

AGRICULTURE
FY 2010-11 Appropriations
Public 166 of 2010 (House Bill 5875)



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September 30, 2010

IDG/IDT	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	Difference: Enacted	
	YTD as of 9/30/10	Executive (As Revised)	House (3-25-10)	Senate (5-12-10)	Enacted (9-15-10)	From FY 2009-10 YTD Amount	%
Federal							
ARRA	1,172,300					(1,172,300)	(100%)
Non-ARRA	15,896,100	14,766,400	14,769,900	14,757,600	14,922,600	(973,500)	(6.1%)
Local							
Private	243,200	260,100	260,100	260,100	260,100	16,900	6.9%
Restricted	32,012,406	33,343,600	32,492,100	30,579,400	30,679,400	(1,333,006)	(4.2%)
GF/GP	29,828,300	28,619,600	29,381,600	30,297,100	30,297,100	468,800	1.6%
Gross	\$79,864,606	\$77,278,700	\$77,192,800	\$76,183,300	\$76,448,300	(\$3,416,306)	(4.3%)
FTEs	573.0	459.9	460.4	458.5	458.5	(114.5)	(20.0%)

Notes: (1) "ARRA" represents funds received under federal American Recovery and Reinvestment Act. (2) FY 2009-10 YTD reflects transfers, Executive Orders, and supplement appropriation adjustments through September 30, 2010. (3) The revised Executive budget recommendation shown in the table above reflects anticipated savings associated with the Civil Service Commission's rejection of a proposed 3% pay increase for non-exclusively represented employees (NERES). This reduced the Executive-proposed budget by \$399,100 (Gross), \$209,100 (GF/GP) from the original proposal.

Overview

The Department of Agriculture's mission is "to protect, promote, and preserve the agricultural interests of the people of the State of Michigan." Key department programs and priorities include: ensuring food safety and security; consumer protection including enforcement of standard weight/measures and product labeling laws; protecting animal health and welfare; pesticide regulation; control of plant pests and invasive species; environmental stewardship programs.

Summary of Major Budget Issues

The **Executive's** FY 2010-11 budget proposed several changes from the FY 2009-10 budget, including: shifting authority for the Michigan Agriculture Environmental Assurance Program (MAEAP) to Michigan State University's Agriculture Experiment Stations, reduction in support for Right to Farm program by \$150,000 GF/GP and 1.0 FTE position, a \$537,900 reduction in GF/GP support for the Migrant Labor Housing inspection program to be offset with a proposed \$30 per worker inspection fee, a \$379,400 reduction in GF/GP support for Plant Health and Export Certification program, and a reduction of \$500,000 in GF/GP support for the Dairy Inspection program to be offset with a proposed increase in inspection fees.

The **Enacted** budget does not recognize these Executive-proposed program changes. The Enacted budget is \$830,400 (Gross) less than the Executive recommendation; however it appropriates \$1.678 million more in GF/GP funding than the Executive-proposed budget. The Enacted budget reduces full-time equated positions (FTEs) shown in the budget by 114.5 to better align with actual funded positions.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 9/30/10)	Enacted Change From YTD
1. Commissions and Boards	Gross	\$23,800	\$0
No change from current year.	Restricted	8,800	0
	GF/GP	\$15,000	\$0
2. Unclassified Positions	FTEs	2.0	0.0
Economic increase.	Gross	\$211,000	\$2,300
	GF/GP	\$211,000	\$2,300

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>	<u>FY 2009-10 YTD (as of 9/30/10)</u>	<u>Enacted Change From YTD</u>
3. Executive Direction Reduces FTE count to better align with actual.	FTEs 10.0 Gross \$963,900 Restricted 36,500 GF/GP \$927,400	(2.0) \$32,300 1,900 \$30,400
4. Management Services Reflects shift of 8.0 FTEs and \$878,300 GF/GP to the Michigan Department of Transportation as part of accounting function consolidation (see item 8 below). Makes an additional 4.0 FTE reduction to better align with actual funded employees.	FTEs 24.0 Gross \$1,816,800 Restricted 101,000 GF/GP \$1,715,800	(12.0) (\$888,200) (43,200) (\$845,000)
5. Statistical Reporting Service	FTEs 1.0 Gross \$145,000 Restricted 79,700 GF/GP \$65,300	0.0 \$3,500 2,900 \$600
6. Emergency Management	FTEs 6.5 Gross \$745,600 Federal 500,000 Restricted 0 GF/GP \$245,600	0.0 (\$3,800) 0 0 (\$3,800)
7. Producer Security/Grain Dealer Licensing Function transferred to Pesticide and Plant Pest Management Division (see Item #14 below).	FTEs 5.0 Gross \$238,500 Restricted 238,500 GF/GP \$0	(5.0) (\$238,500) (238,500) \$0
8. Accounting Service Center Reflects consolidation and transfer of accounting functions and related funding/FTEs to Michigan Department of Transportation.	Gross \$0 GF/GP \$0	\$878,300 \$878,300
9. Departmentwide – Rent and Building Occupancy Increase from current year better reflects actual building occupancy costs. The appropriation includes no GF/GP revenue; the restricted funds appropriated may not be fully supported by actual revenue. Building occupancy costs not supported by actual revenue are charged to department program lines.	Gross \$421,100 Federal 153,400 Restricted 267,700 GF/GP \$0	\$621,100 311,000 310,100 \$0
10. Food and Dairy – Food/Milk Safety and Quality Assurance The Enacted budget retains \$100,000 in restricted dairy inspection fee revenue added in FY 2009-10 to reflect 2010 increase in dairy inspection fees made by 2010 PA 41 and 2010 PA 42, and \$165,000 federal USDA grant for country-of-origin inspections. The budget does not include an additional \$500,000 increase proposed by the Executive. Appropriates \$9.2 million in GF/GP revenue, the largest use of GF/GP revenue in this budget.	FTEs 115.0 Gross \$12,624,300 Federal 635,500 Restricted 3,139,100 GF/GP \$8,849,700	(8.0) \$379,800 23,200 24,400 \$332,200

The Enacted budget unrolls what had been a single line item into two lines. The new unrolled lines are shown below.

New Unrolled Line Items		FY 2010-11 Appropriation
<i>Food and Dairy – Food Safety and Quality Assurance</i>	FTEs	81.0
	Gross	\$9,744,900
	Federal	624,200
	Restricted	3,003,500
	GF/GP	\$6,117,200
<i>Milk Safety and Quality Assurance</i>	FTEs	26.0
	Gross	\$3,259,200
	Federal	34,500
	Restricted	160,000
	GF/GP	\$3,064,700

Budget Changes From FY 2009-10 YTD Appropriations

**FY 2009-10 YTD
(as of 9/30/10)** **Enacted Change
From YTD**

11. Animal Industry – Animal Health and Disease Response

The Enacted budget rolls up what had been two separate line items, *Animal Health and Welfare*, and *Bovine Tuberculosis*, into a single *Animal Health and Disease Response* line item. The columns to the right compare the combined current year line items with the new rolled up line item.

FTEs	70.0	(2.0)
Gross	\$9,906,200	(\$432,000)
IDG	75,000	(75,000)
Federal	1,551,200	(260,000)
Fed/ARRA	22,300	(22,300)
Restricted	246,000	7,800
GF/GP	\$8,011,700	(\$82,500)

Budget eliminates \$75,000 IDG related to Cervid fees; no actual revenue is available to support this IDG.

Appropriates \$7.9 million GF/GP revenue, the second largest use of GF/GP within this budget.

The department has indicated that GF/GP support is not sufficient to support all statutory animal health and welfare programs. Programs eliminated or maintained with only restricted fund support include: Animal Control Shelter program (\$150,000), Animal Protection Shelters (\$70,400), Aquaculture licensing program (\$20,000), Bodies of Dead Animals program (\$750), Livestock Marketing (\$2,200), Animal Shelters program (\$8,000), Animal Welfare program (\$8,000).

12. Pesticide and Plant Pest Management – PPPM

Reduces FTE count by 16.0 to better align with actual. Reduces federal USDA and EPA grant revenue to better reflect actual. Appropriates \$4.0 million in GF/GP revenue; GF/GP support had been \$6.6 million in FY 2000-01.

FTEs	110.0	(16.0)
Gross	\$11,896,300	(\$549,300)
Federal	2,549,600	(530,100)
Private	152,600	13,800
Restricted	5,211,800	(77,600)
GF/GP	\$3,982,300	\$44,600

Budget retains \$200,000 in pesticide dealer license fee revenue in the base. This restricted revenue was used to replace GF/GP in the FY 2007-08 budget, based on the anticipated passage of 2008 PA 18. This fee generated no additional revenue in FY 2007-08 and only \$17,700 in actual revenue in FY 2008-09.

13. Emerald Ash Borer Program – PPPM

Appropriation of \$2.1 million reflects continuing reduction in federal support for this program; appropriation had been as much as \$25.0 million in FYs 2003-04 and 2004-05.

FTEs	24.5	(14.5)
Gross	\$4,084,200	(\$1,945,700)
Federal	2,934,200	(795,700)
Fed/ARRA	1,150,000	(1,150,000)

14. Producer Security/Grain Dealer Licensing – PPPM

In FY 2009-10 this line item was in the Executive direction appropriation unit, funded with all restricted funds at \$238,500. Moved to the PPPM appropriation unit, the enacted budget reflects economic increase of \$14,100 (restricted), and adds \$300,000 GF/GP to baseline program.

FTEs	0.0	4.0
Gross	\$0	\$552,600
Restricted	0	252,600
GF/GP	\$0	\$300,000

15. Environmental Stewardship

Appropriates only \$94,400 for this line, using \$41,700 federal, and \$52,700 restricted, with no GF/GP or FTE positions. The reduction reflects the unrolling of several programs into separate line items, as shown below, including: MEAEP, Right-to-Farm, and Intercounty Drains. In addition, all funding for the Migrant Labor Housing inspection program is now reflected in a single programmatic line item, as shown in Item #20 below.

FTEs	27.0	(27.0)
Gross	\$2,568,600	(\$2,474,200)
IDG	445,400	(445,400)
Federal	39,500	2,200
Restricted	160,400	(107,700)
GF/GP	\$1,923,300	(\$1,923,300)

General fund support for the entire *Environmental stewardship* appropriation unit, including MAEAP, Right-to-Farm, Intercounty Drains, and Migrant Labor Housing, is \$1.4 million – GF/GP funding for comparable *Environmental stewardship* programs had been \$3.7 million in FY 2000-01.

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>	<u>FY 2009-10 YTD (as of 9/30/10)</u>	<u>Enacted Change From YTD</u>
15a. Michigan Agriculture Environmental Assurance Program (MAEAP)	FTEs 0.0	3.0
The Enacted budget did not follow the Executive proposal to shift authority for MAEAP to Michigan State University's Agriculture Experiment Stations. Instead the Enacted budget unrolls the program into a separate line with \$262,000 GF/GP funding and 3.0 FTE positions. In the current year, the program had been funded at \$586,400 GF/GP with 5.0 FTE positions, within the <i>Environmental stewardship</i> line item.	Gross \$0	\$262,000
	GF/GP \$0	\$262,000
Eliminates \$351,600 IDG from MDEQ related to MAEAP program; the IDG is not supported by actual revenue.		
15b. Right to Farm	FTEs	3.0
The Enacted budget unrolls the program into a separate line with \$407,100 GF/GP funding and 3.0 FTE positions.	Gross	\$504,300
	IDG	97,200
	GF/GP	\$407,100
15c. Intercounty Drains	FTEs	3.0
The Enacted budget unrolls the program into a separate line with \$416,100 GF/GP funding and 3.0 FTE positions.	Gross	\$416,100
	GF/GP	\$416,100
16. Groundwater/Freshwater Protection Program	FTEs 15.0	0.0
Economic increase of \$99,000 spread to federal EPA grant; restricted revenue from Freshwater protection fund.	Gross \$5,207,400	\$146,700
	Federal 215,500	99,000
	Restricted 4,991,900	47,700
17. Farmland/Open Space Preservation	FTEs 9.0	0.0
Reduces funding from Freshwater Protection Fund by \$131,000 to better reflect actual revenue. Economic increases of \$52,700 are spread to Agriculture Preservation Fund.	Gross \$1,006,900	(\$78,300)
	Restricted 1,006,900	(78,300)
18. Agriculture Pollution Prevention Program	Gross \$1,000,100	\$0
No change from current year appropriation.	Federal 1,000,000	0
	Restricted 100	0
19. Local Conservation Districts	Gross	\$100
Includes \$100 placeholder. General fund support for Local conservation districts had been \$2.8 million in FY 2000-01.	GF/GP	\$100
20. Migrant Labor Housing	FTEs 0.0	6.0
Consolidates inspection program (by transfer from <i>Environmental stewardship</i> line) with federal housing grant program. Retains \$110,000 in restricted funding from \$5 per occupant migrant labor housing inspection fee established in 2010 PA 13 and 2010 PA 14, but does not include an Executive-proposed \$25 increase in the inspection fee.	Gross \$425,100	\$717,700
	Federal 400,000	63,900
	Restricted 25,000	115,900
	GF/GP \$100	\$537,900
21. Laboratory Services	FTEs 63.0	(18.0)
Reduces FTE count to better align with actual. Appropriation includes \$2.5 million GF/GP – GF/GP funding for this program had been \$4.0 million in FY 2000-01.	Gross \$5,865,300	\$220,300
	IDG 189,100	0
	Federal 916,200	0
	Restricted 2,330,600	145,400
	GF/GP \$2,429,400	\$74,900
22. USDA Monitoring	FTEs 17.0	(4.0)
Reflects economic increase. Reduces FTE count to better align with actual.	Gross \$2,171,700	\$87,300
	Federal 2,171,700	87,300

Budget Changes From FY 2009-10 YTD Appropriations

**FY 2009-10 YTD
(as of 9/30/10)** **Enacted Change
From YTD**

23. Consumer Protection Program

Reflects economic adjustments of \$260,700 Gross; \$100 GF/GP.

Line item supports motor fuel quality program, weights and measures, and metrology laboratory. Restricted revenue includes \$3.0 million from the Refined petroleum fund. The fee that supports the Refined petroleum fund is set to sunset on December 31, 2010. The budget assumes extending the sunset.

FTEs	51.0	(12.0)
Gross	\$5,237,400	\$260,700
Restricted	5,236,900	260,600
GF/GP	\$500	\$100

24. Agriculture Development

Reduces FTE count to better align with actual and baseline GF/GP reduction. Appropriation includes \$298,200 GF/GP – GF/GP funding had been \$915,000 FY 2000-01.

FTEs	6.0	(2.0)
Gross	\$2,124,800	(\$68,100)
Private	10,900	200
Federal	1,579,300	25,700
Restricted	209,500	(67,100)
GF/GP	\$325,100	(\$26,900)

25. Grape and Wine Program

Recognizes economic increase.

FTEs	3.0	0.0
Gross	\$722,200	\$14,600
Restricted	722,200	14,600
GF/GP	\$0	\$0

26. Fairs and Racing

The fund source for this line item is the Agriculture Equine Industry Development Fund (AEIDF).

FTEs	4.0	(1.0)
Gross	\$461,745	(\$67,345)
Restricted	461,745	(67,345)
GF/GP	\$0	\$0

27. Horse Racing Programs

AEIDF funding for horse racing programs is shown below:

Gross	\$2,955,581	\$470,119
Restricted	2,955,581	470,119

	Current YTD	FY 2010-11
Purses & supplements-fairs/licensed tracks	\$815,280	764,300
Licensed tracks - light horse racing	4,544	42,600
Standardbred (SB) breeders' awards	131,058	312,500
SB purses/supplements-licensed tracks	306,832	577,000
SB sire stakes	278,640	261,200
SB training and stabling	12,400	11,600
Thoroughbred owners' awards	42,640	39,900
Thoroughbred program (unrolled into two separate lines)	634,756	
Thoroughbred supplements-licensed tracks		387,000
Thoroughbred breeders awards		387,000
Thoroughbred sire stakes	285,520	267,600
Distribution of outstanding winning tickets	443,911	375,000
Total	\$2,955,581	\$3,425,700

28. Office of Racing Commissioner

Reflects the transfer of this office to the Michigan Gaming Control Board (MGCB). The related funding from the AEIDF was also transferred to the MGCB in the General Government budget.

FTEs	10.0	(10.0)
Gross	\$1,785,000	(\$1,785,000)
Restricted	1,785,000	(1,785,000)

29. Information Technology

Reflects transfer of Office of Racing Commission to the MGCB and related transfer of \$120,000 in associated AEIDF revenue. Budget recognizes \$82,800 in economic increases.

Gross	\$1,506,080	(\$5,680)
IDG	2,800	0
Restricted	377,180	(69,380)
GF/GP	\$1,126,100	\$63,700

30. Capital Outlay - Farmland/Open Space Acquisition

Adjusts state restricted Agriculture Preservation Fund support to better align with available revenue.

Gross	\$3,750,000	(\$450,000)
Federal	1,250,000	0
Restricted	2,500,000	(450,000)

Budget Changes From FY 2009-10 YTD Appropriations

**FY 2009-10 YTD
(as of 9/30/10)** **Enacted Change
From YTD**

31. Economics

State Budget Office had originally identified \$3.2 million for economic increases: \$857,200 for employee salary and wages, \$528,900 for insurances, \$1.2 million for retirement contributions, \$31,600 for workers compensation, and \$621,100 for building occupancy charges.

Gross	N/A	\$3,241,300
IDG	N/A	3,400
Federal	N/A	917,000
Private	N/A	16,900
Restricted	N/A	1,147,200
GF/GP	N/A	\$1,156,800

The increase in building occupancy better reflects actual department building occupancy costs, which have been under-appropriated. In addition, the budget recognizes \$82,800 in economic increases related to information technology.

Note that these computed economic increases will be partially offset by an estimated \$399,100 in savings from the Civil Service Commission's rejection of a proposed 3% pay increase for non-represented employees.

Boilerplate Changes From FY 2009-10

Sec. 201. Total State Payments/Payments to Local Units – MODIFIED

Identifies total state spending; payments of state funds to local units of government from the funds appropriated. Updated to reflect Part 1 appropriations.

Sec. 202. Management and Budget Act – RETAINED

Subjects authorized appropriations to the Management and Budget Act.

Sec. 203. Abbreviations – MODIFIED

Defines abbreviations.

Sec. 204. Civil Service Charge – RETAINED

Requires Department of Civil Service to bill departments at the end of the first fiscal quarter for 1% charge authorized in the Constitution; requires payment by the end of the second fiscal quarter.

Sec. 205. Hiring Freeze – RETAINED

Imposes a hiring freeze on state classified civil service.

Sec. 208. Internet Reporting – RETAINED

Requires Department to use the Internet to fulfill reporting requirements.

Sec. 209. Buy American – MODIFIED

Prohibits purchase of foreign goods and services when competitively-priced American goods and services are available. Requires that preference be given to Michigan businesses and Michigan businesses owned and operated by veterans. Replaces "should" with "shall."

Sec. 210. Deprived/Depressed Communities – RETAINED

Requires director to take reasonable steps to ensure businesses in depressed communities compete for/perform contracts to provide services and supplies, and to encourage contractors to subcontract with such businesses.

Sec. 212. Indemnification Payments – RETAINED

Authorizes Department to provide for indemnity pursuant to Animal Industry Act; limits indemnification orders to \$100,000 per order; requires report on reason for, amount of, and person to whom indemnification is to be paid. Subsection (2) authorizes Department to indemnify for livestock killed by wolves, coyotes, or cougars and to expend funds received from Department of Natural Resources and Environment for indemnification payments made pursuant to this section.

Sec. 214. Grants Reporting – RETAINED

Requires ten-day notice to House and Senate appropriations subcommittees on Agriculture when a grant is made from any line item other than a grant line item.

Sec. 215. Transparency – RETAINED

Requires Department to develop, post, and maintain publicly accessible internet site showing expenditures; cost of site limited to \$10,000.

Sec. 219. Information Technology – RETAINED

Requires Department to pay user fees to Department of Technology, Management, and Budget subject to provisions of interagency agreement.

Sec. 220. Information Technology Work Projects – RETAINED

Authorizes carryforward of funds for technology projects.

Sec. 223. Out-of-State Travel Restriction – RETAINED

Requires a report and places limits on all out-of-state travel.

Sec. 224. Employee Discipline – RETAINED

Prohibits disciplinary action against an employee for "truthfully and to the best of his or her knowledge" communicating with a member of the Legislature.

Sec. 228. Contingency Appropriations – RETAINED

Includes \$5.0 million federal, \$6.0 million state restricted, and \$100,000 each local and private.

Sec. 229. Impact of New Legislation and Administrative Rules – RETAINED

Boilerplate Changes From FY 2009-10

Requires Department to report on policy changes made to implement enacted legislation; prohibits disproportionate impact on small businesses. Updates report date to April 1, 2011,

Sec. 230. Hire of Outside Legal Counsel – RETAINED

Prohibits state departments from hiring legal services that are the responsibility of the attorney general.

Sec. 231. Direct Service Levels – RETAINED

Establishes baseline level of 315 direct service Department employees.

Sec. 232. Implement Continuous Improvements – NOT INCLUDED

Deletes reporting requirement in FY 2009-10 budget act.

Sec. 234. Travel to Out-of-State Training – NOT INCLUDED

Deletes restrictions imposed in FY 2009-10 budget act.

Sec. 235. C. S. Mott Group – NOT INCLUDED

Deletes language which had been in FY 2009-10 budget act.

Sec. 236. Ag Equine Industry Development Fund – MOVED TO Section 801

Sec. 237. GF/GP Lapse Report – RETAINED

Requires report by September 30, 2011 of estimated GF/GP appropriation lapses at the close of the fiscal year.

Sec. 238. FTE Report – NOT INCLUDED

Deletes reporting requirement in FY 2009-10 budget act.

Sec. 302. Miscellaneous Revenue/Expenditures – MODIFIED

Allows Department to receive/expend revenue to cover expenses related to publications, audits, sales, inspections, and other Department functions; requires legislative notification 30 days prior to proposing fee increases; requires annual report on fees charged by Department. Adds "Pesticide and plant pest management grading services."

Sec. 304. Motor Fuel Quality Inspector – NOT INCLUDED

Deletes requirement in FY 2009-10 budget act to maintain motor fuel quality program at FY 2006-07 level of effort.

Sec. 306. Matching Funds for Agriculture Statistics Studies – RETAINED

Requires industry matching funds for study costs.

Sec. 401. Restaurant Inspection and Licensing – RETAINED

Requires Department to monitor restaurant inspection/licensing activities conducted by locals and report to Legislature.

Sec. 402. Food Safety – RETAINED

Requires Department to provide reports on food-borne outbreaks and emergencies related to food safety.

Sec. 404. Consumer and Industry Food Education Fund – RETAINED

Requires that not less than \$150,000 from the fund be expended for purposes required under Section 4117 of the Food Act of 2000.

Sec. 406. Food Safety FTEs – RETAINED

Exempts food and dairy inspectors from hiring freeze.

Sec. 407. Earmark for Dairy Inspection Programs – NOT INCLUDED

Deletes dairy inspection earmark which had been in FY 2009-10 budget act; the Enacted budget separates dairy inspection program into new line item for FY 2010-11.

Sec. 450. Bovine Tuberculosis – RETAINED

Requires Department to reimburse DNRE for mutually-agreed-to bovine tuberculosis costs.

Sec. 451. Bovine Tuberculosis Split State Status – RETAINED

Requires Department to pay for all whole-herd and individual-animal testing costs to maintain split-state status, including indemnity.

Sec. 452. Bovine TB – RETAINED

Requires Department to apply for all available federal funds to support program.

Sec. 454. Bovine TB – RETAINED

Directs Department to collaborate with USDA and work to eradicate Bovine TB.

Sec. 455. Cattle EID – NOT INCLUDED

Deletes requirement in FY 2009-10 budget act which had directed the Department to prepare a plan to provide for cattle without identification in saleyard.

Sec. 456. Electronic Animal Identification – RETAINED

Prohibits use of funds to enforce electronic ID program for domestic animals other than cattle without specific authorization in statute.

Sec. 457. Bovine TB Report – RETAINED

Requires quarterly report on Bovine TB program.

Sec. 458. Aquaculture and Viral Hemorrhagic Septicemia (VHS) Eradication Programs – RETAINED

Requires Department support for inspection and testing of aquaculture facilities; states legislative intent with regard to VHS surveillance program.

Sec. 459. Bovine TB FTEs – RETAINED

Exempts Bovine TB program from hiring freeze.

Sec. 460. Aquaculture Reductions – RETAINED

Excludes aquaculture program from potential reductions in animal health and welfare appropriations.

Sec. 551. Fruit and Vegetables Industry Inspections – RETAINED

Boilerplate Changes From FY 2009-10

States legislative intent that the Department work with fruit and vegetable industry to ensure development of a sustainable system of third-party inspections of fruits and vegetables.

Sec. 552. Provisions Regarding Invasive Species – NEW

Requires Department to evaluate methods of limiting transport of invasive species on shipping pallets; requires report. .

Sec. 553. Earmark for Export Inspections – NEW

Earmarks \$200,000 in PPM to ensure commodity export inspections.

Sec. 603. Migrant Labor Housing – RETAINED

Requires Department to apply for any available federal funds to support the migrant labor housing program.

Sec. 604. Local Soil Conservation Districts – NOT INCLUDED

The Enacted budget does not include section from House bill directing department to work with local conservation districts on the most effective efficient use of funding provided in the bill.

Sec. 606. Environmental Quality Incentives – RETAINED

Requires the department to actively search for all possible funding sources to be used to match federal funds in the USDA environmental quality incentives program.

Sec. 607. Inter-County Drain Program – RETAINED

Indicates legislative intent that Department continue its activities as provided under the Drain Code.

Sec. 608. Right to Farm – NOT INCLUDED

Deletes language regarding Right to Farm which had been in FY 2009-10 budget act.

Sec. 609. Migrant Labor Housing Inspection Fees – NOT INCLUDED

Deletes language regarding Migrant Labor Housing fees which had been in FY 2009-10 budget act.

Sec. 610. Water Withdrawal Assessment – NOT INCLUDED

Deletes language regarding program which had been in FY 2009-10 budget act.

Sec. 705. Export Market Development Program – NOT INCLUDED

Deletes language regarding program which had been in FY 2009-10 budget act.

Sec. 706. Agricultural Development – RETAINED

Requires Department to report on agricultural development and export market development activities. Requires report.

Sec. 707. Agricultural Development Fund Grants – NOT INCLUDED

Deletes language regarding grant program which had been in FY 2009-10 budget act.

Sec. 709. Grape and Wine Industry Council – RETAINED

Requires Department to provide report describing activities of the council.

Sec. 710. Domestic/International Marketing Program Match – NOT INCLUDED

Deletes language which had been in FY 2009-10 budget act regarding marketing programs.

Sec. 711. Michigan Strategic Fund – RETAINED

Indicates legislative intent that MSF work with MDA to promote Michigan agriculture.

Sec. 713. Agriculture Development Earmark – NOT INCLUDED

Deletes earmark that had been in FY 2009-10 budget act.

Sec. 801. Ag Equine Industry Development Fund – MOVED from Section 236

Requires that all appropriations in part 1 from the AEIDF be spent for equine-related purposes.

Sec. 802. Agriculture Equine Fund Reduction – MODIFIED

Requires that department make proportionate reductions in AEIDF appropriations, except for the racing commission and laboratory analysis, if AEIDF revenue falls below original appropriation amounts.

Sec. 803. Thoroughbred Program Escrow – MOVED from Section 902

Provides for "escrowing" of funds for thoroughbred program; updated to reflect 2009-10 and 2010-11 fiscal years. The Governor's signing statement indicated that the section was unenforceable in that it attempted to amend other Michigan statutes by reference, a violation of Section 25, Article IV of the Constitution.

Sec. 804. Michigan Gaming Control Board (MGCB) – NEW

Requires MGCB to use actual expenditure data in determining regulatory costs. The Governor's signing statement indicated that the section was unenforceable in that there was no money appropriated for the MGCB in this budget.

Sec. 1001. Farmland and Open Space Development Rights – RETAINED

Indicates that the appropriation for farmland and open space development acquisition shall be used for the purchase of development rights and the awarding of grants by the agriculture preservation fund board under the MNREPA.

Sec. 1002. Provisions Regarding Lump Sum Payments – RETAINED

Indicates that the director shall allocate lump-sum appropriations made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Limits lump sum appropriation carry forward to no more than 3 fiscal years following appropriation and provides for lapse of funds to original fund source per DMB Act.

Sec. 1003. Provisions Regarding Carry Forward Authority – RETAINED

Provides for appropriation carry-forward authority per DMB Act.