



Senate Fiscal Agency
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BILL ANALYSIS



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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2016-17 YEAR-TO-DATE*	FY 2017-18 INITIAL APPROPS.	CHANGES FROM FY 2016-17 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	476.0	493.5	17.5	3.7
GROSS	95,906,900	114,448,600	18,541,700	19.3
Less:				
Interdepartmental Grants Received	323,200	310,300	(12,900)	(4.0)
ADJUSTED GROSS	95,583,700	114,138,300	18,554,600	19.4
Less:				
Federal Funds.....	10,471,200	11,373,900	902,700	8.6
Local and Private	130,700	101,600	(29,100)	(22.3)
TOTAL STATE SPENDING	84,981,800	102,662,800	17,681,000	20.8
Less:				
Other State Restricted Funds.....	35,054,900	36,661,000	1,606,100	4.6
GENERAL FUND/GENERAL PURPOSE	49,926,900	66,001,800	16,074,900	32.2
PAYMENTS TO LOCALS	4,750,000	7,350,000	2,600,000	54.7

*As of July 14, 2017.

FY 2016-17 Year-to-Date Gross Appropriation	\$95,906,900
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Changes from FY 2016-17 Year-to-Date:

Items Included by the Senate and House

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| 1. Michigan Agriculture Environmental Assurance Program (MAEAP) Enhancement.
Governor, Senate, and House recommended an increase of \$1.5 million Restricted to reflect added revenue resulting from fee increases provided by PA 118 of 2015. | 1,500,000 |
| 2. Federal Food and Dairy Regulatory Requirements. Governor, Senate, and House recommended 4.0 FTEs and \$1,122,300 Gross (\$980,100 GF/GP) to implement requirements of the Federal Food Safety Modernization Act. | 1,122,300 |
| 3. Agriculture Development Expansion. Governor, Senate, and House recommended an additional FTE and \$408,500 GF/GP to support the promotion of Michigan food processing and products in worldwide markets. | 408,500 |
| 4. Emergency Management. Governor, Senate, and House added GF/GP funds to enhance emergency management preparedness and response. | 359,700 |
| 5. Farmland Preservation Program. Governor, Senate, and House recommended an additional \$305,600 in restricted fund support of farmland preservation efforts. | 305,600 |
| 6. Intercounty Drain Mapping Project. Governor, Senate, and House recommended a one-time appropriation of \$250,000 GF/GP to fund a project with the Michigan Association of County Drain Commissioners to establish a state standard drainage infrastructure mapping tool. | 250,000 |
| 7. Department Operations. Governor, Senate, and House recommended an increase of 1.0 FTE and \$187,700 GF/GP for department operations. | 187,700 |
| 8. Pesticide and Plant Pest Management. Governor, Senate, and House added \$142,200 GF/GP. | 142,200 |

9. Efficiencies and reduction adjustments. Governor, Senate, and House included a technical reduction in Environmental Stewardship (\$469,000) and for the completion of FY 2016-17 lump-sum payments (\$407,300).	(876,300)
10. Vital Agriculture Infrastructure Grant. Governor, Senate, and House recommended the elimination of one-time appropriation of \$220,000 GF/GP for an agriculture bridge infrastructure project.	(220,000)
11. Grape and Wine Council. Governor, Senate, and House recommended the elimination of one-time appropriation of \$170,000 GF/GP for the Wine and Grape Council.	(170,000)
12. Remove FY 2016-17 Supplemental Appropriations. PA 340 of 2016 provided \$1,805,600 in restricted revenue support for MAEAP.	(1,805,600)
13. Technical Adjustments for Actual Revenue Received.	1,966,000
14. Unclassified Salaries. Economic adjustment.	16,400
15. Economic Adjustments. Includes \$1,067,100 Gross and \$732,500 GF/GP for economic adjustments.	1,067,100
<u>Conference Agreement on Items of Difference</u>	
16. Agricultural Industry Research and Development. Governor, Senate, and House included \$399,000 for animal agriculture initiative (a \$500,000 reduction). Governor and Senate included \$1.5 million for tree fruit commission (a \$1.0 million increase); House \$1.25 million. House included \$1.5 million for a fruit and vegetable campus teaching lab and both House and Senate included \$1.2 million for a mobile teaching lab. Conference included \$2.5 million for animal agriculture initiative, \$3.2 million for fruit and vegetable campus/mobile labs, \$1.2 million for fruit and vegetable campus/mobile labs workforce development initiative and \$1.5 million for tree fruit commission. Total for FY 2017-18 - \$8.4 million GF/GP.	7,001,000
17. Food Bank Council of Michigan. Senate recommended a one-time grant to the Food Bank Council of Michigan of \$2.5 million GF/GP. Conference included \$2.0 million	2,000,000
18. Food and Agriculture Investment Program. Governor recommended \$1,243,900 GF/GP increase for a grant program which follows closely the FY 2016-17 \$1.5 million Value-Added Grant Program. Senate added \$2.0 million over the Governor's recommendation for an FY 2017-18 appropriation of \$4,743,900 GF/GP. House reduced Governor's increase by \$243,900. Conference concurred with Senate.	3,243,900
19. Food Safety. Conference included \$150,000 GF/GP for education and training of proper management of draft beer delivery systems. Governor vetoed this appropriation per his veto of boilerplate section 402.	0
20. Enhanced Wildlife Risk Management. Governor and Senate recommended one-time funding of \$1.0 million GF/GP for local conservation districts in Alpena County to assess cattle farms and implement practices to prevent the spread of bovine tuberculosis. House included \$500,000. Conference concurred with Governor and Senate.	1,000,000
21. Double Up Food Bucks - Statewide. Governor and House recommended one-time funding of \$750,000 GF/GP to bring the program to targeted areas throughout the State. Senate did not include. Conference concurred with Senate.	0
22. Drinking Water Declaration of Emergency. Governor and House recommended one-time funding of \$680,100 Gross (\$680,000 GF/GP) for providing Double Up Food Bucks program in the city of Flint (\$380,100) and to perform water tests at local food service establishments (\$300,000). Senate did not include. Conference included \$100 placeholder.	100
23. Right to Farm Program. Governor and Senate recommended an additional 2.5 FTEs and \$384,000 GF/GP to handle increased workload of Right to Farm program. House reduced increase by \$130,000. Conference concurred with Governor and Senate.	384,000
24. Intercountry Drain Program. Governor and Senate added \$315,100 in GF/GP funds to increase staff and resources for program operations. House reduced increase by \$130,000. Conference concurred with Governor and Senate.	315,100

25. Animal Disease Prevention and Response. Governor and House added \$164,700 GF/GP to enhance disease prevention and response. Senate added another \$97,000 GF/GP. Conference concurred with Governor and House.	164,700
26. Advanced Deposit Wagering. Senate added a \$100 placeholder appropriation for advanced deposit wagering. Conference did not concur.	0
27. Albion Equestrian Center. Senate added a one-time \$100,000 GF/GP grant for the Albion Equestrian Center. Conference concurred. Governor vetoed this item.	0
28. Festival and Events. House included a \$100 placeholder. Conference did not include.	0
29. Qualified Forest Program. House included a reduction of \$346,100. Conference did not concur.	0
30. County Fairs, Shows and Expositions Grants. Governor recommended the reduction of \$169,500 GF/GP for the Grant program, leaving a FY 2017-18 recommended appropriation of \$300,500 GF/GP. Senate did not concur and added \$179,300 over current year, for an FY 2017-18 appropriated amount of \$649,300 GF/GP. House reduced Governor's recommendation by \$100. Conference concurred with Senate.	179,300
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Total Changes	\$18,541,700
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FY 2017-18 Initial Ongoing/One-Time Gross Appropriation	\$114,448,600
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Boilerplate Changes from FY 2016-17 Year-to-Date:

Items Included by the Senate and House

1. **Technology Use.** Governor, Senate, and House struck language requiring use of technology in licensing and registration using a secure web portal. (Sec. 303)
2. **Value-Added Grants.** Governor, Senate, and House eliminated a boilerplate section that provided guidelines and procedures for a Value-Added Grants program which including a competitive grant program and a Food and Agriculture Investment Program. (Sec. 701)
3. **Rural Development Fund Grants.** Governor, Senate, and House eliminated a boilerplate section requiring work with the Rural Development Fund board to establish a process and criteria for the program. (Sec. 702)
4. **County Fairs, Show and Expositions Grant Program.** Governor, Senate, and House amended language to substitute "expositions" in place of any reference to "exhibitions" and modifies guidelines. (Sec. 805)

Conference Agreement on Items of Difference

5. **Draft Beer Delivery Systems.** Conference included language providing for a grant of \$150,000 for the purpose of training and education related to maintenance and management of draft beer delivery systems. (Sec. 402) **Governor vetoed this section.**
6. **Food Safety Modernization Act.** Governor and Senate struck language providing guidelines for implementing Food Modernization Act, funding, and to require a report. House included language. Conference concurred with House.(Sec. 403)
7. **Animal Indemnity.** Governor and Senate amended a section by modifying guidelines for animal indemnity payments, eliminating some language duplicative of statute and modified reporting requirements. House amended language to require all indemnity payments be reported. Conference concurred with House. (Sec. 453)
8. **Bovine TB Monitoring.** Governor and Senate amended language to update guidelines per a more recent MOU between the USDA and the MDARD. House did not update. Conference concurred with Governor and Senate. (Sec. 454)
9. **Bovine TB Risk Mitigation.** House included language guidelines for bovine TB risk mitigation efforts to include a grant matching requirement and \$20,000 dedicated to assist apiaries. Conference concurred, but removed matching requirement. (Sec. 461)
10. **Food and Agriculture Investment Program.** Governor, Senate, and House added a new boilerplate section providing guidelines for a new agriculture investment program which would include the allowance to spend funds for grants, loans or loan guarantees, infrastructure development, other economic assistance, program administration and export

assistance and promotion. Senate added a limit of 10% on administration costs and limited export activity language. House added examples for grants. Conference concurred with Senate and House changes. (Sec. 701)

11. **Drinking Water Declaration of Emergency.** Governor and House added a new boilerplate section which provides guidelines for the expenditure of part 1 appropriations for Drinking Water Declaration of Emergency, including the operation of Double Up Food Bucks program and the water testing at local food establishments in the emergency-declared area. The Senate did not include this boilerplate section. Conference did not include. (Sec. 901)
12. **Agriculture Industry Research and Development.** Conference included new language requiring the appropriation for Agriculture Industry Research and Development to be spent as follows: Animal Agriculture Initiative, \$2.5 million; Fruit and Vegetable Campus/Mobile Labs, \$3.2 million; Fruit and Vegetable Campus/Mobile Labs Workforce and Development Initiative, \$1.2 Million; Tree Fruit Commission, \$1.5 million (sec. 901)

Date Completed: 7-17-17

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