

1 MICHIGAN DEPARTMENT OF AGRICULTURE
2 EXECUTIVE BUDGET BILL
3

4 A BILL to make appropriations for the department of
5 agriculture for the fiscal year ending September 30, 2011; to
6 provide for the expenditure of the appropriations; to create funds;
7 to provide for the imposition of fees; to require reports, audits,
8 and plans; to authorize certain transfers by certain state
9 agencies; and to provide for the disposition of fees and other
10 income received by certain state agencies.
11

12 THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

13 PART 1

14 LINE-ITEM APPROPRIATIONS

15 Sec. 101. Subject to the conditions set forth in this bill,
16 the amounts listed in this part are appropriated for the department
17 of agriculture for the fiscal year ending September 30, 2011, from
18 the funds indicated in this part. The following is a summary of the
19 appropriations in this part:

20 DEPARTMENT OF AGRICULTURE

21 APPROPRIATION SUMMARY

22 Full-time equated unclassified positions2.0

23 Full-time equated classified positions457.9

24 GROSS APPROPRIATION..... \$ 77,677,800

25 Interdepartmental grant revenues:

26 IDG from MDELEG (LCC), liquor quality testing fees.... 191,900

27 IDG from MDNRE, biosolids..... 97,200

28 Total interdepartmental grants and intradepartmental

29 transfers 289,100

1	ADJUSTED GROSS APPROPRIATION.....	\$	77,388,700
2	Federal revenues:		
3	DAG, multiple grants.....		10,863,300
4	EPA, multiple grants.....		1,728,900
5	HHS-FDA.....		1,713,800
6	United States department of labor.....		463,900
7	Total federal revenues.....		14,769,900
8	Special revenue funds:		
9	Total local revenues.....		0
10	Private - slow-the-spread foundation.....		166,400
11	Private - commodity group revenue.....		93,700
12	Total private revenues.....		260,100
13	Agricultural preservation fund.....		3,002,700
14	Agriculture equine industry development fund.....		5,750,700
15	Agriculture pollution prevention fund.....		100
16	Animal welfare fund.....		142,400
17	Commodity inspection fees.....		1,218,500
18	Consumer and industry food safety education fund.....		278,000
19	Dairy and food safety fund.....		3,516,500
20	Freshwater protection fund.....		5,127,600
21	Gasoline inspection and testing fund.....		2,822,600
22	Horticulture fund.....		89,300
23	Industry support funds.....		821,600
24	Licensing and inspection fees.....		4,281,100
25	Migrant housing inspection fees.....		650,200
26	Migratory labor housing fund.....		28,600
27	Nonretail liquor fees.....		718,800
28	Refined petroleum fund.....		3,870,900
29	State services fee fund.....		53,400

1	Testing fees.....	434,500
2	Weights and measures regulation fees.....	722,500
3	Total other state restricted revenues.....	33,530,000
4	State general fund/general purpose.....	\$ 28,828,700
5	Sec. 102. EXECUTIVE	
6	Full-time equated unclassified positions2.0	
7	Full-time equated classified positions27.0	
8	Commissions and boards.....	\$ 23,800
9	Unclassified positions--2.0 FTE positions.....	213,300
10	Executive direction--8.0 FTE positions.....	1,025,800
11	Management services--12.0 FTE positions.....	1,016,600
12	Statistical reporting service--1.0 FTE position.....	150,300
13	Emergency management--6.0 FTE positions.....	759,400
14	Accounting service center.....	<u>878,300</u>
15	GROSS APPROPRIATION.....	\$ 4,067,500
16	Appropriated from:	
17	Federal revenues:	
18	HHS-FDA.....	512,300
19	Special revenue funds:	
20	Private - commodity group revenue.....	82,600
21	Gasoline inspection and testing fund.....	70,100
22	Industry support funds.....	38,400
23	Nonretail liquor fees.....	8,800
24	Refined petroleum fund.....	57,800
25	State general fund/general purpose.....	\$ 3,297,500
26	Sec. 103. DEPARTMENTWIDE	
27	Rent and building occupancy charges.....	<u>\$ 1,042,200</u>
28	GROSS APPROPRIATION.....	\$ 1,042,200
29	Appropriated from:	

1	Federal revenues:	
2	DAG, multiple grants.....	236,000
3	EPA, multiple grants.....	182,900
4	HHS-FDA.....	45,500
5	Special revenue funds:	
6	Agricultural preservation fund.....	23,900
7	Freshwater protection fund.....	35,200
8	Licensing and inspection fees.....	177,800
9	Nonretail liquor fees.....	30,300
10	Refined petroleum fund.....	257,200
11	State services fee fund.....	53,400
12	State general fund/general purpose.....	\$ 0
13	Sec. 104. FOOD AND DAIRY	
14	Full-time equated classified positions107.0	
15	Food safety and quality assurance--107.0 FTE positions	\$ <u>13,159,900</u>
16	GROSS APPROPRIATION.....	\$ 13,159,900
17	Appropriated from:	
18	Federal revenues:	
19	DAG, multiple grants.....	61,100
20	HHS-FDA.....	432,600
21	Special revenue funds:	
22	Consumer and industry food safety education fund.....	278,000
23	Dairy and food safety fund.....	3,516,500
24	State general fund/general purpose.....	\$ 8,871,700
25	Sec. 105. ANIMAL INDUSTRY	
26	Full-time equated classified positions67.9	
27	Animal health and welfare--12.4 FTE positions.....	\$ 2,027,100
28	Bovine tuberculosis program--55.5 FTE positions.....	<u>7,571,700</u>
29	GROSS APPROPRIATION.....	\$ 9,598,800

1	Appropriated from:	
2	Federal revenues:	
3	DAG, multiple grants.....	1,215,800
4	HHS-FDA.....	75,400
5	Special revenue funds:	
6	Animal welfare fund.....	142,400
7	Licensing and inspection fees.....	111,400
8	State general fund/general purpose.....	\$ 8,053,800
9	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
10	Full-time equated classified positions108.0	
11	Pesticide and plant pest management--94.0 FTE	
12	positions	\$ 11,366,800
13	Emerald ash borer control program--10.0 FTE positions.	2,138,500
14	Producer security/grain dealers--4.0 FTE positions....	<u>252,600</u>
15	GROSS APPROPRIATION.....	\$ 13,757,900
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	Federal revenues:	
19	DAG, multiple grants.....	3,214,400
20	EPA, multiple grants.....	838,600
21	HHS-FDA.....	105,000
22	Special revenue funds:	
23	Private - slow-the-spread foundation.....	166,400
24	Commodity inspection fees.....	1,218,500
25	Horticulture fund.....	89,300
26	Industry support funds.....	461,900
27	Licensing and inspection fees.....	3,833,600
28	State general fund/general purpose.....	\$ 3,830,200
29		

1	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
2	Full-time equated classified positions	40.0
3	Environmental stewardship--8.0 FTE positions.....	\$ 910,100
4	Groundwater and freshwater protection program--15.0	
5	FTE positions	5,354,100
6	Farmland and open space preservation--9.0 FTE	
7	positions	928,600
8	Agriculture pollution prevention program.....	1,000,100
9	Migrant labor housing--8.0 FTE.....	<u>1,142,800</u>
10	GROSS APPROPRIATION.....	\$ 9,335,700
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from MDEQ, biosolids.....	97,200
14	Federal revenues:	
15	DAG, multiple grants.....	1,000,000
16	EPA, multiple grants.....	356,200
17	United States department of labor.....	463,900
18	Special revenue funds:	
19	Agricultural preservation fund.....	928,600
20	Agriculture pollution prevention fund.....	100
21	Freshwater protection fund.....	5,092,300
22	Migrant housing inspection fees.....	650,200
23	Migratory labor housing fund.....	28,600
24	State general fund/general purpose.....	\$ 718,600
25	Sec. 108. LABORATORY PROGRAM	
26	Full-time equated classified positions	97.0
27	Laboratory services--45.0 FTE positions.....	\$ 6,142,500
28	USDA monitoring--13.0 FTE positions.....	2,259,000
29	Consumer protection program--39.0 FTE positions.....	<u>5,498,100</u>

1	GROSS APPROPRIATION.....	\$	13,899,600
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDELEG (LCC), liquor quality testing fees....		189,100
5	Federal revenues:		
6	DAG, multiple programs.....		2,281,000
7	EPA, multiple programs.....		351,200
8	HHS-FDA.....		543,000
9	Special revenue funds:		
10	Agriculture equine industry development fund.....		541,700
11	Gasoline inspection and testing fund.....		2,639,400
12	Licensing and inspection fees.....		79,500
13	Refined petroleum fund.....		3,555,900
14	Testing fees.....		434,500
15	Weights and measures regulation fees.....		722,500
16	State general fund/general purpose.....	\$	2,561,800
17	Sec. 109. AGRICULTURE DEVELOPMENT		
18	Full-time equated classified positions7.0		
19	Agriculture development--4.0 FTE positions.....	\$	2,185,100
20	Grape and wine program--3.0 FTE positions.....		<u>736,800</u>
21	GROSS APPROPRIATION.....	\$	2,921,900
22	Appropriated from:		
23	Federal revenues:		
24	DAG, multiple grants.....		1,605,000
25	Special revenue funds:		
26	Private - commodity group revenue.....		11,100
27	Industry support funds.....		321,300
28	Nonretail liquor fees.....		679,200
29	State general fund/general purpose.....	\$	305,300

1	Sec. 110. FAIRS AND EXPOSITIONS	
2	Full-time equated classified positions	4.0
3	Fairs and racing --4.0 FTE positions.....	\$ 525,900
4	Purses and supplements - fairs/licensed tracks.....	1,019,100
5	Licensed tracks - light horse racing.....	56,800
6	Standardbred breeders' awards.....	416,700
7	Standardbred purses and supplements - licensed tracks.	769,400
8	Standardbred sire stakes.....	348,300
9	Standardbred training and stabling.....	15,500
10	Thoroughbred owners' awards.....	53,300
11	Thoroughbred program.....	1,032,000
12	Thoroughbred sire stakes.....	356,900
13	Distribution of outstanding winning tickets.....	<u>500,000</u>
14	GROSS APPROPRIATION.....	\$ 5,093,900
15	Appropriated from:	
16	Special revenue funds:	
17	Agriculture equine industry development fund.....	5,093,900
18	State general fund/general purpose.....	\$ 0
19	Sec. 111. INFORMATION AND TECHNOLOGY	
20	Information technology services and projects.....	<u>\$ 1,500,400</u>
21	GROSS APPROPRIATION.....	\$ 1,540,400
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from MDELEG (LCC), liquor quality testing fees....	2,800
25	Special revenue funds:	
26	Agricultural preservation fund.....	200
27	Agriculture equine industry development fund.....	115,100
28	Gasoline inspection testing fund.....	113,100
29	Freshwater protection fund.....	100

1	Licensing and inspection fees.....	78,800
2	Nonretail liquor fees.....	500
3	State general fund/general purpose.....	\$ 1,189,800
4	Sec. 112. CAPITAL OUTLAY	
5	Farmland and open space development acquisition.....	<u>3,300,000</u>
6	GROSS APPROPRIATION.....	\$ 3,300,000
7	Appropriated from:	
8	Federal revenues:	
9	DAG, multiple grants.....	1,250,000
10	Special revenue funds:	
11	Agriculture preservation fund.....	2,050,000
12	State general fund/general purpose.....	\$ 0

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 GENERAL SECTIONS

17 Sec. 201. (1) Pursuant to section 30 of article IX of the
18 state constitution of 1963, total state spending from state
19 resources under part 1 for fiscal year 2010-2011 is \$62,358,700.00
20 and state spending from state resources to be paid to local units
21 of government for fiscal year 2010-2011 is \$1,500,000.00. The
22 itemized statement below identifies appropriations from which
23 spending to local units of government will occur:

24 DEPARTMENT OF AGRICULTURE

25	Groundwater and freshwater protection program.....	\$ <u>1,500,000</u>
26	TOTAL.....	\$ 1,500,000

27

1 Sec. 202. The appropriations authorized under this bill are
2 subject to the management and budget act, 1984 PA 431, MCL 18.1101
3 to 18.1594.

4 Sec. 203. As used in this bill:

5 (a) "DAG" means the United States department of agriculture.

6 (b) "Department" means the department of agriculture.

7 (c) "Director" means the director of the department.

8 (d) "EPA" means the United States environmental protection
9 agency.

10 (e) "FTE" means full-time equated.

11 (f) "HHS-FDA" means the United States department of health and
12 human services - food and drug administration.

13 (g) "IDG" means interdepartmental grant.

14 (h) "MDELEG (LCC)" means the Michigan department of energy,
15 labor, and economic growth - liquor control commission.

16 (i) "MDNRE" means the Michigan department of natural resources
17 and environment.

18 (j) "USDA" means the United States department of agriculture.

19 Sec. 204. The civil service commission shall bill departments
20 and agencies at the end of the first fiscal quarter for the charges
21 authorized by section 5 of article XI of the state constitution of
22 1963. Payments shall be made for the total amount of the billing by
23 the end of the second fiscal quarter.

24 Sec. 208. The department receiving appropriations in part 1
25 shall use the Internet to fulfill the reporting requirements of
26 this bill. This requirement may include transmission of reports via
27 electronic mail to the recipients identified for each reporting
28 requirement, or it may include placement of reports on an Internet
29 or Intranet site.

1 Sec. 209. Funds appropriated in part 1 shall not be used for
2 the purchase of foreign goods or services, or both, if
3 competitively priced and of comparable quality American goods or
4 services, or both, are available. Preference shall be given to
5 goods or services, or both, manufactured or provided by Michigan
6 businesses, if they are competitively priced and of comparable
7 quality. In addition, preference should be given to goods or
8 services, or both, that are manufactured or provided by Michigan
9 businesses owned and operated by veterans, if they are
10 competitively priced and of comparable quality.

11 Sec. 210. The director shall take all reasonable steps to
12 ensure businesses in deprived and depressed communities compete for
13 and perform contracts to provide services or supplies, or both. The
14 director shall strongly encourage firms with which the department
15 contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

17 Sec. 212. (1) Of the funds appropriated in part 1, the
18 department may provide for indemnity as provided for pursuant to
19 the animal industry act, 1988 PA 466, MCL 287.701 to 287.745, not
20 to exceed \$100,000.00 per order from any line item for the fiscal
21 year ending September 30, 2011. Before the department provides for
22 an indemnification under this section, the department shall report
23 the reason for the indemnification, the amount of the
24 indemnification, and to whom the indemnification is to be paid. The
25 report shall be given to each member of the senate and house
26 appropriations subcommittees on agriculture and to the senate and
27 house fiscal agencies and the state budget director.

28 Sec. 219. From the funds appropriated in part 1 for
29 information technology, departments and agencies shall pay user

1 fees to the department of technology, management, and budget for
2 technology-related services and projects. Such user fees shall be
3 subject to provisions of an interagency agreement between the
4 departments and agencies and the department of technology,
5 management, and budget.

6 Sec. 223. (1) Due to the current budgetary problems in this state,
7 out-of-state travel shall be limited to situations in which 1 or
8 more of the following conditions apply:

9 (a) The travel is required by legal mandate or court order or
10 for law enforcement purposes.

11 (b) The travel is necessary to protect the health or safety of
12 Michigan citizens or visitors or to assist other states in similar
13 circumstances.

14 (c) The travel is necessary to produce budgetary savings or to
15 increase state revenues, including protecting existing federal
16 funds or securing additional federal funds.

17 (d) The travel is necessary to comply with federal
18 requirements.

19 (e) The travel is necessary to secure specialized training for
20 staff that is not available within this state.

21 (f) The travel is financed entirely by federal or nonstate
22 funds.

23 (2) Not later than January 1 of each year, each department
24 shall prepare a travel report listing all travel by classified and
25 unclassified employees outside this state in the immediately
26 preceding fiscal year that was funded in whole or in part with
27 funds appropriated in the department's budget. The report shall be
28 submitted to the senate and house representatives standing
29 committees on appropriations, the senate and house fiscal agencies,

1 and the state budget director. The report shall include the
2 following information:

3 (a) The name of each person receiving reimbursement for travel
4 outside this state or whose travel costs were paid by this state.

5 (b) The destination of each travel occurrence.

6 (c) The dates of each travel occurrence.

7 (d) A brief statement of the reason for each travel
8 occurrence.

9 (e) The transportation and related costs of each travel
10 occurrence, including the proportion funded with state general
11 fund/general purpose revenues, the proportion funded with state
12 restricted revenues, the proportion funded with federal revenues,
13 and the proportion funded with other revenues.

14 (f) A total of all out-of-state travel funded for the
15 immediately preceding fiscal year.

16 Sec. 228. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$5,000,000.00 for
18 federal contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in this bill under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

22 (2) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$6,000,000.00 for state
24 restricted contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in this bill under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

28 (3) In addition to the funds appropriated in part 1, there is
29 appropriated an amount not to exceed \$100,000.00 for local

1 contingency funds. These funds are not available for expenditure
2 until they have been transferred to another line item in this bill
3 under section 393(2) of the management and budget act, 1984 PA 431,
4 MCL 18.1393.

5 (4) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$100,000.00 for private
7 contingency funds. These funds are not available for expenditure
8 until they have been transferred to another line item in this bill
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

11 Sec. 230. Funds appropriated in part 1 shall not be used by a
12 principal executive department, state agency, or authority to hire
13 a person to provide legal services that are the responsibility of
14 the attorney general. This prohibition does not apply to legal
15 services for bonding activities and for those activities that the
16 attorney general authorizes.

17 **EXECUTIVE**

18 Sec. 302. (1) Pursuant to the appropriations in part 1, the
19 department may receive and expend revenue and use that revenue to
20 cover necessary expenses related to publications, audit and
21 licensing functions, livestock sales, certification of nursery
22 stock, and laboratory analyses as specified in the following:

- 23 (a) Management services publications.
- 24 (b) Management services audit and licensing functions.
- 25 (c) Pesticide and plant pest management propagation and
26 certification of virus-free foundation stock.
- 27 (d) Pesticide and plant pest management and grading services.

1 (e) Laboratory support testing for testing horses in draft
2 horse pulling contests at county fairs when local jurisdictions
3 request state assistance.

4 (f) Laboratory support analyses to determine foreign
5 substances in horses engaged in racing or pulling contests at
6 tracks.

7 (g) Laboratory support analyses of food, livestock, and
8 agricultural products for disease, foreign products for disease,
9 toxic materials, foreign substances, and quality standards.

10 (h) Laboratory support test samples for other agencies and
11 organizations.

12 (i) Fruit and vegetable inspection at shipping and termination
13 points and processing plants.

14 **FOOD AND DAIRY**

15 Sec. 401. The department shall monitor restaurant inspection
16 and licensing functions carried out by local health departments to
17 ensure uniform application and enforcement of minimum program
18 requirements.

19 Sec. 404. From the funds appropriated in section 104 for food
20 safety and quality assurance, not less than \$150,000.00 from the
21 consumer and industry food safety education fund shall be expended
22 for purposes required under section 4117 of the food law of 2000,
23 2000 PA 92, MCL 289.4117, including the statewide training and
24 education to consumers on food safety and the training and
25 education on food safety to food service establishment employees
26 and department employees and agents who enforce section 4117 of the
27 food law of 2000, 2000 PA 92, MCL 289.4117.

28 **ANIMAL INDUSTRY**

1 Sec. 450. From the funds appropriated in section 105 for the
2 bovine tuberculosis program, the department shall reimburse the
3 department of natural resources and environment for those costs
4 associated with monitoring and testing wildlife for bovine
5 tuberculosis that are necessary to support the department goals and
6 are jointly agreed to by the department and the department of
7 natural resources and environment to be in excess of efforts
8 necessary to effectively plan and execute the eradication of bovine
9 tuberculosis from Michigan's wild free-ranging deer herd.

10 Sec. 451. From the funds appropriated in section 105 for
11 bovine tuberculosis, the department shall pay for all whole herd
12 testing costs and individual animal testing costs in the modified
13 accredited zone to maintain split-state status requirements. These
14 costs include indemnity and compensation for injury causing death
15 or downer to animals.

16 **ENVIRONMENTAL STEWARDSHIP**

17 Sec. 609. It is the intent of the legislature that the
18 department work with industry to develop a fee for migrant worker
19 housing inspections. The proposed fee shall not exceed \$25.00 per
20 worker and should be designed to become effective no later than
21 April 1, 2011.

22 **AGRICULTURE DEVELOPMENT**

23 Sec. 710. The department may match external funding for
24 domestic and international marketing programs for the purpose of
25 developing new and enhancing existing export markets for Michigan
26 agricultural products.

27 **CAPITAL OUTLAY**

28 Sec. 1001. Of the amounts appropriated in part 1 for farmland
29 and open space development acquisition, the funds shall be used for

1 the purchase of development rights and the awarding of grants by
2 the agriculture preservation fund board under the natural resources
3 and environmental protection act, 1994 PA 451, MCL 324.101 to
4 324.90106.

5 Sec. 1002. (1) The director shall allocate lump-sum
6 appropriations made in this bill consistent with statutory
7 provisions and the purposes for which funds were appropriated.
8 Lump-sum allocations shall address priority program or facility
9 needs and may include, but are not limited to, design,
10 construction, remodeling and addition, special maintenance, major
11 special maintenance, energy conservation, and demolition.

12 (2) The state budget director may authorize that funds
13 appropriated for lump-sum appropriations shall be available for no
14 more than 3 fiscal years following the fiscal year in which the
15 original appropriation was made. Any remaining balance from
16 allocations made in this section shall lapse to the fund from which
17 it was appropriated pursuant to the lapsing of funds as provided in
18 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

19 Sec. 1003. The appropriations in part 1 for capital outlay
20 shall be carried forward at the end of the fiscal year consistent
21 with the provisions of section 248 of the management and budget
22 act, 1984 PA 431, MCL 18.1248.

23