
 COL All
 SCH VIIIB-2
 REDUCTIONS
 POS AMOUNT PRIORITY CODES

AGRIC/CONSUMER SVCS/COMMR			42000000
SCHEDULE VIIIB REDUCTIONS -			
OPERATING			33B0000
FUND SHIFT SALARIES FROM GENERAL			
REVENUE TO THE GENERAL INSPECTION			
TRUST FUND BASED ON DIESEL			
INSPECTION FEES		#1	33B8000
GENERAL REVENUE FUND.....	1,500,000-		1000

=====

SCH VIIIB-2 NARR 10-11 NOTES:

Executive Direction and Support Services is proposing a fund shift of \$1,500,000 in Salaries and Benefits - from the General Revenue fund to the General Inspection Trust Fund, by adding diesel fuel to the petroleum inspection fee to generate trust fund cash to accomplish this fund shift.

Create a Diesel Inspection Fee - \$1,500,000 - General Inspection Trust Fund.
 Pursuant to s. 525.02, FS, the Department is required to collect and analyze petroleum fuel samples from all fuels sold in Florida. This requirement includes sampling and testing of 1.6 billion gallons of diesel fuel sold annually in the state that is not currently subject to the one eight cent per gallon fuel inspection fee. The Bureau of Petroleum Inspection must provide staff, laboratory testing procedures and equipment to assure correct fuel quality and measurement standards for the diesel fuel. Diesel fuel does not pay a share of the petroleum inspection program costs even though it is regulated and inspected by the Department. Legislative action will be required to amend, Chapter 525, FS, to include diesel fuel in the inspection fee, with the exception of dyed diesel fuel, used for agricultural and other uses.

The Division of Standards is totally funded from the General Inspection Trust Fund, however to meet the Executive Direction and Support Services General Revenue target, we are proposing to fund shift \$1,500,000 (Salaries and Benefits) from the General Revenue Fund to the General Inspection Trust Fund to accomplish this reduction.

REDUCE GENERAL REVENUE IN THE
 DIRECTOR'S OFFICE - DIVISION OF
 AGRICULTURAL ENVIRONMENTAL SERVICES

#2 33B8100

GENERAL REVENUE FUND.....	16,429-		1000
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SCH VIIIB-2 NARR 10-11 NOTES:

Reduce \$16,429 from the Director's Office in General Revenue - Expenses category.

The Division is closing three (3) of its field offices and moving FTE's to Tallahassee. Due to this change, the Division will be paying less in rental space and travel expenses to these offices.

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AGRIC/CONSUMER SVCS/COMMR 42000000
 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 FUND SHIFT USING EXCESS REVENUE
 FROM GENERAL REVENUE TO THE
 GENERAL INSPECTION TRUST FUND #3 33B8200
 GENERAL REVENUE FUND..... 165,960- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

The Division of Agriculture Environmental Services proposes to fund shift \$165,960 from General Revenue to the General Inspection Trust Fund - Expenses.
 Use of an anticipated increase of revenue of \$165,960 will allow the Division to fund shift expenditures from General Revenue to the General Inspection Trust Fund. Without the fund shift, there will be delays in processing registrations, emergency registrations for crop disease and pests, and responding to consumer complaints.

FUND SHIFT EXPENSES IN THE OFFICE
 OF AGRICULTURAL EMERGENCY
 PREPAREDNESS FROM GENERAL REVENUE
 TO THE AG EMERGENCY ERADICATION TF #4 33B8300
 GENERAL REVENUE FUND..... 30,588- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

The Office of Agricultural Emergency Preparedness is proposing a reduction of (\$30,588) to their Expense budget as part of their 10% reduction. They fell they can reduce their expense costs in areas such as travel and training costs. Their budget is in the Agricultural Emergency Eradication Trust Fund (AEETF), but to help contribute to the General Revenue cut target, the Division of Administration will cut General Revenue Expenses appropriation and reallocated the Office of Agricultural Emergency Preparedness's AEETF Expense budget to another section within Administration so that General Revenue budget can be cut.

FUND SHIFT FROM GENERAL REVENUE TO
 THE GENERAL INSPECTION TRUST FUND -
 VARIOUS CATEGORIES #5 33B8400
 GENERAL REVENUE FUND..... 1,820- 1000
 =====

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AGRIC/CONSUMER SVCS/COMMR 42000000
 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 FUND SHIFT FROM GENERAL REVENUE TO
 THE GENERAL INSPECTION TRUST FUND -
 VARIOUS CATEGORIES #5 33B8400

SCH VIIIB-2 NARR 10-11 NOTES:
 The Division requests the fund shift of the remaining balance of General Revenue to the General Inspection Trust Fund.
 The Division will be 100% trust funded as a result of this action in FY 2010-11.

FUND SHIFT EXPENSES FROM GENERAL
 REVENUE TO THE GENERAL INSPECTION
 TRUST FUND - AGRICULTURE DEALER'S
 LICENSE BUREAU #6 33B8500
 GENERAL REVENUE FUND..... 20,000- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:
 Manageable. A reduction in Expenses of \$20,000 and subsequent fund shift of funds from General Revenue to the General
 Inspection Trust Fund will make it difficult for the Bureau of Agricultural Dealers Licenses to be totally
 self-sufficient from revenue produced by the issuance of licenses to agricultural dealers. There are no General Revenue
 funds associated with this Bureau's operations. This program paid for its self for the first time this past year.

FUND SHIFT EXPENSES FROM GENERAL
 REVENUE TO THE GENERAL INSPECTION
 TRUST FUND - MARKETING'S EDUCATION
 AND COMMUNICATIONS BUREAU #7 33B8600
 GENERAL REVENUE FUND..... 16,642- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:
 Manageable. This proposal is to fund shift \$16,642 from the General Revenue Expenses category to the General Inspection
 Trust Fund Expenses for the Bureau of Education and Communications. This program was General Revenue funded and was fund
 shifted to the General Inspection Trust Fund. There is no revenue source to provide funding for this program. Therefore,
 this fund shift would use any excess funds available in the Department's General Inspection Trust Fund. This unit is

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 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 FUND SHIFT EXPENSES FROM GENERAL
 REVENUE TO THE GENERAL INSPECTION
 TRUST FUND - MARKETING'S EDUCATION
 AND COMMUNICATIONS BUREAU #7 33B8600

responsible for production of all Department promotional audio/visual materials. A reduction could impact the Department's ability to provide industry standard materials for on-going education and promotional initiatives.

FUND SHIFT IN EXPENSES - GENERAL
 REVENUE TO AGRICULTURAL EMERGENCY
 ERADICATION TRUST FUND #8 33B8700

GENERAL REVENUE FUND..... 75,000- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

This proposal is to fund shift \$75,000 from General Revenue Expenses to the Agricultural Emergency Eradication Trust Fund Expenses. There is not enough OPS in the General Revenue Fund to cut for this issue, therefore, in order to accomplish this transfer, we will cut the OPS in AEETF to free up the cash, and execute the fund shift above.

A 50% reduction of \$75,000 in our Other Personal Services (OPS) funding from the Agricultural Emergency Eradication Trust Fund (AEETF) for oversight of Citrus Research is possible. However, we would like to transfer these funds to the Special Category - Agricultural Research to provide additional funding for Citrus Greening research grants. Citrus Greening is an imminent threat to the State's hallmark industry, and the majority of these funds are directly used for that priority.

FUND SHIFT EXPENSES FROM GENERAL
 REVENUE TO THE MARKET TRADE SHOW
 TRUST FUND #9 33B8800

GENERAL REVENUE FUND..... 17,660- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

Manageable. This proposal is to fund shift \$17,660 of Expenses from General Revenue to the Market Trade Show Trust Fund. This would be made possible by cutting the Expenses in the Market Trade Show Trust Fund to free up cash in the trust fund. These funds are received from industries partnering with the State at trade events. A reduction could reduce promotional opportunities the Department presently provides to local agri-businesses.

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AGRIC/CONSUMER SVCS/COMMR 42000000
 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 FUND SHIFT EXPENSES FROM GENERAL
 REVENUE TO THE FLORIDA AGRICULTURAL
 PROMOTIONS TRUST FUND #10 33B8900
 GENERAL REVENUE FUND..... 16,448- 1000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

Manageable. This proposal is to fund shift \$16,448 in spending authority from General Revenue Expenses to the Florida Agriculture Campaign Trust Fund. This would be made possible by cutting the Expenses in the Florida Agriculture Campaign Trust Fund to free up cash in the trust fund. These funds help offset the administrative costs of the Florida Agriculture Promotion Campaign. A reduction of this amount will impact the Department's ability to promote the State's second largest industry and could lessen the return agri-businesses receive from such initiatives. This in turn could reduce taxes collected from agri-businesses as well as the impact the businesses have on the State's economy.

REDUCE ALLIGATOR MARKETING PROGRAM #11 33B0310
 TRUST FUNDS..... 50,000- 2000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

Manageable. This is a reduction of \$50,000 from the Alligator Marketing Program. These funds are used to promote the sale of Florida's fledgling alligator hide and meat products on behalf of the industry and are transferred from the Department of Fish and Wildlife Conservation Commission (FWCC). A reduction will reduce the Department's ability to promote alligator products to the fullest extent for this industry.

REDUCTION IN AQUACULTURE
 DEVELOPMENT - TRANSFER TO IFAS FOR
 TROPICAL AQUACULTURE LAB - RUSKIN #12 33B0620
 GENERAL REVENUE FUND 55,780- 1000
 TRUST FUNDS 121,260- 2000

 TOTAL ISSUE..... 177,040-
 =====

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 REDUCTIONS
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AGRIC/CONSUMER SVCS/COMMR 42000000
 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 REDUCTION IN AQUACULTURE
 DEVELOPMENT - TRANSFER TO IFAS FOR
 TROPICAL AQUACULTURE LAB - RUSKIN #12 33B0620

SCH VIIIB-2 NARR 10-11 NOTES:

Eliminate the Ruskin Aquaculture Lab - \$55,780 - General Revenue Fund, \$121,260 General Inspection Trust Fund, Aquaculture Development category. These are pass-through funds to the University of Florida. This reduction will eliminate 2 FTE (University of Florida employees) at the Ruskin Aquaculture Lab and operating expenses of the Lab. Fund elimination will result in layoffs and less technical assistance to the aquaculture industry.

ELIMINATE CLEAN SWEEP PROGRAM #13 33B0320
 TRUST FUNDS..... 100,000- 2000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

"Clean Sweep" delete funding of \$100,000 out of the General Inspection Trust Fund - Special Category.

The "Clean Sweep" program began July 1, 2004, and was funded at \$100,000 per year. Since the program began, the program has removed 403,852 pounds of cancelled, suspended, or unusable pesticides from small businesses, farms, ranches, nurseries, and groves at no cost to these firms. Elimination of this program will require these operations to contract with commercial waste disposers who charge significant fees for these services and could result in hazardous illegal dumping.

REDUCE MOSQUITO CONTROL PROGRAM #14 33B0090
 TRUST FUNDS..... 866,632- 2000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

Mosquito Control Program - Reduce mosquito control assistance program by \$866,632 (for Districts with a mosquito control budget of more than \$1,000,000, General Inspection Trust Fund - Aid to Local Governments, Mosquito Control Program category.

Currently, there are 56 local mosquito control programs (districts) that receive a share of the \$2,166,168 appropriated

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AGRIC/CONSUMER SVCS/COMMR 42000000
 SCHEDULE VIIIB REDUCTIONS -
 OPERATING 33B0000
 REDUCE MOSQUITO CONTROL PROGRAM #14 33B0090

annually from the Waste Tire Trust Fund to support mosquito control activities. These programs fund most of their control work from local funds, with budgets ranging from less than \$10,000 to over \$20 million. The proposed cut would eliminate aid to local programs with local budgets over one million dollars (\$1,000,000). This would affect 25 mosquito control programs: Polk, Palm Beach, Charlotte, East Flagler, Hillsborough, Duval, Pinellas, Sarasota, Miami, Citrus, Manatee, Indian River, Saint Lucie, East Volusia, Anastasia (St John), Brevard, Pasco, Collier, Bay, South Walton, Bay Beach, Orange, Broward, Osceola and the Florida Keys. The remaining 31 districts would incur a 10% cut of \$3,666 in grant funds (\$36,657 to \$32,991). Research funding will be provided at \$225,000, a 10% cut. The Department would continue to regulate mosquito control activities, including the issuance of public health pest control licenses, provision of examinations and training, and the inspection of mosquito control activities to ensure compliance with applicable laws.

REDUCE TRANSFER TO UNIVERSITY OF
 FLORIDA - INSTITUTE OF FOOD AND
 AGRICULTURAL SCIENCES FOR INVASIVE
 EXOTICS QUARANTINE FACILITY #15 33B7640
 TRUST FUNDS..... 129,758- 2000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

The reduction of \$129,758 from the Special Category for invasive exotics will reduce our ability to quarantine invasive plant materials at the lab in Ft. Pierce that must be quarantined before being released. In addition, this 18% reduction in funds will considerably impact the biological control research efforts directed towards several deleterious invasive plant species (tropical soda apple, air potato, Brazilian pepper tree) that affect well over a million acres of natural and agricultural land resources. Biological control of these plant species is the preferred control strategy due to the environmental concerns raised by use of more traditional chemical and physical control strategies.

REDUCE EXPENSES #16 33B0160
 TRUST FUNDS..... 71,438- 2000
 =====

SCH VIIIB-2 NARR 10-11 NOTES:

The Office of Agricultural Water Policy Coordination would have to reduce their Expense budget by (\$71,438). This reduction will result in travel expenses being further reduced by (\$40,000), printing services (\$5,000), technical

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POS	AMOUNT	PRIORITY	CODES	

AGRIC/CONSUMER SVCS/COMMR				42000000
SCHEDULE VIIIIB REDUCTIONS -				
OPERATING				33B0000
REDUCE EXPENSES		#16		33B0160

support services by (\$5,000), vehicles gas by (\$6,000) and office supplies (\$15,438). There is no impact on performance measures.

This budget is funded from Doc Stamp Revenues and this Program has no General Revenue budget; therefore, the State will not benefit from this reduction unless a sweep is proposed from the Doc Stamp Revenue.

REDUCE LAND MANAGEMENT PROGRAM -				
CONSERVATION AND RECREATION LANDS		#17		33B1800
TRUST FUNDS.....	8.00-			
	6,811,248-			2000
	=====			

SCH VIIIIB-2 NARR 10-11 NOTES:

Reduce Conservation and Recreation Lands Program - \$6,811,248 in CARL; Various Categories; 8 FTE

This is a reduction from the Conservation and Recreation Lands Trust Fund (CARL) budget of \$6,811,248 in various categories, including 8 filled positions and \$400,000 in Salaries and Benefits, used for land management activities on our 35 State Forests comprised of 1,043,860 acres of land. The FTE cuts, in addition to the previous Regular Session FY 2009-10 FTE cut of 23 positions and the Special Session FY 2008-09 cut of 8 positions in Land Management, will eliminate or reduce the quality and quantity of State Forest land management activities. These reductions will impact public visitation, recreational opportunities, timber sales, restoration, prescribed burning, hydrology, endangered species, invasive exotic species control and infrastructure maintenance on these lands.

This cut will reduce CARL OPS funding by \$780,000. This will significantly impact State Forest public recreation opportunities, and will most certainly result in the closing of numerous campgrounds and recreation facilities statewide. Other land management activities, including invasive exotic species control, will also be significantly reduced.

A reduction of \$3,678,270 in Expenses will directly impact the Division's ability to perform land management activities on State Forests including road maintenance, site preparation and reforestation, the construction, maintenance and operation of recreation facilities, prescribed burning and all other land management activities critical to Florida's State Forest System.

A funding cut of \$1,681,978 in Contracted Services will significantly reduce vendor services on all 35 State Forests for site preparation and reforestation, road material purchase for maintaining road systems, exotic species control, endangered species management and recreational services. Future revenues will be reduced due to the loss of timber growing stock. Deterioration of State Forest road systems will also result, which are, in many cases, also school bus routes, emergency routes and the primary access for many citizens living on in-holdings within the State Forests.

A reduction of \$271,000 in OCO will leave the Division with \$100 in CARL OCO budget. The cut will eliminate the

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AGRIC/CONSUMER SVCS/COMMR			42000000
SCHEDULE VIIIB REDUCTIONS -			
OPERATING			33B0000
REDUCE LAND MANAGEMENT PROGRAM -			
CONSERVATION AND RECREATION LANDS		#17	33B1800

Division's ability to purchase equipment for land management activities for the State Forest System.

ELIMINATE POULTRY AND EGG GRADING PROGRAM		#18	33B0250
TRUST FUNDS.....	19.00- 1,689,000- =====		2000

SCH VIIIB-2 NARR 10-11 NOTES:

Eliminate Poultry and Egg Grading Program - \$1,689,000 in General Inspection Trust Fund; Salaries and Benefits; 19 FTE

The Poultry & Egg Grading Program is a cooperative agreement with the USDA to provide voluntary poultry and egg grading services to the industry. This is not a mission critical program; it has no Food Safety function and has no impact on Department performance measures. Elimination of this program will impact 19 FTEs, most of which would be secured by USDA as federal graders to perform the same functions in the same firms. The 13 poultry and egg grading firms serviced by this agreement are all owned by non-Florida based operators.

The industry pays for this appropriation and cutting the program will not result in a cash transfer from the General Inspection Trust Fund to General Revenue (GR). As a matter of fact, GR would lose money from this cut because the program currently pays 4% of its revenue to GR through a service charge.

ELIMINATE STATE FARMERS MARKETS - POSITIONS		#19	33B0330
TRUST FUNDS.....	7.00- 343,409- =====		2000

SCH VIIIB-2 NARR 10-11 NOTES:

This reduction would be difficult. It would require the elimination of approximately 7 FTE and \$300,000 in Salaries and Benefits, and \$43,409 in Expenses from the Market Improvement Working Capital Trust Fund. The specific strategies will be determined by management at a later date if additional layoffs are mandated. This fund is restricted for the use for costs associated with the operation, maintenance, and expansion of agricultural marketing facilities. Therefore, cash must be swept from the Market Improvement Working Capital Trust Fund in order to effect this reduction

COL All SCH VIIIB-2 REDUCTIONS				
	POS	AMOUNT	PRIORITY	CODES

AGRIC/CONSUMER SVCS/COMMR				42000000
SCHEDULE VIIIB REDUCTIONS - OPERATING				33B0000
ELIMINATE OYSTER PLANTING AND AQUACULTURE CERTIFICATION - POSITIONS			#20	33B0350
GENERAL REVENUE FUND.....	6.00-	218,856-		1000
		=====		

SCH VIIIB-2 NARR 10-11 NOTES:

The only way the Division of Aquaculture can meet a 10% reduction will be to eliminate a portion of the Water Quality Testing Section - \$218,856 in General Revenue Fund; Salaries and Benefits. Reduction in funding will result in the loss of 6 FTE and will require the closing of nearly a half a million acres of shellfish harvesting waters in 12 counties (Escambia, Santa Rosa, Okaloosa, Walton, Bay, Pinellas, Hillsborough, Manatee, Sarasota, Charlotte, Lee, and Collier), termination of 69 Aquaculture leases and 12 processing plants. The Division has no data available to determine the monetary effect from these closures, but a good guess would be in the millions of dollars to these counties.

ELIMINATE THE LIVESTOCK REPORTING PROGRAM			#21	33B7100
GENERAL REVENUE FUND.....	4.00-	220,551-		1000
		=====		

SCH VIIIB-2 NARR 10-11 NOTES:

Manageable. This proposal would eliminate 4 FTE in the Division of Marketing's, Market News Program and \$220,551 from the General Inspection Trust Fund. This is the Department's contribution to a Federal/State cooperative agreement to report statewide livestock sales statistics to the United States Department of Agriculture (USDA). These reports are used by the livestock producers to see what livestock prices are going for at auction. The program is conducted by combining four state-funded FTE's with a larger staff of Federal employees. This partnership costs the State \$175,551 in Salaries and Benefits and \$45,000 in Expenses from the General Inspection Trust Fund. It may be possible to pass all the reporting responsibilities and associated costs to the USDA (emulating the states of Nebraska, Montana, and North Dakota), or eliminate the service altogether. Note: North Dakota has a cattle inventory comparable to Florida's and their Legislature has discontinued the Market News funding. The Florida livestock industry currently makes no financial contributions to the program. The Department has previously eliminated two other such reporting programs; Poultry & Egg and Fruit & Vegetable. These programs were continued by the USDA. Upon elimination of the program and its four General Inspection Trust Fund staff members, four unrelated General Revenue FTE's could be fund-shifted to the General Inspection Trust Fund. Specific program areas and positions can be determined at a later date. The Expenses category funding associated with the Livestock Reporting Program can also be fund shifted.

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AGRIC/CONSUMER SVCS/COMMR			42000000	
SCHEDULE VIIIB REDUCTIONS -				
OPERATING			33B0000	
IMPLEMENT FEES TO FUND SHIFT				
GENERAL REVENUE TO THE GENERAL				
INSPECTION TRUST FUND - DIVISION				
OF DAIRY INDUSTRY		#22	33B7660	
GENERAL REVENUE FUND.....	155,660-		1000	
	=====			

SCH VIIIB-2 NARR 10-11 NOTES:

Fund Shift \$155,660 in Expenses from General Revenue to the General Inspection Trust Fund. A permit fee will have to be established in order to shift these funds. This proposal would create a Permit Fee for the Dairy Industry to be deposited in the General Inspection Trust Fund - \$155,660 - General Inspection Trust Fund, Expenses.

The Division of Dairy Industry, has gone from 45 FTE's in 1993 to 25 FTE's in 2009. With such a large FTE reduction, the Division must maintain these FTE to maintain the Dairy inspection program. Therefore, the only way to cut General Revenue would be to institute some fees and shift the General Revenue to these trust funds. However, these fees will be opposed by the industry and create an additional hardship for them.

The dairy industry nationwide is suffering from the latest economic downturn and creating fees would only exacerbate their situation. Currently 13 of our 15 permits/licenses/certifications have no fee and there are no fees for instances where inspection and/or product violations require additional non-routine visits. Implementing a fee structure will require a statute change. Recommending fees for eleven of our permits/licenses/certifications: Milk Producer, Milk Plant, Washing Station, Receiving Station, Transfer Station, Single Service Container Manufacturer, Manufacturing Milk Plant, Milk Hauler, Milk Tanker, Milk Distributor and Certified Milk Lab. Recommending fees for four permits requiring additional non-routine visits: Repeat Violation Warning Letter (inspection), Warning Letter (product), Hold Order /Stop Sale situations and Accelerated Sampling. Not recommending fees for two permits (Milk Hauling Service and Milk Plant Operator) since it creates a double fee in these cases.

Florida is part of the FDA Southeast Region which includes AL, GA, LA, MS, NC, SC and TN. A recent poll showed that AL, LA, MS, NC and TN are currently charging fees. They are minimal and range from \$20 - \$400 and apply only to processing and manufacturing plants. Creating fees for all of our permits/licenses/certifications will put the Florida Dairy Industry at a disadvantage with the states in the FDA Southeast Region. The Milk Tanker fee will generate the most revenue; however, since Florida is a member of the National Conference of Interstate Milk Shipments, we are required to honor a reciprocal agreement to accept passing inspections from another member state. This means a Milk Tanker could be inspected and permitted in another state that does not have a permit fee and we would be required to accept the permit. Some Milk Tankers would be permitted in other states and the cost for those that remain would most likely be passed along to the Milk Producers in the form of additional transportation charges effectively creating a double fee for Milk Producers. We expect the dairy industry to oppose the fees.

Production Statistics
 Production Costs \$20.25 per cwt (hundred weight)
 Price Received by Farmer \$16.41 per cwt

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SCHEDULE VIIIB REDUCTIONS -			
OPERATING			33B0000
IMPLEMENT FEES TO FUND SHIFT			
GENERAL REVENUE TO THE GENERAL			
INSPECTION TRUST FUND - DIVISION			
OF DAIRY INDUSTRY		#22	33B7660

Net Loss (\$3.84) per cwt or approximately 20%

University of Florida-Institute of Food and Agricultural Science estimates the Florida dairy industry will lose \$99 million in 2009. This is roughly \$709,000 per dairy farm. Recent conversations with industry representatives indicate the situation has become even more serious. Production costs are continuing to rise and the net loss percentage is approaching 33%.

ELIMINATE ANIMAL INDUSTRY POSITIONS		#23	33B7670
	17.00-		
GENERAL REVENUE FUND.....	691,308-		1000
	=====		

SCH VIIIB-2 NARR 10-11 NOTES:

A General Revenue (GR) 10% target reduction of \$691,308 for the Division of Animal Industry would have a devastating impact on the Division's ability to achieve its mission of prevention and control of serious animal diseases. The Division would have to cut approximately 17 FTE, including 16 FTE in the Bureau of Animal Disease Control (BADC) (2 currently vacant) and 1 FTE in the Bureau of Diagnostic Laboratories. A reduction in BADC field staff would result in reduced disease surveillance at animal sales locations across the state as well as reduced site visits to premises with livestock where disease monitoring, sample collection and quarantine assessments are conducted. Specific programs that would be impacted are marks and brands (eliminate program), weekend small animal sales inspections (eliminate program), John's cattle herd inspection and testing (eliminate program) and feral swine field inspections (reduce by 50%). The introduction of animal diseases could have a catastrophic economic impact on the state of Florida. Without adequate surveillance and control for these diseases designated as dangerous transmissible diseases, marketing channels for movement out of state can be expected to be closed for Florida livestock and poultry.

It is expected that these cuts will also have a negative impact on overall response capability for all programs, including those for emergency response. The position reduction at the Live Oak Laboratory FTE is a veterinarian; consequently, necropsy service will be discontinued and only program testing will be conducted, with all diagnostic work requiring veterinarian evaluation routed to the Kissimmee Diagnostic Laboratory. Due to the potential of rapid spread of many animal diseases, lengthened reporting time and delayed response time could result in widespread disease outbreaks that would be difficult to contain and control. Also, many (up to 75%) animal diseases are zoonotic, meaning the disease is communicable to humans; therefore this 10% reduction could have a significant adverse public health impact.

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AGRIC/CONSUMER SVCS/COMMR				42000000
SCHEDULE VIIIB REDUCTIONS -				
OPERATING				33B0000
REDUCE PLANT INSPECTION/FRUIT FLY				
TRAPPING AND EXPORT CERTIFICATION				
POSITIONS		#24		33B7680
GENERAL REVENUE FUND.....	23.00-			1000
	1,003,521-			
	=====			

SCH VIIIB-2 NARR 10-11 NOTES:

This is a cut of \$1,003,521 and 23 FTE in the Division of Plant Industry. Florida is a high risk state for agricultural pest and disease introductions. Early pest detection is the key to protecting our food and fiber resources. A reduction of 23 plant inspectors, which are all filled positions, will significantly impact the inspection services provided to its customers, particularly the nursery industry and other agribusinesses that rely on inspection services to retain certification (9,804 nurseries with 23,766 inspections; 8,536 nursery stock dealers with 13,765 inspections). Rule Chapter 5B-2 requires the registration and annual inspection of all customers engaged in the movement or sale of plants. The reduction of 21% of our field inspectors will lead to significantly curtailed performance of services provided to the industry to allow movement and sales of regulated agricultural articles to international markets as well as intrastate and interstate commerce.

The Caribbean Fruit Fly Certification Protocol Program which provides service to the citrus industry to allow fresh fruit certification to Japan and Korea would be reduced with the potential loss of state revenue. We have calculated that with a decrease of phytosanitary inspections per year, there would be a potential direct loss of revenue to the Department, but more importantly the loss of millions of dollars in lost sales revenue to the agricultural producers followed by lost sales tax revenue for the State. Export Certifications, which allow Florida agri-products to leave the state for foreign and domestic markets, totaled 18,413 last year but will be considerably reduced with the loss of inspectors. Our inspectors are also essential to early detection and early response to newly introduced exotic pests.

Inspection of fruit fly traps, (166,914), exotic bark beetle traps, nematode certifications (1,538), and systematic visual surveys in nurseries, urban areas, around sea and aviation ports, and natural resources are daily activities. With greater time between checking traps, there is a much higher probability that a new pest will be established in a larger area of the state before detection occurs. We know that an eradication program for the exotic Mediterranean fruit fly will cost \$9-18 million dollars per infestation. We will not be able to maintain the number of fruit fly traps as established at a national standard. The establishment of new exotic pests (red palm mite, lobate lac scale, small hive beetle, Varroa mite, citrus greening, and citrus canker) has irrevocably changed how agribusiness is conducted and the survival of our native plant resources. Our inspectors manage and update 45 separate compliance agreements for the entire industry. These compliance agreements are required by other states and foreign markets to be updated and certified annually. The loss of 23 inspectors would result in loss of certification and market opportunities for the entire industry. If we are unable to meet annual standards, we will need to make statute and rule changes. Our inspectors are our first line of defense to mitigate these occurrences in the future.

COL All				
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REDUCTIONS				
POS	AMOUNT	PRIORITY	CODES	

AGRIC/CONSUMER SVCS/COMMR				42000000
SCHEDULE VIIIB REDUCTIONS -				
OPERATING				33B0000
REDUCE AGRICULTURAL LAW ENFORCEMENT				
- INVESTIGATIVE STAFF		#25		33B0260
	6.50-			
GENERAL REVENUE FUND.....	343,042-			1000
	=====			

SCH VIIIB-2 NARR 10-11 NOTES:

Reduce Investigative Staff - \$343,042 in General Revenue; Salaries & Benefits; 6.5 FTE

Cutting ten percent of this budget cannot be done without lay-offs. A cut of this magnitude would require that we reduce the number of Investigators by 5 and the number of support staff by 1.5 positions. This reduction would impede our ability to perform mission critical investigations that are unique to the Department of Agriculture and Consumer Services. Our Investigative Unit is the enforcement arm for Uniform Services, as well as all of the Department's regulatory programs. Our investigators have training and experience in non-traditional law enforcement roles, such as wildland arson investigations and consumer fraud. Many local law enforcement agencies do not have this expertise and depend on our office for these types of investigations. Our investigative staff conducted 3,344 investigations last year, including 844 fire investigations. The number of fire investigations fluctuates depending on weather conditions, but these fires cause tens of millions of dollars in property loss every year.

Consumer fraud and agricultural investigations will be impeded as well. This reduction would prevent us from conducting criminal investigations in support of the agency's regulatory responsibilities. Many consumer fraud cases, for example, would not be investigated if these cuts were made. Last fiscal year we initiated 552 consumer-related investigations, including white collar cases. Although the Office of Agricultural Law Enforcement is split into two budget entities, it functions as one office with overlapping responsibilities between the two Bureaus. For example, our Investigators often assist with cases initiated at the Interdiction Stations for various violations. Last year, in addition to the 3,344 investigations initiated by the Investigative Unit, Investigators worked many of the 2,410 investigations initiated on the ramps, responding to those locations. This enables the officers on the ramps to continue moving trucks through the inspection process without lengthy delays and without backing traffic up onto the interstates when violations are found. A budget reduction will impact our response time in these cases as well.

Further, repeated across-the-board cuts in Expenses and other categories have made it difficult to meet our statutory and contractual obligations, such as those included in the State Law Enforcement Collective Bargaining Agreement. Some of the obligations are to provide summer and winter uniforms, weapons and ammunition, holsters, radios, replacement bullet proof vests and uniform and clothing maintenance allowances, to name a few. Increasing costs require that more and more dollars be spent to meet these obligations, regardless of whether budgets are cut or not. Statutorily mandated training requirements add to costs as well, and must be done regardless of budget cuts. In addition, we have had the same increases to rent, utilities, gasoline, etc., that all entities have faced. Further budget cuts would put us in serious jeopardy of breaching contracts and not meeting statutory requirements.

In short, investigative needs would have to be prioritized and we would be unable to handle all requests for assistance, whether from local law enforcement agencies, other Divisions within the Department or from our own office. In addition to impeding our ability to meet the demand for investigations, this reduction would also prevent us from providing the required number of personnel for state law enforcement response to natural disasters and other emergencies.

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                                COL All
                                SCH VIIIIB-2
                                REDUCTIONS
                                POS      AMOUNT      PRIORITY      CODES
                                -----
AGRIC/CONSUMER SVCS/COMMR                                42000000
SCHEDULE VIIIIB REDUCTIONS -
OPERATING                                                33B0000
CLOSE THE PENSACOLA AGRICULTURAL
INTERDICTION STATION                                     #26          33B0450
GENERAL REVENUE FUND.....                26.00-
                                           1,390,000-
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SCH VIIIIB-2 NARR 10-11 NOTES:

Close the Pensacola Interdiction Station - \$1,390,000 in General Revenue; Salaries & Benefits; 26 FTE

It is not possible to reduce this budget entity in accordance with the criteria reflected in the FY 2010-11 LBR Instructions other than closing an Interdiction Station. The other stations are located on all paved highways crossing the natural boundary of the Suwannee and Saint Mary's Rivers. Closing one of these stations would enable violators to by-pass the inspection process. Although the Pensacola Station is our newest station, it is the only station that can be closed without jeopardizing the integrity of the entire program. However, it will not really result in a savings to General Revenue because we will lose approximately \$2 million of revenue collected annually through the Bill of Lading Program. It will also result in the loss of 26 positions, requiring lay-offs.

The Pensacola Station is the agency's foothold in the panhandle and contributes toward our efforts to regulate the Department's programs in North Florida. If this station is closed, the entire western portion of the state will no longer be protected from infestations of plant and animal pests and diseases. Infestation of just one plant or animal pest or disease could cost the state millions of dollars, as experienced with citrus canker. The closure of this station will also adversely impact contraband seizures, which have enabled the agency to purchase needed equipment without having to request General Revenue funding. More than \$5.2 million in contraband has been seized at Interdiction Stations during the last three years, with an average of more than \$1.7 million per year.

It is not possible to cut positions without closing a station because we do not currently have the minimum number of Law Enforcement Officers needed to staff the 23 Agricultural Interdiction Stations 24 hours a day, seven days a week. And although closing the Pensacola Station would reduce the cost of utilities, cuts in categories other than Salaries and Benefits are not possible because we are currently underfunded in those categories. Repeated across-the-board cuts in Expenses, Salary Incentive and other categories currently jeopardize our ability to meet our statutory and contractual obligations, such as those included in the State Law Enforcement Collective Bargaining Agreement. Some of the obligations are to provide summer and winter uniforms, weapons and ammunition, holsters, radios, replacement bullet proof vests and uniform and clothing maintenance allowances, to name a few. Increasing costs require that more and more dollars be spent to meet these obligations, regardless of whether budgets are cut or not. Statutorily mandated training requirements add to costs as well, and must be done regardless of budget cuts. In addition, we have had the same increases to rent, utilities, gasoline, etc., that all entities have faced. Further budget cuts in Expenses, Contracted Services, OCO and Salary Incentive would cause us to be in breach of contract and prevent us from meeting statutory requirements.

Again, faced with these cuts, closing the Pensacola Station would be our only option operationally in keeping the program intact. And the \$2 million of revenue lost annually would exceed the cost savings from the cut.

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                                COL All
                                SCH VIII B-2
                                REDUCTIONS
                                POS      AMOUNT      PRIORITY      CODES
                                -----
AGRIC/CONSUMER SVCS/COMMR                                42000000
SCHEDULE VIII B REDUCTIONS -
OPERATING                                                33B0000
REDUCE FORESTRY'S FIREFIGHTER
POSITIONS - WILDFIRE PROGRAM                                #27      33B0360
                                20.00-
GENERAL REVENUE FUND.....                                1,026,440-      1000
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SCH VIII B-2 NARR 10-11 NOTES:

Decrease in Fire Program Staff - \$1,026,440 in General Revenue; Salaries and Benefits; 20 FTE

This cut will result in the loss of a total of 20 positions, all of which are currently filled. The Division was cut a total of 33 positions in Regular Session FY 2009-10 and Special Session FY 2008-09, all of which were firefighter support staff. This reduction will directly impact the Division's ability to suppress wildfires by cutting critical firefighters that provide initial reinforced attack on large wildfires. The Division responded to 3,222 wildfires during FY 2007-08 and 3,240 wildfires during FY 2008-09.

These firefighters also perform wildfire mitigation projects throughout the state each day to reduce the impact to the citizens of Florida in the highest risk areas of wildland/urban interface areas. The firefighters respond to all hazard emergency incident responses (i.e. hurricanes, floods, agricultural emergencies etc.). This will also reduce personnel available for the Division's Incident Management Teams.

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TOTAL: AGRIC/CONSUMER SVCS/COMMR                                42000000
      BY FUND TYPE
GENERAL REVENUE FUND                                6,965,705-      1000
TRUST FUNDS                                10,182,745-      2000
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TOTAL POSITIONS.....                                136.50-
TOTAL DEPARTMENT.....                                17,148,450-
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