

SD Ag Unity

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Legislative Action Alert!!!!

To: Ag Unity Membership

From: Brenda Forman, Chair

RE: AES/CES Proposed Cuts from the Republican Leadership

Last Thursday, some members of the Republican Leadership held a press conference to announce their proposed cuts to the budget for FY 2011 budget. Included within that plan are cuts of \$400,000.00 for CES (Cooperative Extension Service) and \$500,000.00 for AES (Agricultural Experiment Station).

Below are talking points that you are encouraged to share with your members and legislators as the budget process goes forward. This is likely the first of several alerts as budget numbers and other plans are brought forward.

- Agriculture and supporting industries account for \$21.3 billion per year in economic activity and employ 40% of the workforce in SD;
- As the global population grows to 9 billion people over the next 40 years, increasing demand for food, fuel and fiber will present a tremendous economic opportunity for SD, but we must be prepared to take advantage through adequate infrastructure, technology and an educated workforce. Investment in AES and CES will be critical in enhancing SD's competitiveness;
- A recent study (conducted in another state) indicated that SD ranked at the top of all states in the average rate of return on investment in public agricultural research in terms of benefit to the state in which the research was conducted;
- AES and CES, respectively, currently receive about \$10.38 million and \$8.35 million in state general funds. State funds represent one-fourth to one-third of AES and about half of the total for CES;
- Budget cuts of \$400,000 in AES and \$200,000 in CES were implemented in fiscal year 2010. Further significant budget cuts for fiscal year 2011 would be particularly disproportionate over the two years combined compared to most other state agencies;
- While tuition increases would help other aspects of BOR budget, AES nor CES can use tuition to make up the loss;
- AES research helps SD farmers, ranchers, and supporting businesses be more competitive and sustainable and helps attract new technology-oriented agri-businesses to locate in the state. CES has a long history of helping agricultural producers and businesses implement new technologies and in providing valuable educational programs in youth development (4-H), family & consumer sciences, and community development. CES and AES programs are particularly beneficial in helping the state to weather the current economic downturn and prepare for a prosperous future;
- Competitive grant funding has accounted for an increasing portion of the total budgets of AES and CES. Competing successfully for grant funding requires having faculty members available to write the grants and do the work and good facilities in which to conduct the work. Budget cuts will reduce the number of base-funded faculty FTEs and reduce the availability of adequate facilities, thus reducing the ability of AES and CES to secure grant funding;
- In addition to the proposed targeted cuts, AES, CES and the academic programs will include the 2% across the board.

CES plays a key role in the land grant mission of extending current research and education to the people of South Dakota cuts like this will severely impact CES' ability to be the front door to SDSU. CES and AES (research) are the two components that make a land-grant unique in serving and meeting the needs of the people of the South Dakota.