



**APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY**

**DEPARTMENT OF AGRICULTURE  
 PART 1: LINE ITEM DETAIL**

**2008 PA 253\*  
 FY 2008-09  
 Year-to-Date**

**Sec. 101. APPROPRIATION SUMMARY**

1.	<u>Unclassified full-time equated (FTE) positions</u> - Positions that are exempted from the classified State civil service pursuant to Article XI, Section 5 of the Michigan Constitution. These positions include elected officials, heads of principal departments, a limited number of policy-making positions in departments, members of boards and commissions, employees of State institutions of higher education, employees of the Judiciary, and employees of the Legislature.	6.0
2.	<u>Classified FTE positions</u> - All positions in State service unless exempted by Article XI, Section 5 of the Michigan Constitution. One FTE position equals 2,088 hours.	574.5
3.	<b><u>GROSS APPROPRIATION</u></b> - Total appropriations	104,855,300
4.	<u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the department that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations.	9,539,200
5.	<b><u>ADJUSTED GROSS APPROPRIATION</u></b> - Gross appropriations less IDGs.	<b>95,316,100</b>
6.	<u>Federal revenue</u> - Funding allocated to the State by the Federal government.	16,121,900
7.	<u>Local revenue</u> -Funds paid by local units of government that support State services and programs.	0
8.	<u>Private revenue</u> - Available appropriated funds from private sources, including funding from non-governmental agencies.	237,200
9.	<u>State restricted revenue</u> - Revenue earmarked for a specific purpose by the State Constitution, statute, or appropriation bill. Restricted revenue also includes general fund/special purpose funds, such as fee revenue used to support licensing programs.	46,955,800
10.	<u>State general fund/general purpose</u> - Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of the general fund/general purpose (GF/GP) revenue is derived from the income, Michigan business, insurance, sales, and use taxes.	32,001,200
11.	<u>Payments to locals</u> - State appropriations from GF/GP or State restricted revenues that will be allocated to local units of government.	2,416,800

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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**FUND SOURCE SUMMARY**

The discreet sources of revenue and the amounts appropriated from them are itemized below.

12.	<u>GROSS APPROPRIATION</u> - Total appropriation from all sources of financing.	105,342,700
13.	<u>IDG from MDCH, local public health operations</u> - The MDA trains individuals who conduct restaurant inspections. This is done in partnership with local health departments. Funding from the Department of Community Health passes through MDA to the local health departments.	8,878,700
14.	<u>IDG from MDEQ, aquifer protection and dispute resolution</u> - The Michigan Department of Environmental Quality provides funding for the MDA's activities resolving conflicts involving agricultural wells. The MDA has received this funding in previous years does not expect to receive it in 2009 or beyond.	500,000
15.	<u>IDG from MDEQ, biosolids</u> - The Michigan Department of Environmental Quality provides funding for the MDA to provide education, technical assistance, and program advocacy as it relates to biosolids and the Michigan Biosolids Land Application Program to those public organizations and individuals affected by or involved in the land application of biosolids sewage sludge.	92,500
16.	<u>IDG from MDEQ, MAEAP</u> - The Michigan Department of Environmental Quality provides funding for the MDA's administrative costs of the MAEAP. The MDA has received this funding in previous years, but only expects to receive about \$100,000 in FY 2008-09 and no funding in future fiscal years.	159,100
17.	<u>IDG from MDEQ, type II well survey</u> - The Michigan Department of Environmental Quality provides funding for the MDA Migrant Labor Housing staff to complete source water assessments for noncommunity public water supplies at agricultural labor camps and provide these assessments to the MDEQ, Water Division. The MDA has received this funding in previous years does not expect to receive it in 2009 or beyond.	17,000
18.	<u>IDG from DHS, food bank</u> - The Michigan Department of Human Services provides funding for the Department of Agriculture's Michigan Agricultural Surplus System (MASS) program.	150,000
19.	<u>IDG from MDLEG (LCC), liquor quality testing fees</u> - The Michigan Department of Labor and Economic Growth provides funding for the MDA's administrative costs associated with the Grape and Wine program.	191,900
20.	<u>IDG from MDNR, district forestry and wildlife program</u> - The Michigan Department of Natural Resources provides funding for the MDA to distribute grants to local soil conservation districts to provide services to private foresters. This funding was vetoed by the Governor.	0
21.	<u>Total interdepartmental grants and intradepartmental transfers</u> - The total of items 13 through 20 above.	9,539,200
22.	<u>ADJUSTED GROSS APPROPRIATION</u> - The Gross appropriation less total IDGs and IDTs.	95,803,500

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23. <u>DAG, multiple grants</u> - Revenue from the United States Department of Agriculture is appropriated in this line for a variety of programs throughout the Michigan Department of Agriculture.	12,637,300
24. <u>EPA, multiple grants</u> - Revenue from the United States Environmental Protection Agency is appropriated in this line. The EPA funds are used for pesticide and plant pest management and laboratory purposes.	1,753,300
25. <u>HHS-FDA</u> - Revenue from the United States Department of Health and Human Services is appropriated in this line for programs administered by the MDA in conjunction with the U.S. Food and Drug Administration.	1,077,700
26. <u>United States department of labor</u> - Revenue from the United States Department of Labor is appropriated for migrant labor housing services.	400,000
27. <u>Corporation for national and community services</u> - Revenue from this Federal public-private partnership is appropriated in groundwater and freshwater protection for the Americorps program, which provides residential technical assistance delivered by Americorps members to help reduce the risks of groundwater contamination associated with the use of pesticides and nitrogen fertilizers.	253,600
28. <u>Total federal revenues</u> - The total of items 23 through 27 above.	16,121,900
29. <u>Private - commodity group</u> - This appropriation reflects donations from various commodity groups for services related to specific marketing and promotion activities performed by the MDA in Agricultural Development.	89,200
30. <u>Private - slow-the-spread foundation</u> - A grant from the Slow the Spread Foundation is appropriation in Pesticide and Plant Pest Management for implementation of the U.S.D.A. National Slow the Spread of the Gypsy Moth Project.	148,000
31. <u>Total private revenues</u> - The total of items 29 through 30 above.	237,200
32. <u>Agricultural preservation fund</u> - The purpose of the Fund is to preserve farmland. Individuals receive a tax credit for participating in the Farmland Preservation program. If they pull out of the program, they are required to repay the tax credit, the revenue from which is deposited into the Agricultural Preservation Fund. Revenue is distributed in competitive grants to local governments to assist in the purchase of agricultural conservation easements. Not more than \$900,000 may be used for administrative costs of the program and the balance may be used by the State for the purchase of development rights to farmland or the acquisition of agricultural conservation easements.	3,400,000
33. <u>Agriculture equine industry development fund</u> - Revenue from simulcast wagering taxes, horse racing licensing fees and fines, uncashed winning tickets, and a portion of the tax levied on temporary Detroit casinos is used to support equine industry programs. Statute provides specific amounts for standardbred, thoroughbred, quarter horse, and Appaloosa purses. The Fund is also used to partially support Bovine TB eradication activities.	11,076,800

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34. <u>Agriculture pollution prevention fund</u> - Revenue from financial penalties for eliminating a conservation easement is appropriated in this line. The money is used to support conservation practices, such as the purchase of conservation easements and the promotion of conservation programs. Not more than 20% of the annual appropriation may be used for administrative purposes.	100
35. <u>Cervidae licensing and inspection fees</u> - Revenue from registration fees collected from privately owned cervidae producers are appropriated for administration of the MDA portion of the cervidae program. Due to low revenue collections, the total revenue from these fees will be insufficient to support the appropriations in the MDA and the Department of Natural Resources, so the MDA is not likely to receive any funding from this source in FY 2008-09.	75,000
36. <u>Commodity inspection fees</u> - Revenue from fees for the re-inspection of weights and measures of commodities or special inspections of such commodities are deposited into the General Fund and credited to the Department to support the Weights and Measures program.	1,084,000
37. <u>Consumer and industry food safety education fund</u> - A \$3.00 fee is assessed on food establishment licenses in all categories except vending machines and in cases of fee-exempt food establishments. The money in the Fund is used to provide statewide training and education to consumers on food safety.	260,500
38. <u>Dairy and food safety fund</u> - Revenue from licensing for food establishments and milk processing plants is used to administer the Food Law and the Grade A Milk Law. In addition, revenue from administrative fines and costs resulting from civil violations of the Food Law are used for enforcement of food safety laws.	2,728,300
39. <u>Freshwater protection fund</u> - Revenue from groundwater protection fees assessed on registered users of pesticides is appropriated for direct and indirect assistance for groundwater protection activities, emergency response to groundwater contamination, and a groundwater protection regulatory program. Statute limits expenditures for administrative costs to not more than 20% of the appropriation.	5,174,300
40. <u>Gasoline inspection and testing fund</u> - Revenue from motor fuel distributor and retailer licenses is appropriated to pay for the gasoline inspection and testing program and the vapor-recovery program.	2,620,700
41. <u>Horticulture fund</u> - The Fund receives \$70,000 annually from licensing fees for facilities selling nursery stock. The revenue is appropriated to support research projects, to develop and improve training programs, and to develop outreach materials for the purposes of safeguarding plants and plant products from unwanted plant pests. The Fund expires on September 30, 2012 and its balance will be forwarded to the Agriculture Licensing and Inspection Fees Fund.	79,700
42. <u>Industry support funds</u> - Applicants to the Agricultural Commodities Marketing program are assessed fees to cover the cost of administering the program. The amount of the fees is set by the Director at a level to defray the expenses of the program.	697,900

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43. <u>Licensing and inspection fees</u> - Revenue from a number of fees is appropriated to support the administration of those programs. License or inspection fees are charged for services including, aquaculture, commercial feed, pesticide certifications, fertilizer, food handling, livestock dealers, milk industry requirements, nursery stock, pet shops, riding stables, and grain dealers.	4,038,400
44. <u>Migratory labor housing</u> - Revenue from the licensing of agricultural labor camps is appropriated for distribution as grants for remodeling and upgrading of housing for migrant laborers. The grants may pay for up to 50% of the remodeling costs, up to \$10,000, and matching funds are required.	25,000
45. <u>Nonretail liquor fees</u> - Revenue received from the Liquor Control Commission is appropriated to support the Grape and Wine program.	678,600
46. <u>Refined petroleum fund</u> - A 7/8 cent environmental regulatory fee is imposed on all refined petroleum products sold for resale or consumption in the State. The fee is collected from persons who refine petroleum products for resale or consumption and from persons who import refined petroleum products for resale or consumption. Part 215 of NREPA authorizes the Fund be used for gasoline inspection programs under the Weights and Measures Act and the Motor Fuels Quality Act; corrective actions necessary to address releases of refined petroleum products; and reasonable administrative costs of the Departments of Agriculture, Attorney General, Environmental Quality, and Treasury in administering the Fund and programs receiving revenue from the Fund. The fee is scheduled to sunset on December 31, 2010.	3,339,000
47. <u>State services fee fund</u> - Revenue from application and licensing fees assessed on the three Detroit casinos is deposited into this Fund. Of the revenue collected, \$2.0 million is directed to the Compulsive Gaming Prevention Fund. The balance is appropriated at the discretion of the Legislature, primarily for administration of the MI Gaming Control Board, which regulates the Detroit casinos. In the MDA, the appropriation from this Fund supports cost-share grants to local county fairs, administrative costs of the Office of Racing Commissioner, and various administrative costs.	9,185,700
48. <u>Testing fees</u> - Revenue from livestock testing and seed analysis fees are appropriated to cover the expenses of those programs.	434,500
49. <u>Upper Peninsula state fair revenue</u> - Proceeds from the Upper Peninsula State Fair are deposited into the General Fund and credited to the Department to pay for expenses of operating the Fair.	1,382,500
50. <u>Weights and measures regulation fees</u> - Revenue from fees for reinspections, voluntary registrations, type evaluations, special weights and measures inspections, and other special services requested of the Department are set in an annual schedule of fees at a level sufficient to cover the cost of those activities. That revenue is appropriated for the Weights and Measures program.	674,800
51. <u>Total other state restricted revenues</u> - The total of items 32 through 50 above.	46,955,800
52. <u>State general fund/general purpose</u> - Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of the general fund/general purpose (GF/GP) revenue is derived from the income, Michigan business, insurance, sales, and use taxes.	32,488,600

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**Sec. 102. EXECUTIVE**

1.	<u>Commission and boards</u>	32,800
	Provides funding for per diem payments to members of boards, committees, and commissions for a full day's work at which a quorum is present; for attending a hearing; or for performing official business. The per diem payments are as follows:	
	(a) Commission of agriculture .....	\$75 per day
	(b) Upper Peninsula state fair board .....	\$50 per day
	(c) Grape and wine industry council .....	\$50 per day
2.	<u>Unclassified positions</u>	354,000
	Unclassified FTE positions	6.0
	Provides funding to pay the salaries of the department's six unclassified employees: Department Director, Senior Policy Analyst, Legislative Liaison, Racing Commissioner, and two positions are currently unfilled.	
3.	<u>Executive direction</u>	922,600
	Classified FTE positions	10.0
	Provides funding for the administrative support of the Executive Office and the fringe benefits of the department's unclassified employees.	
4.	<u>Management services</u>	1,725,800
	Classified FTE positions	24.0
	Provides funding to support the operations of the Human Resources Division and the Finance and Administrative Services Division, which provide department-wide services.	
5.	<u>Agricultural Statistics</u>	143,700
	Classified FTE positions	1.0
	Provides funding for the official database for Michigan agriculture. The Michigan Agricultural Statistics Service is a joint Federal and State office responsible for collecting and disseminating data on Michigan agriculture. This partnership results in consistent estimates and the avoidance of cost duplication. The program conducts annual surveys of Michigan-grown commodities on a rotating basis, tracks agricultural product prices and chemical use, provides official forecasts of crop production, documents acreage and yield used for land value, farm numbers, acres of committed farm land, and farm labor.	
6.	<u>Emergency management</u>	243,300
	Classified FTE positions	2.5
	Funds emergency response preparation and coordination in the area of the state's food and agriculture industries.	

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7. Internal audit services

263,700

Internal audit functions include financial, performance, and compliance audits of Department programs and functions, grants, revenues, and computerized processes and databases. These activities were consolidated statewide in the Department of Management and Budget beginning in FY 2008-09. This line item supports the MDA's costs for those services. Funds will be paid to the Department of Management and Budget and appear as an interdepartmental grant in that budget.

**UNIT GROSS APPROPRIATION**

**3,685,900**

Private

78,400

State restricted revenue

666,100

State general fund/general purpose

2,941,400

**Sec. 103. DEPARTMENTWIDE**

1. Rent and building occupancy charges

1,231,500

Provides funding for rent payments on leased, privately-owned facilities. Also covers building occupancy charges for State-owned office space, including maintenance and janitorial services. The MDA has six regional offices throughout the State in Escanaba, Traverse City, Grand Rapids, Saginaw, St. Joseph, and Southfield.

**UNIT GROSS APPROPRIATION**

**1,231,500**

Federal

185,400

State restricted revenue

532,900

State general fund/general purpose

513,200

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**Sec. 104. FOOD AND DAIRY**

- |    |  |            |
|----|--|------------|
| 1. | <u>Food safety and quality assurance</u> | 12,598,000 |
|    | Classified FTE positions                 | 115.0      |

Provides funding for the Food and Dairy Division, which is charged with protecting public health by ensuring a safe and wholesome food supply. There are three major program areas within the Division.

- a) **Food Product Safety Assurance Program** - Enforces laws and regulations governing the processing, packaging, transportation, storage, and sale of food and beverages. Food inspectors are responsible for inspecting the State's diversified food establishments, which include bakeries and breweries, groceries and grain mills, fruit processors and water bottlers. Over 21,000 establishments are licensed yearly.
- b) **Food Service Sanitation Program** - This is a joint State/local program responsible for the oversight of 37,000 establishments throughout the state, such as restaurants, cafeterias, temporary vendors, and commissaries. In partnership with 45 local health departments (approximately 400 local inspectors), the MDA provides technical assistance and coordination for sanitation inspections. Local health departments conduct the actual inspections.
- c) **Dairy Section** - This program is responsible for the 2,400 Michigan Grade "A" and 270 manufacturing grade dairy farms, including biannual inspections. The section inspects and regulates dairy processing plants, bulk haulers, distributors, and manufacturers.

The Michigan Food Law of 2000 took effect on November 8, 2000. It set new regulatory standards for all licensed food establishments. This law consolidated various food safety statutes and clarified jurisdictional responsibilities between state and local health officials.

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|----|---------------------------------------|-----------|
| 2. | <u>Local public health operations</u> | 8,878,700 |
|----|---------------------------------------|-----------|

Provides grants to local health departments for inspection activities at food service establishments. Grants are distributed based on a formula, taking into account the number of fixed, mobile, and temporary food service establishments. This program is one component of an eight-component block grant to local health departments which is funded through a GF/GP appropriation in the Michigan Department of Community Health budget.

<b>UNIT GROSS APPROPRIATION</b>	<b>21,476,700</b>
Interdepartmental grants (IDG)	8,878,700
Federal	407,400
State restricted revenue	2,988,800
State general fund/general purpose	9,201,800

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**Sec. 105. ANIMAL INDUSTRY**

- |    |                                  |           |
|----|----------------------------------|-----------|
| 1. | <u>Animal health and welfare</u> | 2,382,200 |
|    | Classified FTE positions         | 21.5      |

Provides funding for the Animal Industry Division which is charged with the protection of human health and the health of domestic animals, livestock, and pets. The Division assures the humane treatment of animals and provides diagnostic services for some reportable diseases. The Division is involved in the following areas: food safety, bovine tuberculosis surveillance and eradication, swine/pseudo rabies eradication, captive cervidae (deer and elk), equine diseases, ruminant diseases, avian diseases, exotic animals, livestock marketing, and aquaculture.

- |    |                                    |           |
|----|------------------------------------|-----------|
| 2. | <u>Bovine tuberculosis program</u> | 7,425,200 |
|    | Classified FTE positions           | 48.5      |

Bovine tuberculosis (TB) is an infectious disease that has been nearly eradicated in the United States, but still poses a significant risk to domestic livestock, wildlife, companion animals and humans throughout the world. The recent finding of bovine tuberculosis in wild white-tailed deer and several other wildlife in Michigan poses a threat not only to animal health, but also to the economic success of the agriculture and wildlife industries in the state.

The Michigan Bovine TB Eradication Project involves a multi-agency team of experts from the Michigan Departments of Agriculture, Natural Resources, and Community Health, Michigan State University, and the United States Department of Agriculture. This line item provides funding for the Michigan Department of Agriculture's activities associated with Bovine TB. It supports disease surveillance, monitoring, testing, on farm assistance, and indemnification. A series of periodic reports about Bovine TB activity are required in boilerplate sections.

<b>UNIT GROSS APPROPRIATION</b>	<b>9,807,400</b>
Federal	1,215,100
State restricted revenue	893,900
State general fund/general purpose	7,698,400

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**Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT**

1.	<u>Pesticide and plant pest management</u>	12,073,000
	Classified FTE	110.0

The Pesticide and Plant Pest Management (PPPM) Division is responsible for the implementation of programs and enforcement of laws concerning agricultural products, export commodities, pesticide sale and use, pest management and fruit and vegetable inspection. The Pesticide Advisory Committee (PAC) is an ad hoc committee, administered by the MDA. The Committee was formed to consult and advise the MDA on issues concerning the use of pesticides in Michigan. The Committee is established under the Natural Resources and Environmental Protection Act, Act 451, Part 83, Pesticide Control. The PPPM Division is responsible for the following programs:

- a) **Animal Feed/Drug Inspections** - PPPM staff monitors the quality of medicated animal feed and drugs used in food production systems. The Division also inspects grain elevators and facilities that produce animal feeds.
- b) **Exotic and Invasive Species** - PPPM oversees programs to monitor and control the spread of exotic and invasive pests.
- c) **Pesticide and Agrichemical Inspections** - The Division is responsible for overseeing appropriate use of pesticides and agrichemicals in Michigan including enforcement, product registration, certification, and worker protection standards.
- d) **Plant Pest and Commodity Certification** - PPPM annually inspects agricultural commodities destined for export and issues phytosanitary certificates. This service ensures that the product meets the requirements of the importing country and insures access to foreign markets by Michigan producers and manufacturers.

2.	<u>Emerald ash borer control program</u>	5,191,400
	Classified FTE	24.5

This appropriation funds efforts to detect, control, and eradicate the Emerald Ash Borer. Federal support for Michigan's effort to eliminate the Emerald Ash Borer began declining in FY 2008-09.

<b>UNIT GROSS APPROPRIATION</b>	<b>17,264,400</b>
Federal	7,639,100
Private	148,000
State restricted revenue	5,165,100
State general fund/general purpose	4,312,200

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**Sec. 107. ENVIRONMENTAL STEWARDSHIP**

1.	<u>Environmental stewardship</u>	2,711,500
	Classified FTE positions	27.0

This line item funds the Environmental Stewardship Division (ESD), which provides assistance to soil and water conservation districts, drain commissioners and land users in the conservation and development of soil and water resources and in the protection of farmland and open spaces. The Division administers the following programs:

- a) **Michigan Agriculture Environmental Assurance Program (MAEAP)** - MAEAP is a voluntary, pro-active program designed by producers and industry partners to reduce producers' legal and environmental risks. It teaches effective land stewardship practices that comply with State and Federal regulations and shows producers how to find and prevent agricultural pollution risks on their farms. The program encompasses three systems designed to help producers evaluate the environmental risks of their operation. Each system - livestock, farmstead, and cropping - examines a different aspect of a farm, as each has a different environmental impact. Through each phase, producers will develop and implement economically feasible, effective and environmentally sound pollution prevention practices.
- b) **Conservation Districts** - The division works cooperatively with Michigan's 78 conservation districts who deliver ESD's soil, water and energy conservation programs directly to landowners.
- c) **Migrant Labor Housing** - The Division licenses and inspects Michigan's 4,500 migrant labor housing units and monitors drinking water at these sites.
- d) **Right-to-Farm** - The legislation directs the Michigan Commission of Agriculture to adopt Generally Accepted Agricultural Management Practices and review them annually. These practices help farmers protect the environment and minimize nuisance conditions.
- e) **Intercounty Drains** - Division staff monitor more than 1,000 intercounty drains with a combined length of over 10,000 miles. ESD provides direction, holds public hearings, and oversees construction and financing of intercounty drain work.
- f) **Michigan Biosolids Land Application** - The Division provides education and assistance to encourage the increased use of biosolids recycling and application.
- g) **Conservation Reserve Enhancement Program** - This voluntary program seeks to improve agricultural land through financial incentives (Federal, state, private) provided to farmers in exchange for implementing conservation practices.

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2. Groundwater and freshwater protection program

5,472,500

Classified FTE positions

15.0

The Groundwater Stewardship Program was established in 1993, through the passage of the Groundwater and Freshwater Protection Act and amendments to the Pesticide Control Act. The program falls into seven main categories:

- a) **Groundwater Stewardship** – The program provides education and technical assistance to pesticide and fertilizer users to protect groundwater resources.
- b) **Groundwater Monitoring** – The Division monitors private wells concerning pesticide levels and other water quality information.
- c) **Michigan Clean Sweep** -This program focuses on developing a system for the legal, safe disposal of old, unwanted, suspended or canceled pesticides. By providing for proper disposal, MDA and the Environmental Protection Agency reduce the potential for adverse environmental impacts.
- d) **Contamination Response** – The program responds to and plans remediation of pesticide contamination of groundwater.
- e) **Pesticide State Management Plans** – The program develops plans to prevent specific pesticides from threatening groundwater.
- f) **Pesticide Container Recycling** – The program educates users and encourages recycling of empty pesticide containers.
- g) **Michigan Turfgrass Environmental Stewardship** - In 1998, Michigan became the first state to launch a voluntary environmental evaluation program for golf courses. Golf courses helped develop the program, which seeks to lower the risk of groundwater contamination and support wildlife habitat.
- h) **Michigan Emergency Tube** - This is an educational tool for assisting Michigan farmers in developing emergency response plans specific to their farms.

3. Farmland and open space preservation

985,500

Classified FTE positions

9.0

This line item supports staff of the Farmland and Open Space Preservation Program. The Farmland and Open Space Preservation Program preserves agricultural and open space parcels through a variety of temporary and permanent restrictive covenants. Participants in the temporary covenants enter into either an agreement or easement with the State wherein they agree not to develop their land for a particular time period, usually 10 years. In exchange for entering into the restriction, the landowner may receive certain tax benefits and the land is not subject to special assessments for certain public utilities. Currently, there are more than 40,000 farmland agreements covering more than 3.2 million acres.

The permanent covenant portion of the program allows the State to purchase the development rights on unique and critical farmland. Funds from the purchase of easements come from the withdrawal fees associated with the temporary restrictive covenants. When these rights are purchased, the landowner receives a case payment and assigns the rights to the State. Land in permanent easement is exempt from special assessments for certain public utilities. Funding for the purchase of development rights is contained in a separate line item in the capital outlay unit.

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4.	<u>Water withdrawal assessment program</u>	130,000
	Classified FTE positions	1.0
	Enactment of the Great Lakes Compact and accompanying water withdrawal regulations in 2008 created additional responsibilities for the Department of Agriculture related to monitoring water withdrawals by farm operations.	
5.	<u>Cooperative resources management initiative program</u>	0
	This program is a coordinated effort between Federal, State, and local government agencies, and private sector conservation groups that work together to manage land in Michigan. Through a joint funding arrangement between the department and the Michigan Department of Natural Resources (MDNR), the program provides grants to local conservation districts that provide statewide technical assistance to landowners and local governments in the economically, socially, and environmentally sound management of the State's resources.	
	<i>** Appropriation of \$1,000,000 was vetoed by the Governor.</i>	
6.	<u>Technical Assistance Match</u>	252,600
	This line item provides State dollars to match Federal funds. These dollars are used to hire Conservation District Technicians who provide technical assistance to landowners who have signed Farm Bill related contracts with USDA-Natural Resources Conservation Service. The menu of practices ranges from Agrichemical containment facilities to waterways to Nutrient and Pest management plans.	
7.	<u>Agriculture pollution prevention program</u>	1,000,100
	This line item provides spending authorization from the Agriculture Pollution Prevention Fund created under Part 82 of the Natural Resources and Environmental Protection Act, in the event that revenue is deposited in the Fund. The fund will receive money from the termination of conservation agreements or other sources and may be used only for: payments, financial incentives, or reimbursement for rental payments for the implementation of conservation practices; payments required under contracts entered into under Part 82; purchase of conservation easements; monitoring and enforcement of conservation easements; awards to participants in conservation programs established by the department under Part 82; promotion of conservation programs; and administrative costs.	

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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8.	<u>Local conservation districts</u>	916,800
	<p>There are 78 local conservation districts covering the entire state. These districts are considered local units of government and are responsible for preserving the soil and water resources of the State. Through programs of technical and financial assistance to landowners, districts coordinate services and resources from various State and Federal agencies. These districts are responsible for the delivery of State programs such as, groundwater protection, Conservation Reserve Enhancement Program, and the Michigan Agriculture Environmental Assurance Program. Districts that meet the minimum program requirements, as determined by the department, are eligible for a base grant of up to \$11,605 to support basic operations. Remaining funds from this appropriation are dedicated for district training.</p>	
9.	<u>Migrant labor housing</u>	425,100
	<p>This line item provides funding for grants to farmers to assist with the construction and rehabilitation of migrant housing facilities. There are two migrant labor housing construction grant programs. The first program is a matching grant where migrant housing providers are reimbursed for 50% of the cost of new construction or remodeling of migrant housing and related facilities. For this program, grants are limited to a maximum of \$5,000 per year per grant recipient.</p> <p>The second program is a \$4,000 grant per living unit for building new self-contained housing which must meet certain requirements. Self-contained means the unit must have its own kitchen, toilet, and shower facility. The maximum grant for this program is \$4,000 per living unit up to a maximum of 4 living units or a \$16,000 grant.</p> <p>Grant applications may be filled at any time. Grants are funded on a first-come first-serve basis. As a result of the high demand for the program and recent funding levels, a sizable waiting list exists.</p>	
10.	<u>Aquifer protection program</u>	50,000
	<p>The Division gathers water use information provided by farm operators withdrawing 100,000 gallons per day and investigates and responds to complaints received by Department of Environmental Quality concerning agricultural water users.</p>	
	<b>UNIT GROSS APPROPRIATION</b>	<b>11,944,100</b>
	Interdepartmental grants (IDG)	318,600
	Federal	2,099,300
	State restricted revenue	6,065,100
	State general fund/general purpose	3,461,100

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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**Sec. 108. LABORATORY PROGRAM**

1.	<u>Laboratory analysis services</u>	6,318,800
	Classified FTE positions	63.0

The Laboratory Division is responsible for protecting consumers and supporting agriculture by providing impartial, timely, scientific, accurate, and cost-effective analytical, metrological, and enforcement services. The Division provides analytical, diagnostic, and technical services for protecting consumers from food-borne illnesses, toxic substance contamination, and economic deception. The Division is responsible for the diagnosis and control of animal and plant diseases and pests. In addition, the Division provides a fee-based testing service to Michigan residents. The Division occupies two laboratories. The Geagley Laboratory provides analysis of food, dairy, and beverage products as well as labeling information and livestock testing. The programs funded under this line item include:

- a) **Animal Disease Surveillance** - This program analyzes blood for Michigan livestock owners to ensure disease-free movement of animals from farm to farm and internationally.
- b) **Equine Drug Testing** - This program ensures that horses competing at Michigan racing tracks and fairs are free of illegal, performance-enhancing drugs.
- c) **Food, Feed, and Fertilizer** - Through chemical testing activities, this program monitors food products offered for sale to make sure they meet state and federal standards and are free of prohibited substances. Responsible for ensuring the quality and efficacy of feed and fertilizer sold in Michigan.
- d) **Microbiology** - Through microbiological testing activities, this program monitors the safety and quality of food and beverage products to meet state and federal standards. Detects the presence of pathogens rendering the products unfit for human consumption. Analysts must maintain certification by the federal government through yearly proficiency samples.
- e) **Pesticide and Environment** - This program monitors formulated agricultural products to ensure label claims and analyzes samples for evidence of application and/or misuse of licensed and un-licensed pesticide products.
- f) **Seeds** - Conducts purity tests for farmers and seed dealers to ensure label claims.
- g) **Motor Fuel Quality Testing** - Conducts testing to ensure the quality of the gasoline sold in Michigan.
- h) **Antimicrobial** - This program conducts tests on EPA-registered antimicrobial products for effectiveness against pathogenic microorganisms. This is a part of a cooperative agreement with the EPA and several other states.

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2. USDA monitoring program

2,134,200

Classified FTE positions

17.0

Funded entirely by a grant from the U.S. Department of Agriculture, the program's objectives are to collect statistically-based data on pesticide residues and food borne pathogens in fresh and processed fruits and vegetables and other food products, including grain and poultry. Samples are collected at major distribution centers statewide. The data is used to make effective decisions involving the environment, food safety, and the regulation of pesticides and improve the quality and quantity of information available on the presence of food borne pathogens. Michigan is one of 12 states participating in this program. This division is also a part of the Food Emergency Response Network which tests for microbiological threat agents in food.

3. Consumer protection program

5,135,200

Classified FTE positions

51.0

The E.C. Heffron Metrology Laboratory provides mass, volume, length calibration, and testing services for state agencies, local governmental agencies and industry. The Department certifies weights and measures for private calibration firms who, in turn, provide service to these industries. The metrology lab also conducts regulatory services, calibrating standards used for enforcement by the Departments of State Police, Treasury and Agriculture and all county road commissions.

The Motor Fuel Quality Program establishes and regulates the sale and quality of motor fuels through licensing, investigation, inspection and sampling to ensure the fuels that consumers buy contain the proper materials and abide by legal standards. The Weights and Measures Program, through the enforcement of applicable laws and regulations, prevents economic fraud and deception by testing all weighing and measuring devices. This ensures that when a product is weighed or measured, it is done accurately.

**UNIT GROSS APPROPRIATION**

**13,588,200**

Interdepartmental grants (IDG)

189,100

Federal

3,050,400

State restricted revenue

7,411,200

State general fund/general purpose

2,937,500

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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**Sec. 109. AGRICULTURE DEVELOPMENT**

1.	<u>Agriculture development</u>	1,072,000
	Classified FTE positions	6.0
	<p>The Office of Agriculture Development was established in 1997 and created to unite all similar department agricultural economic development and sustainable agriculture functions into a single organization. The Office administers programs in six primary areas: economic development/value-added; Michigan family farm development; risk management; specialty crop block grants; agriculture tourism; and export and new market development. The staff works closely with the Michigan Economic Development Corporation and other state/local government agencies, non-profits, and private organizations to strengthen and enhance Michigan agriculture.</p> <p>The Marketing and Communication Division is responsible for marketing and promoting Michigan food and agricultural products and the programs of the Department. The Division is responsible for all internal and external communications in the department. The Division is also responsible for disaster and emergency response to crises involving food and agriculture producers, processors, wholesalers, and retailers.</p>	
2.	<u>Grape and wine program</u>	717,100
	Classified FTE positions	3.0
	<p>The Grape and Wine Industry Council is funded in this line item. The Council provides research, professional development and promotional support of Michigan's wine grape and wine industry. This program is funded entirely from non-retail liquor license fees collected by the Michigan Liquor Control Commission.</p>	
3.	<u>Export market development program</u>	50,000
	<p>This item funds a grant program designed to assist non-profit commodity organizations, food processors, and private food exporting firms in the development of international markets for Michigan food and agricultural products. Grant requests must identify a federal export market development program that will be utilized to leverage the state funds and private funds. Grants are awarded based on projected sales increase, level of industry support, and number of producers/processors impacted.</p>	
4.	<u>Michigan agricultural surplus system</u>	630,500
	<p>This line item funds a grant to the Food Bank Council of Michigan for the Michigan Agriculture Surplus System (MASS). This program provides cost-sharing grants to Michigan agriculture producers and processors for processing un-used, fresh agriculture products to be donated to local food banks.</p>	

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<b>UNIT GROSS APPROPRIATION</b>	<b>2,469,600</b>
Interdepartmental grants (IDG)	150,000
Federal	275,200
Private	10,800
State restricted revenue	1,323,500
State general fund/general purpose	710,100

**Sec. 110. FAIRS AND EXPOSITIONS**

1.	<u>Upper Peninsula state fair</u>	1,372,600
	Classified FTE positions	6.0
	Funds the operations of the Upper Peninsula Fairgrounds in Escanaba, including the annual U.P. State Fair held in mid August are appropriated in this line.	
2.	<u>Fairs, racing, and producer security</u>	1,154,600
	Classified FTE positions	9.5
	Funds the Fairs, Exhibitions, and Racing Division to coordinate several programs which provide financial assistance to fairs, licensed race tracks, and horse owners/breeders. This division also is responsible for regulation of storage, purchase, and sale of various grains.	
3.	<u>Building and track improvement - county and state fairs</u>	0
	Provides matching grants to fairs for equipment rental, ground improvement, constructing, maintaining, and repairing buildings, and track improvements. The maximum grant amount is \$15,000 per fair per year. Appropriation amount has not been sufficient to provide maximum grant.	
	<i>** Appropriation of \$480,000 was vetoed by the Governor.</i>	
4.	<u>Premiums - county and state fairs</u>	1,614,000
	Provides matching grants for eligible premiums and awards paid by fairs. The maximum grant amount is 75% of each eligible cash premium.	
5.	<u>Purses and supplements - fairs/licensed tracks</u>	2,370,000
	Provides matching funds for purses for harness horse races offered by fairs and races at licensed pari-mutuel racetracks. The maximum state contribution to each purse is 75%.	
6.	<u>Licensed tracks - light horse racing</u>	132,000
	Provides matching funds for purses for races conducted exclusively for Michigan-bred Appaloosa, Arabian, and quarter horses The maximum state contribution to each purse is 75%.	

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7.	<u>Standardbred breeders' awards</u>	969,000
	Provides matching funds for breeders' awards to breeders of Michigan-bred standardbred harness horses for each time the horse wins a race at a licensed track or fair. The maximum state contribution to each breeders' award is 10% of the gross purse.	
8.	<u>Standardbred purses and supplements - licensed tracks</u>	1,789,300
	Provides matching funds for purses for harness horse races offered at licensed pari-mutuel racetracks. The maximum state contribution to each purse is 75%.	
9.	<u>Standardbred sire stakes</u>	810,000
	Provides matching funds for purse supplements for races run exclusively for 2-year-old and 3-year-old Michigan-sired standardbred horses at licensed tracks.	
10.	<u>Standardbred training and stabling</u>	36,000
	Provides matching funds to fairs to provide training and stabling facilities for standardbred harness horses. The maximum grant amount is \$4,000 per fair per year.	
11.	<u>Thoroughbred owners' awards</u>	124,000
	Provides matching funds to pay owners of Michigan bred horses that finish first, second, or third in certain races.	
12.	<u>Thoroughbred program</u>	2,400,000
	Provides matching funds for breeders' awards to breeders of Michigan bred thoroughbred horses for each time the horse wins a race at a licensed track. The maximum state contribution to each breeders' award is 10% of the gross purse. Also provides matching funds for purse supplements for races conducted exclusively for Michigan-bred thoroughbred horses.	
13.	<u>Thoroughbred sire stakes</u>	830,000
	Provides matching funds for purse supplements for races run exclusively for 2-year-old and 3-year-old Michigan-sired thoroughbred horses at licensed tracks.	
14.	<u>Distribution of outstanding winning tickets</u>	700,000
	Outstanding winning tickets are unclaimed winning tickets from races conducted at licensed tracks. Under 1951 PA 9, 50% of the revenue from outstanding winning tickets at licensed tracks is transferred to the Agriculture Equine Industry Development Fund for subsequent distribution to the appropriate horse racing program. The remaining 50% of the revenue is retained by the licensed track.	
	<b>UNIT GROSS APPROPRIATION</b>	<b>14,301,500</b>
	State restricted revenue	14,301,500
	State general fund/general purpose	0

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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**Sec. 111. OFFICE OF RACING COMMISSIONER**

- |    |                                      |           |
|----|--------------------------------------|-----------|
| 1. | <u>Office of racing commissioner</u> | 3,811,000 |
|    | Classified FTE positions             | 30.0      |

The Office of Racing Commissioner (ORC), a Type 1 agency, is established under the Horse Racing Law of 1995, 1995 PA 279. The Racing Commissioner is appointed by the Governor for a four-year term. The Commissioner is authorized to appoint two deputies, of which one is responsible for the supervision of racing operations and another responsible for administration. The ORC's primary role is to regulate pari-mutuel horse racing in Michigan including licensure of tracks, allocation of race dates, drug testing, and investigations. Currently there are six licensed pari-mutuel tracks in the state.

<b>UNIT GROSS APPROPRIATION</b>	<b>3,811,000</b>
State restricted revenue	3,811,000
State general fund/general purpose	0

**Sec. 112. INFORMATION TECHNOLOGY**

- |    |   |           |
|----|---|-----------|
| 1. | <u>Information technology services and projects</u> | 1,525,000 |
|----|---|-----------|
- Funding to reimburse the Department of Information Technology for information technology services provided to the MDA is appropriated in this line.

<b>UNIT GROSS APPROPRIATION</b>	<b>1,525,000</b>
Interdepartmental grants (IDG)	2,800
State restricted revenue	1,296,700
State general fund/general purpose	225,500

**Sec. 113. CAPITAL OUTLAY**

- |    |  |           |
|----|--|-----------|
| 1. | <u>Farmland and open space development acquisition</u> | 3,750,000 |
|----|--|-----------|
- Funding from the U.S. Department of Agriculture and the State Agriculture Preservation Fund is appropriated for the purchase of development rights and grants to local units of government for the acquisition of agricultural conservation easements. This appropriation was formerly included in the Capital Outlay budget, but was transferred to the MDA budget beginning in FY 2008-09.

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<b>UNIT GROSS APPROPRIATION</b>	<b>3,750,000</b>
Federal	1,250,000
State restricted revenue	2,500,000
State general fund/general purpose	0

\* As adjusted by 2008 PA 279 and E.O. 2008-21.

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**GENERAL SECTIONS**

- |     |  |
|-----|--|
| 201 | <p><b><u>State Spending from State Resources/Payments to Locals.</u></b> Lists state spending from state resources and state payments to local units of government.</p> <p><b>Background:</b> Standard language contained in all appropriation acts. Included pursuant to Article IX, Section 30 of the Michigan Constitution.</p>   |
| 202 | <p><b><u>Management and Budget Act.</u></b> Subjects appropriations to the Management and Budget Act.</p> <p><b>Background:</b> Standard language contained in all appropriation acts.</p>   |
| 203 | <p><b><u>Definitions.</u></b> Definitions of acronyms and abbreviations used in the Act.</p> <p><b>Background:</b> Standard language contained in all appropriation acts. This section is updated as acronyms and/or abbreviations change.</p>   |
| 204 | <p><b><u>1% Civil Service Billing.</u></b> Requires the Department of Civil Service to bill the Department at the end of the first quarter of the fiscal year for the constitutionally-authorized charges of 1% of the aggregate payroll of the classified civil service. Requires the payment of the charges by the end of the second quarter of the fiscal year.</p> <p><b>Background:</b> Standard language contained in all appropriation acts. Section included pursuant to Article XI, Section 5 of the Michigan Constitution.</p>               |
| 205 | <p><b><u>Hiring Freeze.</u></b> Imposes a hiring freeze on the state classified civil service. Authorizes the State Budget Director to grant exceptions under certain circumstances and to report quarterly when exceptions are granted.</p> <p><b>Background:</b> Standard language contained in all appropriation acts.</p>  |
| 208 | <p><b><u>Internet Reporting.</u></b> Requires the department to use the Internet to fulfill the reporting requirements.</p> <p><b>Background:</b> Standard language contained in all appropriation acts.</p>   |
| 209 | <p><b><u>Buy American.</u></b> Prohibits the Department from using funds for the purchase of foreign goods/services if competitively priced and comparable quality American goods are available. Gives preference to Michigan goods and services and to businesses owned by veterans. Also encourages the use of Michigan produced agricultural products by all State agencies.</p> <p><b>Background:</b> Long standing standard language contained in all appropriation acts. The language giving preference to veterans was added in FY 2007-08.</p> |
| 210 | <p><b><u>Deprived/Depressed Communities.</u></b> Directs the Department to take reasonable steps to ensure that businesses in deprived and depressed communities have the opportunity to compete for and perform contracts for services and supplies.</p> <p><b>Background:</b> Long standing standard language contained in all appropriation acts.</p>   |

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Section Number	Description and History
212	<p><b><u>Indemnification Payments.</u></b> (1) Allows the Department to use funds from any line item to provide indemnity of up to \$100,000 per order pursuant to the Animal Industry Act. Requires a report. (2) Requires the Department to make indemnification for fair market value of livestock killed by a wolf, coyote, or cougar and allows the Department to use funds from Department of Natural Resources for reimbursement of such indemnification.</p> <p><b>Background:</b> The language adding wolves, coyotes, and cougars expands the scope of the Animal Industry Act indemnification process and probably should be included in statutory changes to the Act as opposed to the annual appropriation act.</p>
214	<p><b><u>Grant Notification.</u></b> Requires the Department to provide notice of grants to the Legislature 10 days before being issued.</p> <p><b>Background:</b> Long standing language providing the Legislature with advance notice of grants made by the Department.</p>
219	<p><b><u>IT Work Projects.</u></b> Authorizes information technology funding to be designated as work projects.</p> <p><b>Background:</b> This section was added in FY 2002-03.</p>
220	<p><b><u>IT User Charges.</u></b> Requires the Department to pay user fees to the Department of Information Technology.</p> <p><b>Background:</b> This section was added in FY 2002-03.</p>
223	<p><b><u>Out-of-State Travel.</u></b> Provides out-of-state travel restrictions. Requires an annual report on out-of-state travel by state employees during previous fiscal year</p> <p><b>Background:</b> Standard section in all appropriations bills added in FY 2004-05.</p>
224	<p><b><u>Employee Disciplinary Action.</u></b> Prohibits the Department from taking disciplinary action against an employee for communicating truthfully and to the best of his or her knowledge with a member of the Legislature or his or her staff.</p> <p><b>Background:</b> Standard section in all appropriations bills added in FY 2005-06.</p>
225	<p><b><u>MSU Pavilion.</u></b> States the Legislature's intent to have the Department and other entities explore expansion of the MSU Agriculture Pavilion.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
227	<p><b><u>Report on Program Impacts.</u></b> Requires a report on the impact of major Department areas, including a comparison of program expenditures with estimate economic impact, either in terms of Federal or private dollars leverages or economic loss of not performing the program functions.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>

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Section Number	Description and History
228	<p><b><u>Contingency Funds.</u></b> Permits contingency fund spending of up to \$5,000,000 in additional Federal funds; \$6,000,000 in additional State restricted funds; \$100,000 in local funds; and \$100,000 in private funds pending approval through the legislative transfer process.</p> <p><b>Background:</b> This had been long-standing language until removed from all budgets in FY 2003-04. It returned in FY 2007-08 for all departments, although the amounts vary for each department.</p>
229	<p><b><u>Policy Change Reporting.</u></b> Requires a report to the Appropriations Subcommittees, the Joint Committee on Administrative Rules, and the fiscal agencies on policy changes made to implement enacted legislation. Also prohibits adoption of rules which will have a disproportionate impact on small business.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
230	<p><b><u>Legal Services.</u></b> Prohibits the Department from hiring an individual to provide legal services which are the responsibility of the Attorney General. Provides an exemption for bonding activities and other activities authorized by the Attorney General.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
231	<p><b><u>Direct Service Employees.</u></b> Directs the Department to fund not less than 315 employees in the PPPM, Food and Dairy, Animal Industry, Environmental Stewardship, and Laboratory divisions to provide direct service to the public.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
232	<p><b><u>Efficiency Mechanisms.</u></b> Directs implementation of continuous improvement efficiency mechanisms and progress reports to the Legislature twice during FY 2008-09.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
234	<p><b><u>Attendance at Training Seminars.</u></b> Prohibits the Department from approving the travel of more than one employee to a specific professional development conference or training seminar located outside the State. Allows an exception if the travel is funded by a Federal or private funding source and requires more than one person from a department to attend or for seminars on multiple issues in which one employee does not have expertise.</p> <p><b>Background:</b> This section was added in FY 2008-09 to further limit travel.</p>
235	<p><b><u>Sustainable Food Systems.</u></b> Allows available funds to be provided to the C.S. Mott Group for sustainable Food Systems at MSU to plan for and coordinate a matched savings tool to Michigan's emerging farmers and to leverage Federal funds to enhance local markets for MI agricultural products.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>

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Section Number	Description and History
<b>EXECUTIVE</b>	
302	<p><b><u>Fee Authorization.</u></b> (1) Allows the Department to assess fees for specific services and spend the associated revenue to cover the expenses of a variety of activities. (2) Requires legislative notification 30 days prior to any proposed fee changes. (3) Requires an annual report on fees charged pursuant to the authorization provided by this section.</p> <p><b>Background:</b> Long standing section necessary to provide the Department with the authority to set fees for services provided.</p>
304	<p><b><u>Motor Fuel Quality Inspections.</u></b> Directs the Department to maintain the Motor Fuel Quality Inspection program at a level at least equal to the FY 2006-07 level and to maintain staffing levels. The language also requires a report every six months on inspection activities.</p> <p><b>Background:</b> Language originally added in FY 2005-06 and modified in FY 2007-08 by removing a specific appropriation amount.</p>
306	<p><b><u>Agricultural Statistics Match.</u></b> Requires private funds be used to match state funds for studies at a rate of not less than 50/50.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
<b>FOOD AND DAIRY</b>	
401	<p><b><u>Local Health Grants.</u></b> (1) Requires the Department to monitor local health departments to ensure uniform application and enforcement of licensing standards and requires a report. (2) Requires the Director to seek additional resources to assist local units of government to control significant food-borne outbreaks.</p> <p><b>Background:</b> Added to the budget after the authority for Food Service Sanitation Program was transferred to the Department from the Department of Community Health. Helps ensure consistency among local health departments performing inspections. Local health departments are on a three-year accreditation cycle. States legislative intent with regard to state assistance to control food-borne outbreaks.</p>
402	<p><b><u>Food-Borne Outbreaks.</u></b> Requires the Department to report to the Legislature on significant food-borne outbreaks, including enforcement activities in the previous year.</p> <p><b>Background:</b> Reporting requirement added by the Legislature in FY 2000-01.</p>
403	<p><b><u>Local Public Health Funding.</u></b> Requires the Department, in conjunction with the Department of Community Health, to have a process in place that requires a local unit of government to obtain prior approval from the Department before any reallocation or redistribution of program funds.</p> <p><b>Background:</b> Section added in the FY 2001-02 budget to ensure that the State approves the reallocation or redistribution of Food Service Sanitation Program funding to other local public health operations. Prevents local health departments from reallocating funding earmarked for local health department block grant components without State oversight.</p>

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Section Number	Description and History
404	<p><b><u>Consumer and Dairy Education.</u></b> Requires a minimum expenditure of \$150,000 on food safety education.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
406	<p><b><u>Food and Dairy Vacancies.</u></b> Exempts open positions in the Food and Dairy inspection program from the hiring freeze in Sec. 205.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
407	<p><b><u>E-inspector Carryforward.</u></b> Provides that funds appropriated for the E-inspector program shall not lapse back to the originating fund.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
<b>ANIMAL INDUSTRY</b>	
450	<p><b><u>DNR Reimbursement.</u></b> Requires the Department to reimburse the Department of Natural Resources for the mutually agreed upon costs of testing and monitoring wildlife for Bovine Tuberculosis that exceed those that would be necessary to eradicate Bovine Tuberculosis from the free-ranging deer population.</p> <p><b>Background:</b> The Department is responsible for disease control in livestock while the DNR is responsible for disease control in wildlife. This section was first included in the FY 1999-2000 budget in an attempt to address concerns raised by the DNR regarding testing and monitoring requirements.</p>
451	<p><b><u>Bovine TB Whole Herd Testing.</u></b> Requires the Department to pay for all whole-herd testing in the modified accredited zone necessary to achieve and maintain split-state status for Bovine TB.</p> <p><b>Background:</b> This section states Legislative intent regarding the State's financial responsibility with regard to testing requirements for Bovine TB.</p>
452	<p><b><u>Bovine TB Fund Applications.</u></b> Requires the Department to apply for all Federal and private funds available to support the Bovine TB program.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
454	<p><b><u>Bovine TB-free Status.</u></b> Requires the Department to use its resources to collaborate with USDA to obtain TB-free status in the modified accredited advanced zone. Also requires the Department to work toward eradicating Bovine TB in the modified accredited zone.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
455	<p><b><u>Electronic Animal Identification Tagging at Saleyards.</u></b> Directs the Department to develop a plan to allow identification tagging of animals at saleyards.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>

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<b>Section Number</b>	<b>Description and History</b>
456	<p><b><u>Expansion of Electronic Identification.</u></b> Prohibits the Department from enforcing mandatory electronic animal ID requirements for animals other than cattle unless specific procedures are outlined in statute.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
457	<p><b><u>Bovine TB Report.</u></b> Requires the Department to report quarterly on progress toward meeting the USDA requirements as outlined in the March 2007 Bovine TB program review.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
458	<p><b><u>VHS Surveillance.</u></b> Requires the Department to work with aquaculture facilities and researchers to identify, contain, and eradicate viral hemorrhagic septicemia.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
459	<p><b><u>Bovine TB Vacancies.</u></b> Exempts open positions in the Bovine TB program from the hiring freeze in Sec. 205.</p> <p><b>Background:</b> This section was added in FY 2007-08.</p>
460	<p><b><u>AEIDF Allocations.</u></b> Specifies that all appropriations from the Agriculture Equine Industry Development Fund shall be reduced proportionally if revenues to the AEIDF decline to a level lower than the appropriated amounts.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
<b>LABORATORY SERVICES</b>	
501	<p><b><u>Feed Testing.</u></b> Appropriates a sufficient amount from license and inspection fees to maintain animal feed testing programs.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
<b>PESTICIDE AND PLANT PEST MANAGEMENT</b>	
551	<p><b><u>Fruit and Vegetable Inspections.</u></b> States the intent of the Legislature that the Department work with the fruit and vegetable industry to ensure the development of sustainable system of third-party inspections of fruit and vegetables.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
<b>ENVIRONMENTAL STEWARDSHIP</b>	
603	<p><b><u>Federal Migrant Labor Housing.</u></b> Requires the Department to apply for all Federal funds available to support migrant labor housing programs.</p> <p><b>Background:</b> Added by the Legislature in FY 2001-02 budget when the appropriation for migrant labor housing grants was reduced and considerable federal funding was available to Florida in response to Hurricane Hugo. Currently, there are no federal funds available.</p>

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Section Number	Description and History
604	<p><b><u>Local Conservation Districts.</u></b> Allocates \$11,605 to each district for basic operations. Any remaining amount after the basic grant is dedicated for district training.</p> <p><b>Background:</b> Section added in FY 2000-01. Base grants have been reduced to reflect appropriation availability.</p>
605	<p><b><u>NRCS Technical Assistance Match.</u></b> Requires the Department to use the Technical Assistance Match appropriation to provide assistance to those individuals with contracts under the USDA Natural Resources Conservation Service.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
606	<p><b><u>EQIP.</u></b> Requires the Department to actively search for funding sources to match Federal funds in the USDA Environmental Quality Incentives Program.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
607	<p><b><u>Intercounty Drains.</u></b> States the intent of the Legislature that the Department continue intercounty drainage district activity as provided for in statute.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>

**AGRICULTURE DEVELOPMENT**

702	<p><b><u>Food Bank.</u></b> Allows the Department to use unspent funds appropriated for the Food Bank Council (Michigan Agriculture Surplus System - MASS) program for the direct purchase of foods from Michigan growers when insufficient amounts of surplus products are offered to the food bank program.</p> <p><b>Background:</b> Long standing section required to determine the disposition of unspent funds appropriated to the Food Bank Council of Michigan. The MASS program provides cost reimbursement to farmers and processors for transportation and processing costs associated with unwanted and unused fresh agricultural products that is provided to the Food Bank Council of Michigan.</p>
705	<p><b><u>Export Program.</u></b> Designates the export market development program appropriation for the coordination of State participation in the Federal Market Access Program, and for leveraging Federal and private funds for the development of new and the enhancement of existing export markets for Michigan agriculture products.</p> <p><b>Background:</b> This section was added in FY 1999-2000.</p>
706	<p><b><u>Activity Report - Agriculture Development Fund.</u></b> Requires an activity and grant report by April 1 on agriculture and export market development.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>

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<b>Section Number</b>	<b>Description and History</b>
707	<p><b><u>Agriculture Diversity.</u></b> Requires consideration to diversity of agriculture when awarding agricultural development fund grants.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
708	<p><b><u>Receipt and Expenditure.</u></b> Allows receipt and expenditure of funds from the Agriculture Development Fund created in P.A. 322 of 2000.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
709	<p><b><u>Activity Report - Grape and Wine Council.</u></b> Requires an activity and grade report by April 1 on the Grape and Wine Industry Council.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
710	<p><b><u>Matching Funds.</u></b> Permits matching of external funding for domestic and international marketing program for the purpose of developing new and enhancing existing export markets.</p> <p><b>Background:</b> This section was added in FY 2006-07.</p>
711	<p><b><u>Agriculture Business Development.</u></b> States the intent of the Legislature that the MI Strategic Fund collaborate with the Department of Agriculture to promote business development of MI agricultural products, including increases in export sales and retailers selling MI products.</p> <p><b>Background:</b> This section was added in FY 2008-09.</p>
<b>FAIRS AND EXPOSITIONS</b>	
801	<p><b><u>Simulcast Revenue Report.</u></b> Requires a quarterly report on simulcasting license fee revenues and include data on the Agriculture Equine Industry Fund.</p> <p><b>Background:</b> Long-standing reporting section. The Agriculture Equine Fund provision was added in FY 2008-09.</p>
802	<p><b><u>Purses and Supplements – Fairs/Licensed Tracks.</u></b> Designates \$220,000 of purses and supplements for 4-year-old Michigan horses.</p> <p><b>Background:</b> Long-standing section earmark. The specific amount is adjusted as the appropriation level changes.</p>
803	<p><b><u>Thoroughbred Yearling Show.</u></b> Specifies that \$23,500 of the thoroughbred program appropriation is to be used by the Michigan Thoroughbred Breeders and Owners Association for a thoroughbred yearling show and requires the Association to submit itemized list of expenses.</p> <p><b>Background:</b> Long standing earmark. The specific amount is adjusted as the appropriation level changes.</p>

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Section Number	Description and History
804	<p><b><u>Thoroughbred Owners' Awards.</u></b> Requires funding to be distributed pursuant to the Horse Racing Law of 1995.</p> <p><b>Background:</b> This section was added in FY 1996-97.</p>
805	<p><b><u>AEIDF Adjustments.</u></b> Requires the Department report semiannually on the spending targets of the AEIDF compared to the appropriated amounts from the Fund.</p> <p><b>Background:</b> This section was added in FY 1999-2000 and revised to address spending targets in FY 2008-09.</p>
806	<p><b><u>Fair Premiums.</u></b> Requires fairs receiving funds appropriated for premiums to publish, in official programs, the rules and entrance requirements for eligibility for such premiums; permits aggrieved exhibitors to make written complaints within 10 days of the fair's end; requires the Department to investigate complaint if the fair has not satisfactorily resolved the grievance within 45 days of complaint.</p> <p><b>Background:</b> Long standing section conditioning the use of the premiums appropriation.</p>
807	<p><b><u>Overnight Purses.</u></b> Specifies that sufficient funds from the purses and supplements - fairs/licensed tracks appropriation be provided for overnight purse supplement pursuant to the Horse Racing Law of 1995.</p> <p><b>Background:</b> Long standing earmark. The Horse Racing Law establishes the maximum overnight purse supplement for races conducted at fairs.</p>
808	<p><b><u>Large Animal and Equine Exhibits.</u></b> Requires that \$91,400 shall be spent on premiums for large livestock and equine exhibits. Requires the inclusion of the Michigan Horse Show Association Fall Youth Show in this allocation.</p> <p><b>Background:</b> Long standing earmark for the Fall Youth Show. The language was expanded in the FY 2005-06 budget to include any large livestock and equine exhibit.</p>
809	<p><b><u>Competitive Animal Agriculture Industry Grants.</u></b> Requires that \$40,000 from the premiums appropriation be awarded through a competitive grant program to fairs and expositions to promote youth involvement and adult exhibitions in the animal agriculture industry.</p> <p><b>Background:</b> Long standing earmark.</p>
811	<p><b><u>Outstanding Winning Ticket Revenue.</u></b> Prohibits outstanding winning ticket revenue from being expended until it is deposited in the Agriculture Equine Industry Development Fund pursuant to statute. Requires legislative notification at least 10 days before expenditure.</p> <p><b>Background:</b> This language was added to the budget in FY 2000-01 after the law governing the disposition of outstanding winning ticket revenue was amended to provide 50% of the revenue to be deposited in the Agriculture Industry Development Fund and 50% to be retained by the licensed race track.</p>

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**OFFICE OF RACING COMMISSIONER**

901     **Reward.** Allows the Racing Commissioner to pay up to \$5,800 reward to an individual providing information leading to the arrest and conviction for a misdemeanor or felony involving the horse racing industry.

**Background:** Long standing section.

902     **Thoroughbred Purse and Program Money.** Requires that appropriations for thoroughbred purse and program money be placed in escrow if there are no thoroughbred races in 2008.

**Background:** This section was added in FY 2007-08. Upon signing the bill into law, the Governor has stated that it is unenforceable.

903     **Audit of Tracks.** Directs the Office of Racing Commissioner to conduct financial audits of all licensed pari-mutuel tracks and certified horsemen's organizations. The Office must report audit findings to the legislature by Feb. 18, 2009.

**Background:** This section was added in FY 2008-09.

**CAPITAL OUTLAY**

1001    **Farmland and Open Space Acquisition.** Specifies that funds in Part 1 shall be used for the purchase of development rights and the awarding of grants by the Agriculture Preservation Fund Board.

**Background:** This section was added in FY 2008-09 when this appropriation was transferred from the Capital Outlay budget.

1002    **Lump-sum Appropriations.** Requires the Director of the Department to allocate the lump-sum appropriations in Part 1 for the appropriate projects and purposes. Authorizes the State Budget Director to make the lump-sum appropriations available for up to three additional years and then the money will lapse to the originating funds.

**Background:** This section was added in FY 2008-09 when this appropriation was transferred from the Capital Outlay budget.

1003    **Carryforward Authorization.** Provides carryforward authorization at the end of the fiscal year for capital outlay appropriations in Part 1.

**Background:** This section was added in FY 2008-09 when this appropriation was transferred from the Capital Outlay budget.