



DELAWARE DEPARTMENT OF  
**AGRICULTURE**

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## **FY22 Budget Hearing Talking Points November 12, 2020**

### **Operating Budget Requests:**

- I am pleased to submit an \$8.5 million operating budget request for the Delaware Department of Agriculture (DDA) for Fiscal Year 2022. This request is fiscally responsible while allowing our Department to fulfill its mission of serving our agricultural community and providing a wide array of consumer protection services for Delawareans.
- Our Fiscal Year 2022 budget request is flat compared to Fiscal Year 2021. We have not requested any increases or structural changes for the Fiscal Year 2022. The Department of Agriculture has always been fiscally conservative with our funding and returned a personnel surplus at the end of each fiscal year. For Fiscal Year 2020, our personnel surplus was \$388 thousand due to staffing changes throughout the year. As of November 6, we project an approximately \$400 thousand surplus in personnel costs.
- As part of our budget request, we submitted a list of proposed, realistic budget reductions that our agency is ready to implement if Delaware's budget situation does not improve. These proposed reductions total \$345 thousand, representing 4 percent of our operating budget request. While OMB requested the agency to prepare for a 5 percent cut, we could not cut 5 percent without severely impacting our programs' effectiveness. However, as I mentioned previously, we have consistently returned a personnel surplus at the end of each fiscal year that is almost 5 percent of our Departmental budget. If these cuts are needed, we will manage our personnel vacancies to ensure that our combined budget reductions and personnel surplus exceed the 5 percent reduction goal.

### **Capital/Minor Capital Requests:**

- **Aglands Preservation Program - \$10 million** (including up to \$3 million for the Young Farmers Loan Program and \$1 million for Forestland Preservation). Funding at this level will provide a sufficient match for federal funds from NRCS, Department of Defense (REPI), and

added to any county funds to preserve more of Delaware's farmland that is critical to our economy and providing local food to our residents.

- **Cover Crop Investment - \$2.9 million.** We are asking to restore the funding level approved in the FY20 budget for cover crop cost share payments to farmers. Cover crops are the best tool – environmentally and economically – to reduce agricultural nutrient runoff and improve water quality and mitigate climate change. This management tool also improves soil health, increases the resiliency of fields to pests, and reduces the use of fertilizers and pesticides. This funding level (and potential matching funds) would at a minimum, double the acreage of cover crops planted in Delaware. Currently, demand for cover crop cost-share exceeds supply at a 3:1 rate.

### **Minor Capital Improvement (\$525,000 total)**

We appreciate the establishment of the minor capital line and these are the ways we anticipate spending the funds in this line:

- **25 gallon Propane Prover - \$60,000.** Weights and Measures currently has a 100-gallon prover that cannot test smaller satellite and direct sale filling stations and LP car fueling pumps. This new technology continues to grow, and inspectors see many new device installations throughout the State. A 25-gallon prover will improve our ability to keep pace with the growing demand and protect consumers and the businesses from errors and fraud.
- **Renovate the Necropsy Lab (Poultry & Animal Health) - \$85,000**  
The Department's Necropsy Lab is over 50 years old. With damaged flooring and its workspaces, it is difficult to use today's technology during wet lab activities. The renovation will repair the flooring, improve sanitation and lingering odor, and improve workspaces, lighting, and safety.
- **Energy Efficiency Upgrades – State Forest Buildings - \$75,000**  
The current ventilation systems and lighting in the Delaware State Forest satellite buildings are at least 35 years old and are no longer efficient. Upgrading these systems to energy-efficient heating and air conditioning and LED lighting would significantly reduce our energy costs and improve the environment.
- **Replace Lab Instruments – Ag Compliance Laboratory - \$105,000**  
Several instruments in the Agricultural Compliance Laboratory range from 11-18 years old and need replacement, including the microwave digestion system, frozen dessert milkfat equipment, fiber analyzer, and fat analyzer.
- **Replace Brush Truck – Wildland Fire Program - \$150,000**

The Delaware Forest Service's brush truck is a wildland fire engine providing emergency response to protect Delaware public lands, residents in Delaware's fire-risk communities, and responding to out-of-state resource requests. The current brush truck is 11 years old and breaks down due to the motor and electrical issues several times a year, costing the State nearly \$40,000 in the last three fiscal years. It most recently broke down in Nebraska on its way to assist with the August Complex Fire in Northern California – the largest wildfire in the U.S. – and was forced to return home.

- **Replace Autoclave - Poultry & Animal Health - \$50,000**

The autoclave, used by our lab that tests broiler hatchery sanitation protocols and by our Coggins Lab for infectious disease testing in horses, is outdated (15 years old), and occasionally incurs costly repairs.

**Big Picture Request:**

In light of the current budget situation and Delaware's COVID-19 status, we are not submitting a big picture project for FY2022.