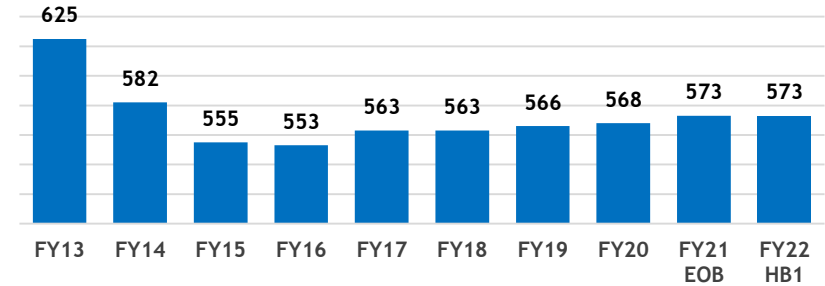
Ag & Environmental Sciences  
\$408,182

# PERSONNEL INFORMATION

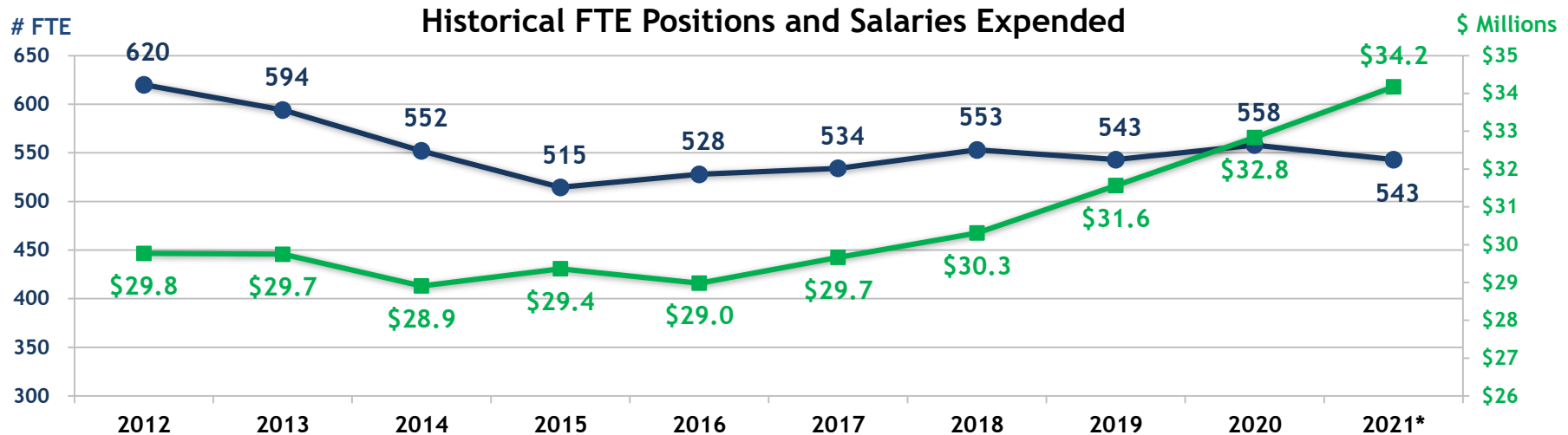
## FY 2022 Recommended Positions

573	Total Authorized T.O. Positions (536 Classified, 37 Unclassified)
2	Authorized Other Charges Positions
42	Non-T.O. FTE Positions
34	Vacant Positions (February 1, 2021)

## Historical Authorized T.O. Positions



Source: Office of Planning and Budget - Budget Supporting Documents



Source: Dept. of Civil Service and Budget Supporting Documents

\*Existing Operating Budget 12/1/20

# PASS THROUGH FUNDS

INCLUDED IN SCHEDULE 20:  
OTHER REQUIREMENTS

The Agriculture & Forestry Pass Through Funds Include:

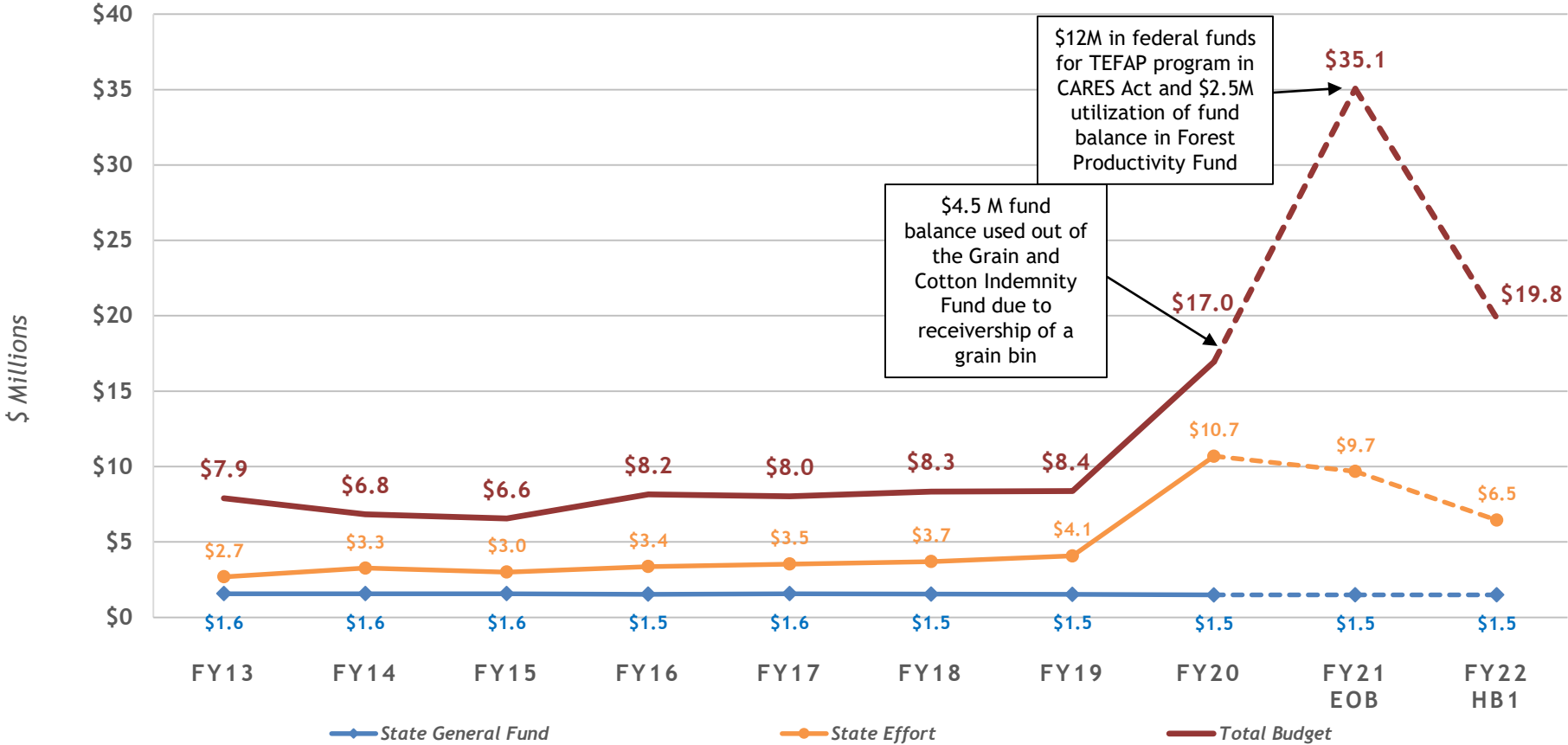
- Pass through funds for the 44 Soil and Water Conservation Districts in Louisiana
- The Temporary Emergency Food Assistance Program (TEFAP)
- Specialty Crop Block Grant
- Volunteer Fire Assistance
- Forest Land Enhancement Program
- Urban and Community Forestry
- State Fire Assistance - Mitigation
- Forest Health Monitoring
- Forest Productivity Program
- Grain and Cotton Indemnity Fund
- Ag Commodity Self Insurance Fund

Means of Finance	FY20 Actual Expenditures	FY21 Existing Operating Budget 12/1/20	FY22 HB1 Budget	Change from Existing Operating Budget to HB1		Change from Actual Expenditures to HB1	
SGF	\$1,485,292	\$1,485,292	\$1,489,156	\$3,864	0.3%	\$3,864	0.3%
IAT	\$265,443	\$261,690	\$261,690	\$0	0.0%	(\$3,753)	(1.4%)
FSGR	\$0	\$248,532	\$248,532	\$0	0.0%	\$248,532	0.0%
Stat Ded	\$9,199,434	\$7,943,525	\$4,719,523	(\$3,224,002)	(40.6%)	(\$4,479,911)	(48.7%)
Federal	\$6,003,411	\$25,114,109	\$13,114,109	(\$12,000,000)	(47.8%)	\$7,110,698	118.4%
<b>Total</b>	<b>\$16,953,580</b>	<b>\$35,053,148</b>	<b>\$19,833,010</b>	<b>(\$15,220,138)</b>	<b>(43.4%)</b>	<b>\$2,879,430</b>	<b>17.0%</b>

## (\$15.2 M) Total Means of Finance

<b>(\$12M) Federal</b>	Removes funding for the Temporary Emergency Food Assistance Program (TEFAP) in the CARES Act. Funding was passed through to the 5 regional food banks to provide USDA commodities.
<b>(\$2.5 M) Stat. Ded</b>	Reduces statutory dedications out of the Forestry Productivity Fund that was added in FY 21, utilizing fund balance, due to an increase in the number of applicants for the Forestry Productivity Program. This program provides funding to landowners to implement reforestation and forest management projects. Funds are derived from a severance tax on timber.
<b>(\$724 K) Stat. Ded.</b>	Reduce statutory dedications from the Agricultural Commodity Commission Self-Insurance Fund <b>(\$187,352)</b> and the Grain and Cotton Indemnity Fund <b>(\$536,650)</b> based on the REC forecast.

# PASS THROUGH FUNDS HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB1 of the 2021 Regular Session

# MEDICAL MARIJUANA

## Background

- Louisiana Legislature enacted the Allison Neustrom Act in 2015 which authorized certain forms of marijuana for therapeutic use for patients with debilitating medical conditions.
- LDAF is responsible for the regulation of production, including:
  - ensuring accountability, security and safety of the marijuana product.
  - timely collection and accounting of fees paid by licensees.
  - secure transportation of product in transit to distribution pharmacies.
  - ensure compliance to all laws, regulations and rules.

## Licensees (2)

- LSU AgCenter- subcontracts with Wellcana
- SU AgCenter- subcontracts with ILERA

## Medical Marijuana Retail Products Shipped to Pharmacies in CY 2020

Item Type	LSU- Wellcana	SU- ILERA	Total product
Tincture	37,625	7,704	45,329
Topical	619	721	1,340
Edible (Gelatin Chews)	1,011	0	1,011
Metered Dose Inhaler	1,148	0	1,148
<b>Total Product</b>	<b>40,403</b>	<b>8,425</b>	<b>48,828</b>

Medical Marijuana Program Expenditures	CY 2020
Salaries & Related Benefits	\$629,661
Travel/Training	0
Legal	3,694
Operating Services	1,222
Lab Fee	55,729
IAT	503
Acquisitions/Equipment	120,000
<b>Total Expenditures</b>	<b>\$808,809</b>

Revenue and Permits for CY 2020	LSU AgCenter	SU AgCenter	Total
Number of licenses issued	1	1	2
License fee revenue	\$100,000	\$100,000	\$200,000
Number of employee permits	27	40	67
Employee permit revenue	\$2,700	\$4,000	\$6,700
<b>Total Revenue</b>	<b>\$102,700</b>	<b>\$104,000</b>	<b>\$206,700</b>

# INDUSTRIAL HEMP

## Act 164 of 2019 R.S.

- Louisiana Legislature enacted Industrial Hemp regulation through Act 164 of the 2019 Regular Session which legalized the cultivation, transportation, and processing of industrial hemp in the state.
- The Department of Agriculture and Forestry is responsible for the regulation of:
  - Licensing growers, seed producers, contract carriers, and processors.
  - Inspecting industrial hemp licensees to ensure industrial hemp is produced in compliance with statute and regulations.
  - Sampling and testing each industrial hemp production lot for THC concentration levels.
  - Ensuring compliance with all state and federal laws.

## Fee Structure

- \$500 annual license fee for each of the 4 separate licenses:
  - Grower
  - Processor
  - Transporter
  - Seed producers
- \$250 testing fee for the detection of THC concentration levels prior to harvest.
- All fees will be deposited into the Seed Fund.

Industrial Hemp Program Revenue	FY20 Actuals
License fees	\$ 64,000
Testing fees	\$ 500
Inspection fees	\$ -
<b>Total</b>	<b>\$ 64,500</b>

## Calendar Year 2020 Statistics

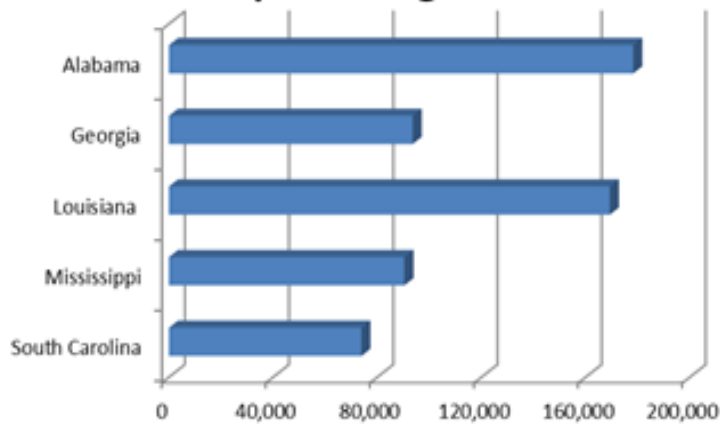
- 191 applications received.
- 156 licenses issued in 43 parishes, 96 of which issued to growers with under 200 acres.
- 2,365 acres approved for planting.

Industrial Hemp Program Expenditures	FY 20 Actuals
Salaries	\$ 67,257
Related Benefits	\$ 35,293
Travel/Training	\$ 1,800
Operating Services	\$ 1,826
Supplies	\$ 5,736
Acquisitions/Equipment	\$ 13,144
<b>Total</b>	<b>\$ 125,055</b>

# FORESTRY METRICS

Wildfire Metrics	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Average Fire Size (Acres)	7.5	9.9	9.4	13.1	8.4	10.3	13.2	8.49
Homes under protection that were damaged	22	33	14	52	46	17	1	12
Number of Wildfires	961	1,081	586	1,147	788	735	400	410

**Average Acres Protected per Firefighter**



Source: Budget Supporting Documents and the Department of Agriculture and Forestry

- Louisiana's forestlands cover 48% of the state's area, or 14 million acres.
  - 12.7 million acres private/non-industrial owners
  - 1.26 million acres are general public lands
- Economic value of the Forestry Industry for Louisiana in 2017 was \$11 Billion.
- Forestry accounts for 25% of income of all plant and animal commodities produced in the state.
- In 2008, the department had 155 firefighters compared to 106 currently.
- 18.9 millions acres of land under fire protection by LDAF
  - 484,090 acres protected per firefighter
  - Similar states- 85,787 acres protected per firefighter

# SOIL AND WATER CONSERVATION METRICS

Soil and Water Conservation Districts work with the following state and federal agencies to implement various soil, water, wetland, and vegetation restoration projects:

- LA Department of Natural Resources
- LA Department of Environmental Quality
- Coastal Protection & Restoration Authority
- Environmental Protection Agency
- U.S. Department of Agriculture

Erosion Prevention	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Annual reduction in soil erosion (acres)	829,718	637,651	691,144	700,222	711,422	673,729	692,499
# landowners provided technical assistance	8,288	8,182	9,500	7,115	8,025	7,467	8,217
# acres treated to reduce erosion	451,708	454,023	441,056	430,873	439,853	452,970	445,337
Agricultural waste utilized for beneficial use	51.5%	52.5%	53.6%	55%	57.7%	59%	60.5%
Agri. Wetlands restored during year (acres)	24,875	28,632	23,630	27,216	24,723	27,002	30,103
Miles of shoreline treated for erosion control	760	800	840	878	916	954	992
Miles of vegetative buffers established	802	825	883	921	959	997	1,035

Source: Division of Administration- LaPAS  
Department of Agriculture and Forestry

# LOUISIANA'S AGRICULTURE COMMODITIES

- In 2019 Louisiana collected over \$5.9 billion in economic value related to agricultural commodities.
- The top 10 commodities for Louisiana account for 98.3% of agriculture income for our state.
- Top 5 parishes in agricultural sales account for \$1.1 billion in farm output: Union, Sabine, Lincoln, Claiborne and Vermilion.

Rank	Commodity	State Receipts	% Total National Receipts by Commodity
1	Sugarcane- sugar/seed	\$546 million	47.79%
2	Broilers	\$458 million	1.62%
3	Soybeans	\$371 million	1.08%
5	Rice	\$331 million	12.02%
4	Corn	\$319 million	0.65%
6	All other animals & products	\$274 million	4.58%
7	Miscellaneous crops	\$216 million	0.98%
8	Cattle and calves	\$204 million	0.31%
9	Cotton	\$175 million	2.43%
10	Chicken eggs	\$56 million	0.73%

Source: United States Department of Agriculture Economic Research Service and the LSU AgCenter

# DEPARTMENT CONTACTS



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