



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #153

Grain Inspection and Fruit and Vegetable Inspection (Agriculture, Trade and Consumer Protection)

[LFB 2003-05 Budget Summary: Page 59, #15 & 16]

CURRENT LAW

Under an agreement with the United States Department of Agriculture's (USDA) Federal Grain Inspection Service, the Department of Agriculture, Trade and Consumer Protection (DATCP) administers a grain inspection program in Superior, Milwaukee, Prairie du Chien and La Crosse. Inspection services are funded from program revenues derived from fees charged for inspection services. DATCP's grain inspection program has a base of \$2,948,300 and 52.7 positions annually (including a 0.3 bureau director).

The Department is also responsible for the inspection of fruits and vegetables. These inspections are either mandatory for the export of produce or requested by growers or dealers to have their products graded. DATCP has a base appropriation of \$1,382,200 and 24.05 positions for this program.

GOVERNOR

Delete \$696,400 PR and 12.68 positions annually from the grain inspection and certification program. Further, delete \$319,100 PR annually and 10.05 positions from the fruit and vegetable inspection program.

DISCUSSION POINTS

1. DATCP's budget request to the Governor included the deletion of \$604,200 PR annually and 10.43 vacant positions from its grain inspection program, and \$286,300 PR and 9.55 vacant positions from its fruit and vegetable inspection program. In January, the

Department sent a memorandum to the Department of Administration identifying an additional \$92,200 PR annually and 2.25 positions from its grain inspection program (1.95 were vacant, and the other 0.3 position reduction consists of reducing three manager positions from full-time to 0.9 FTE) and \$32,800 PR annually and 0.5 positions (that were vacant) from its fruit and vegetable inspection program that it proposed to eliminate. However, of the 2.25 positions identified as part of the grain inspection program, 1.45 of these positions were actually from the fruit and vegetable inspection program and 0.8 were from the grain inspection program. As a result, in order to reflect DATCP's intent, the bill would need to be adjusted to restore \$40,300 PR annually and 1.45 positions to the grain inspection program, and delete an additional \$40,300 annually and 1.45 vacant positions from the fruit and vegetable inspection program. This would result in total reductions of \$656,100 annually and 11.23 positions from the grain inspection program, and \$359,400 annually and 11.5 positions from the fruit and vegetable inspection program.

2. The reductions are intended to bring authorized expenditures in line with available revenues for each of the programs in the 2003-05 biennium.

ALTERNATIVES

1. Approve the Governor's recommendation to delete \$696,400 PR annually and 12.68 positions from DATCP's grain inspection program and to delete \$319,100 PR annually and 10.05 positions from the Department's fruit and vegetable inspection program.

2. Modify the Governor's recommendation to reflect DATCP's intent to delete \$656,100 PR annually and 11.23 positions (increased funding of \$40,300 and 1.45 positions to the bill) from the grain inspection program and to delete \$359,400 PR annually and 11.5 positions (a \$40,300 and 1.45 positions greater reduction than under the bill) from the fruit and vegetable inspection program.

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