

Agriculture

Mission

To promote agriculture, rural development, and sustainable communities, while protecting public health through the regulation and inspection of food production and the prevention, control and eradication of animal diseases.

Summary of Activities



Lt. Governor
Joseph E. Kernan
Commissioner of
Agriculture

Indiana has a long and rich tradition as a leader in the field of agriculture. There are over 50,000 farms in Indiana, utilizing over 15 million acres of land, and selling over \$5 billion worth of products. The Lieutenant Governor serves as Indiana's Commissioner of Agriculture. The **Office of the Commissioner of Agriculture (OCA)** promotes agriculture and rural development, administering four grant programs. The Federal State Marketing Improvement Program provides matching funds to states to explore new marketing opportunities. The Livestock Promotion and Development Fund provides grants to help fund livestock and poultry shows, sales, and exhibitions. The Rural Rehabilitation Grant Program provides assistance to farm youth for post-secondary education or training. The Value-Added Grant Program funds research to find innovative uses for agricultural commodities.

The OCA also provides administrative support for a number of agricultural support programs: The Indiana Commission for Agriculture & Rural Development (ICARD) advises the Governor, Lieutenant Governor and Legislature on agricultural issues. The Indiana Rural Development Council (IRDC) supports rural communities. The Indiana Land Resources Council (ILRC) addresses land use issues. The Indiana Grain Buyers & Warehouse Licensing Agency (IGBWLA) regulates grain storage and grain buyers. The Indiana Grain Indemnity Corporation (IGIC) insures producers against financial failures in the grain industry. The Farm Counseling Project provides free legal and financial counseling to financially troubled farmers.

The **Board of Animal Health (BOAH)** is an independent agency responsible for promoting public health and safety through the regulation of animal health. The BOAH licenses livestock dealers, regulates the meat, poultry, and dairy industries, and manages programs for the prevention, suppression, control and eradication of infectious diseases affecting livestock and pets.

External Factors

The effective promotion of agriculture requires rapid response to changes in market conditions. A financial crisis in 1998 and 1999 caused agricultural commodity and livestock market prices to fall below the cost of production over an 18-month period. Pork prices fell to the lowest level in 60 years.

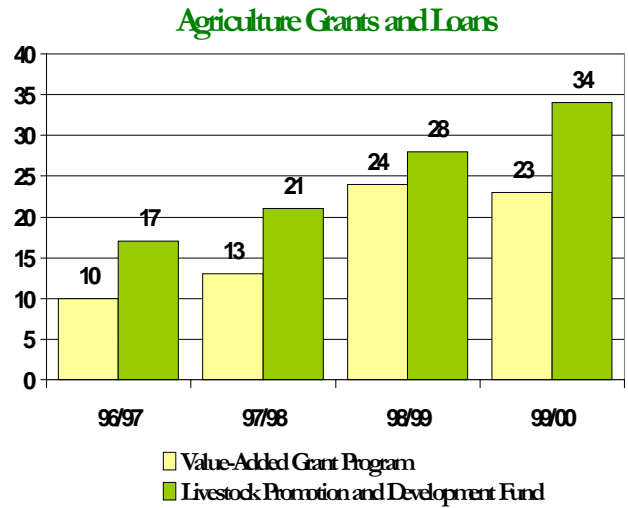
Agriculture production methods are also constantly changing. New, large dairy operations that far exceed the historical average herd size are challenging the BOAH to develop appropriate inspection methodologies. The U.S. Department of Agriculture has reemphasized the requirement for all state-inspected plants to meet or exceed federal inspection standards. Changes in federal legislation or regulation can have significant impacts upon inspection workload, methodology and standards.



Evaluation and Accomplishments

In response to the 1998 financial crisis, the Commissioner of Agriculture convened a 50-member group representing government, producers, agribusiness, universities, banking, and commodity and farm organizations. The group developed a recovery plan of state and federal initiatives to provide farmers with financial assistance and marketing initiatives, including the IDFA Aggie Bonds program and the reinstatement of the Treasurer's Agricultural Loan Program.

OCA awarded \$220,600 in FY 2000 from the Livestock Promotion and Development Fund, and provided \$436,632 in Value Added Research Grants to find innovative uses for agricultural commodities. A plan was developed for allocating funds from the National Tobacco Settlement to tobacco growers, while the Farm Counseling Project provided assistance to 240 farmers. The BOAH pseudorabies eradication program has been highly successful, reducing the number of quarantined swine herds from 181 in January 1999 to seven in June 2000.



Plans for the Biennium

The OCA will continue efforts to expand Indiana agricultural exports, participate in Indiana's drought preparedness planning, and provide financial assistance to farmers. The OCA will also host the 2001 convention of the Midwest Association of State Departments of Agriculture.

The BOAH plans to strengthen livestock monitoring and surveillance programs, pursue additional specialized training opportunities for veterinarians and field staff, broaden the information available to the public, and continue evaluation of all inspection programs to ensure public health, safety and welfare.

<i>Program: 0200</i>	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Appropriation (All Funds)	\$19,845,657	\$19,316,521	\$18,534,636	\$21,942,804	\$21,992,615
Expenditures	\$24,869,912	\$26,143,053	\$22,230,434		

**Sources of Funds
FY 2001 (Approp)**

■ General ■ Dedicated ■ Federal ■ Other

Source	Percentage
General	67%
Dedicated	24%
Federal	9%
Other	0%

**Uses of Funds
FY 2001 (Approp)**

■ Personal Services ■ Distributions ■ Capital ■ Other

Use	Percentage
Personal Services	38%
Distributions	45%
Capital	6%
Other	11%