



SENATE BILL No. 982

EXECUTIVE BUDGET BILL

January 25, 1994, Introduced by Senators Gast and McManus
and referred to the Committee on Appropriations

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30 1995 to provide for the expenditure of the appropriations to create funds to provide for the imposition of fees to require reports audits and plans to authorize certain transfers by certain state agencies and to provide for the disposition of fees and other income received by certain state agencies

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Sec 101 There is appropriated for the department of agriculture
2 for the fiscal year ending September 30 1995 from the funds
3 identified as follows

1 DEPARTMENT OF AGRICULTURE		
2 APPROPRIATIONS SUMMARY		
3	Full-time equated unclassified positions	6 0
4	Full-time equated classified positions	576 5
5	GROSS APPROPRIATION	\$ 59 193 100
6	Total interdepartmental grants and	
7	intradepartmental transfers	558 600
8	ADJUSTED GROSS APPROPRIATION	\$ 58 634 500
9 Federal revenues		
10	Total federal revenues	4 555 100
11 Special revenue funds		
12	Total local revenues	0
13	Total private revenues	470 400
14	Total other state restricted revenues	12 116 100
15	State general fund/general purpose	\$ 41 492 900
16 EXECUTIVE		
17	Full-time equated unclassified positions	6 0
18	Full-time equated classified positions	26 5
19	Commissions and boards	\$ 48 500
20	Director	87 300
21	Unclassified positions	331 600
22	Affirmative action-2 0 FTE positions	184 200
23	Executive direction-8 5 FTE positions	867 200
24	Michigan agricultural statistics service	
25	-5 0 FTE positions	413 300
26	U S D A data collection program-	
27	11 0 FTE positions	<u>1,076,700</u>
28	GROSS APPROPRIATION	\$ 3 008 800

1	Appropriated from	
2	Federal revenues	
3	DAG-AMS cooperative agreement	1 050 000
4	Special revenue funds	
5	Industry support funds	25 800
6	State general fund/general purpose	\$ 1 933 000
7	ADMINISTRATIVE SERVICES	
8	Full-time equated classified positions	75 0
9	Personnel-7 0 FTE positions	\$ 490 500
10	Financial services-37 0 FTE positions	2 535 100
11	Upper peninsula state fair-8 0 FTE positions	942 000
12	Automated services-10 0 FTE positions	935 800
13	Press and public affairs-5 0 FTE positions	451 400
14	Property management charges	570 700
15	Regional clerical support-8 0 FTE positions	446 500
16	Rent	<u>245,200</u>
17	GROSS APPROPRIATION	\$ 6 617 200
18	Appropriated from	
19	Special revenue funds	
20	Farm produce license and audit fees	63 200
21	Gasoline inspection and testing fund	3 000
22	Upper Peninsula state fair revenue	713 900
23	State general fund/general purpose	\$ 5 837 100
24	PESTICIDE AND PLANT PEST MANAGEMENT	
25	Full-time equated classified positions	110 3
26	Administration-5 0 FTE positions	\$ 311 100
27	Apiary inspection program	69 400
28	Agricultural products quality assurance-	

1	17 9 FTE positions	1 129 600
2	Plant pest control-25 3 FTE positions	1 777 800
3	Pesticide certification and enforcement-	
4	42 8 FTE positions	3 346 200
5	Gypsy moth program-9 3 FTE positions	2 371 600
6	Groundwater and freshwater protection	
7	program - 10 0 FTE s	<u>2,519,900</u>
8	GROSS APPROPRIATION	\$ 11 525 600
9	Appropriated from	
10	Federal revenues	
11	DAG-APHIS plant and animal disease and pest control	35 000
12	DAG-FS multiple grants	1 776 300
13	EPA-OE pesticides enforcement program grants	723 300
14	EPA-RCRA	150 000
15	HHS-FDA	15 600
16	Special revenue funds	
17	Licensing and inspection fees	1 862 000
18	Groundwater and freshwater protection	
19	fund	2 519 900
20	State general fund/general purpose	\$ 4 443 500
21	ANIMAL INDUSTRY	
22	Full-time equated classified positions	28 0
23	Administration-3 0 FTE positions	\$ 322 600
24	Animal health and welfare-25 0 FTE positions	1 510 300
25	Equine monitoring system	<u>87,200</u>
26	GROSS APPROPRIATION	\$ 1 920 100
27	Appropriated from	
28	Special revenue funds	

1	Licensing and inspection fees	5 200
2	Pseudorabies and swine brucellosis fund	88 700
3	State general fund/general purpose	\$ 1 826 200
4	DAIRY PRODUCTS	
5	Full-time equated classified positions	42 0
6	Dairy products quality assurance—	
7	42 0 FTE positions	\$ <u>3,132,900</u>
8	GROSS APPROPRIATION	\$ 3 132 900
9	Appropriated from	
10	Federal revenues	
11	DAG-AMS cooperative agreement	22 900
12	Special revenue funds	
13	Licensing and inspection fees	73 600
14	State general fund/general purpose	\$ 3 036 400
15	FOOD AND CONSUMER PROTECTION	
16	Full-time equated classified positions	106 5
17	Administration—3 0 FTE positions	\$ 229 100
18	Food product quality assurance—64 0 FTE positions	4 119 600
19	Motor fuels quality program—13 5 FTE positions	727 800
20	Weights and measures program—25 0 FTE positions	1 568 400
21	Farm produce enforcement program—	
22	1 0 FTE position	<u>69,600</u>
23	GROSS APPROPRIATION	\$ 6 714 500
24	Appropriated from	
25	Federal revenues	
26	HHS-FDA	186 800
27	Special revenue funds	
28	Weights and measures regulation fees	128 700

1	Food handler licensing fees	1 089 400
2	Gasoline inspection and testing fund	626 000
3	Farm produce license and audit fees	42 100
4	Civil penalties	25 900
5	Licensing and inspection fees	7 300
6	State general fund/general purpose	\$ 4 608 300
7	LABORATORY SUPPORT	
8	Full-time equated classified positions	84 5
9	Administration-5 0 FTE positions	\$ 478 900
0	Equine drug testing-8 5 FTE positions	723 600
11	Laboratory support services-71 0 FTE positions	<u>4,572,100</u>
12	GROSS APPROPRIATION	\$ 5 774 600
13	Appropriated from	
14	Interdepartmental grant revenues	
15	IDG from Commerce (LCC)-liquor quality testing	
16	fees	146 500
17	Federal revenues	
18	DAG-APHIS plant and animal disease and pest	
19	control	21 000
20	Special revenue funds	
21	Gasoline inspection and testing fund	804 900
22	Pseudorabies and swine brucellosis fund	58 700
23	Testing fees	168 100
24	State general fund/general purpose	\$ 4 575 400
25	ENVIRONMENTAL PROTECTION	
26	Full-time equated classified positions	24 0
27	Soil and water conservation-24 0 FTE positions	\$ <u>1,762,200</u>
28	GROSS APPROPRIATION	\$ 1 762 200

1	Appropriated from	
2	Federal revenues	
3	EPA-OWWM water pollution control lake	
4	restoration cooperative agreements	239 200
5	Special revenue funds	
6	Private-oil company overcharge settlement	50 000
7	State general fund/general purpose	\$ 1 473 000
8	MARKETING AND MARKET DEVELOPMENT	
9	Full-time equated classified positions	38 0
10	Marketing and market development-	
11	7 0 FTE positions	\$ 1 189 700
12	Fruit and vegetable quality control-	
13	31 0 FTE positions	<u>1,476,800</u>
14	GROSS APPROPRIATION	\$ 2 666 500
15	Appropriated from	
16	Interdepartmental grant revenues	
17	IDG from Commerce (LCC)-nonretail liquor	
18	license fees	412 100
19	Federal revenues	
20	USDA-ERS-ARED	125 000
21	Special revenue funds	
22	Bean inspection fees	77 000
23	Fruits and vegetable inspection fees	712 600
24	Industry support funds	50 500
25	State general fund/general purpose	\$ 1 289 300
26	OFFICE OF RACING COMMISSIONER	
27	Full-time equated classified positions	41 7
28	Licensing and regulation-39 7 FTE positions	\$ 2 957 900

1	Native American casino regulation program-	
2	2 0 FTE positions	204 400
3	Promotion	<u>180,000</u>
4	GROSS APPROPRIATION	\$ 3 342 300
5	Appropriated from	
6	Special revenue funds	
7	Private-casino gambling agreement	204 400
8	State general fund/general purpose	\$ 3 137 900
9	GRANTS	
10	Grant to Southwestern Michigan tourist council -	
11	taste of Michigan	\$ 60 400
12	Food bank	500 000
13	Future farmers of America	28 500
14	Grants to local soil conservation districts/	
15	clean water incentive program	1 000 000
16	Energy conservation program/local soil	
17	conservation districts	216 000
18	Michigan State University	210 000
19	Purses and supplements-fairs	2 412 500
20	Standardbred purses and supplements-	
21	licensed tracks	254 000
22	Standardbred Michigan futurity	67 000
23	Standardbred fedele fauri futurity	67 000
24	Standardbred breeders awards	1 044 800
25	Premiums-county and state fairs	1 279 300
26	Building and track improvement-county	
27	and state fairs	467 000
28	Standardbred training and stabling	24 200

1	Thoroughbred program	1 716 000
2	Standardbred sire stakes program	800 000
3	Northwest Michigan horticultural research station	41 800
4	Thoroughbred sire stakes program	424 000
5	Great Lakes draft horse show	78 800
6	Water wonderland breeder awards	157 500
7	Appaloosa/Arabian/quarterhorse programs	50 000
8	Licensed tracks-light horse racing	84 000
9	Grants to cities with racetracks	<u>1,745,600</u>
10	GROSS APPROPRIATION	\$ 12 728 400
11	Appropriated from	
12	Federal revenues	
13	EPA-OE pesticides enforcement program grants	210 000
14	Special revenue funds	
15	Private-oil company overcharge settlement	216 000
16	Horse racing revenues	2 969 600
17	State general fund/general purpose	\$ 9 332 800
18	GENERAL SECTIONS	

19 Sec 201 (1) In accordance with the provisions of section 30 of
 20 article IX of the state constitution of 1963 total state spending in
 21 this bill is \$53 609 000 and state spending to units of local
 22 government is as follows

23 DEPARTMENT OF AGRICULTURE

24	Grants to soil conservation districts	\$ 1 000 000
25	Grants to cities with racetracks	1 745 600
26	TOTAL	\$ 2 745 600

27 (2) When it appears to the director of the department that state
 28 spending to local units of government will be less than the amount

1 that was projected to be expended for any quarter the director shall
2 immediately give notice of the approximate shortfall to the department
3 of management and budget the senate and house appropriations
4 committees and the senate and house fiscal agencies

5 Sec 202 The appropriations made and the expenditures authorized
6 under this act and the departments agencies commissions boards
7 offices and programs for which an appropriation is made under this
8 act are subject to the management and budget act Act No 431 of the
9 Public Acts of 1984 being sections 18 1101 to 18 1594 of the Michigan
10 Compiled Laws

11 Sec 203 The amounts appropriated for utilities and that portion
12 of contractual services supplies and materials used to pay for
13 utility service to state facilities in section 101 may be expended in
14 a manner consistent with the provisions of section 253 of the
15 management and budget act Act 431 of the Public Acts of 1984 being
16 section 18 1253 of the Michigan Compiled Laws

17 Sec 204 As used in this act

18 (a) Department means the department of agriculture

19 (b) Director means the director of the department

20 (c) DAG-AMS means the United States department of
21 agriculture-agriculture marketing service

22 (d) DAG-APHIS means the United States department of
23 agriculture-animal plant health inspection service

24 (e) DAG-ERS-ARED means the United States department of
25 agriculture-economic research service-agriculture and rural economy
26 division

27 (f) DAG-FS means the United States department of
28 agriculture-forest service

1 (g) DAG-SRS means the United States department of
2 agriculture-statistical reporting service

3 (h) EPA-OE means the United States environmental protection
4 agency-office of enforcement

5 (i) EPA-OWWM means the United States environmental protection
6 agency-office of water and waste management

7 (j) FTE means full-time equated

8 (k) HHS-FDA means the United States department of health and
9 human services-food and drug administration

10 (l) IDG means interdepartmental grant

11 Sec 205 (1) Beginning October 1 1994 there shall be a hiring
12 freeze imposed on the state classified civil service State
13 departments and agencies shall be prohibited from hiring any new
14 full-time state classified civil service employees and prohibited from
15 filling any vacant state classified civil service positions This
16 hiring freeze does not apply to internal transfers from one position
17 to another within a department or to positions that are funded 80% or
18 more from federal or restricted funds

19 (2) The director of the department of management and budget shall
20 grant exceptions to this hiring freeze when the director believes that
21 such a hiring freeze will result in rendering a state department or
22 agency unable to deliver basic services The director of the
23 department of management and budget shall report by the fifteenth of
24 each month to the chairpersons of the senate and house appropriations
25 committees the number of exclusions to the hiring freeze approved
26 during the previous month and the reasons to justify the exclusion

27 Sec 206 In addition to the funds appropriated in section 101
28 there is hereby appropriated such federal local or private funds as

1 the department may be eligible to receive up to a total of
 2 \$2 000 000 00 These funds shall not be available for expenditure
 3 unless transferred to a line item in this act in compliance with the
 4 applicable provisions of section 393 of the management and budget act
 5 Act 431 of the Public Acts of 1984 being section 18 1393 of the
 6 Michigan Compiled Laws

7 Sec 207 Of the funds appropriated in section 101 which are in
 8 units other than the grants unit the department shall not provide
 9 grants to local government agencies institutions of higher education
 10 or nonprofit organizations unless the department provides notice of
 11 the grant to the senate and house appropriations subcommittees on
 12 agriculture at least 10 days before the grant is issued The grants
 13 shall be used to support research or other related activities for the
 14 purpose of enhancing the agricultural industries in this state

15 Sec 208 From the funds appropriated in Section 101 the
 16 department may make grants in support of the Michigan neighborhood
 17 partnership to non-profit organizations for purposes consistent with
 18 the purposes of the line-item appropriation from which the grant is
 19 made The total of such grants made by the department may not exceed
 20 \$50 000 00

21 **EXECUTIVE**

22 Sec 301 The appropriations in section 101 may be used for per
 23 diem payments to members of boards committees and commissions for a
 24 full day s board committee or commission work at which a quorum is
 25 present for attending a hearing as authorized by the respective
 26 board committee or commission or for performing official business
 27 as authorized by the respective board committee or commission The
 28 per diem payments shall be at a rate as follows

- 1 (a) Commission of agriculture \$ 75 00 per day
- 2 (b) Upper Peninsula state fair board \$ 50 00 per day
- 3 (c) Agricultural marketing and bargaining board \$35 00 per day

4 Sec 302 The department may receive and expend revenue and use
 5 that revenue to cover necessary expenses related to publications
 6 audit and licensing functions livestock sales certification of
 7 nursery stock fruit vegetable and bean inspection services and
 8 laboratory analyses as specified in the following

- 9 (a) Management services publications
- 10 (b) Management services audit and licensing functions
- 11 (c) Upper Peninsula state fair livestock sales,
- 12 (d) Pesticide and plant pest management propagation and
 13 certification of virus free foundation stock
- 14 (e) Marketing and market development protection bean inspection
 15 and grading services
- 16 (f) Laboratory support testing for testing horses in draft horse
 17 pulling contests at county fairs when local jurisdictions request
 18 state assistance
- 19 (g) Laboratory support analyses to determine foreign substances in
 20 horses engaged in racing or pulling contests at tracks
- 21 (h) Laboratory support analysis of food livestock and
 22 agricultural products for disease toxic materials foreign products
 23 for disease foreign substances and quality standards
- 24 (i) Laboratory support analysis of liming samples
- 25 (j) Laboratory support analysis of feed and fertilizer samples
- 26 (k) Laboratory support test samples for other agencies and
 27 organizations
- 28 (l) Fruit and vegetable inspection at shipping and termination

1 points and processing plants

2 Sec 303 Of the funds appropriated in section 101 for statistical
3 reporting service \$120 000 00 shall be used for crop surveys of
4 fruit vegetables and nursery stock including Christmas trees and
5 ornamental plants It is the intent of the legislature that the survey
6 shall be an ongoing rotational survey of these commodity groups The
7 survey shall begin with fruit in the first year vegetables in the
8 second year and nursery stock in the third year The rotational cycle
9 of the survey shall continue in the fourth and subsequent years The
10 urvey shall include existing plantings/acreage new
11 plantings/acreage production and number of growers

12 **PESTICIDE AND PLANT PEST MANAGEMENT**

13 Sec 401 Of the funds appropriated in section 101 to the
14 pesticide and plant pest management division up to \$100 000 00 may be
15 made available to the Michigan cooperative extension service for the
16 purpose of training of applicators Reimbursement shall be based on
17 actual expenditures and revenue availability

18 Sec 402 (1) From the amount appropriated in section 101 for the
19 gypsy moth program \$100 000 00 shall be allocated to Michigan State
20 University for a gypsy moth education program

21 (2) Any unexpended balance which is allocated pursuant to this
22 section shall be carried forward as a work project The project shall
23 provide public information regarding gypsy moth infestation The
24 project shall be managed by Michigan State University through a
25 \$100 000 00 contract which shall be completed by September 30 1996
26 for fiscal year 1994-1995

27 **FOOD AND CONSUMER PROTECTION**

28 Section 501 (1) In addition to amounts appropriated by section

1 101 there is appropriated from the gasoline inspection and testing
 2 fund established by P A 44 P A of 1984 as amended by P A 236 of
 3 1993 any amounts collected which shall be used to pay for services and
 4 requirements associated with regulating stage I and stage II vapor
 5 recovery systems in the state in accordance with the provisions of the
 6 act

7 (2) In addition to amounts appropriated by subsection (1) the
 8 department of agriculture may also receive and expend amounts for
 9 services and requirements associated with regulating Stage I and/or
 10 Stage II vapor recovery systems from motor vehicle emissions testing
 11 program funds and motor vehicle emissions inspection and maintenance
 12 program funds transferred from the department of transportation in
 13 accordance with provisions of P A 232 and P A 234 P A s of 1993

14 (3) Funds appropriated pursuant to subsection (1) and transferred
 15 pursuant to subsection (2) may only be used to administer plans in
 16 conformance with requirements of the U S Environmental Protection
 17 Agency

18 **MARKETING AND MARKET DEVELOPMENT**

19 Sec 601 Within the appropriations in section 101 for marketing
 20 and market develoment \$412 100 00 is for the grape and wine industry
 21 council from which the department may provide grants for the purposes
 22 as described in section 16b of the Michigan liquor control act Act
 23 No 8 of the Public Acts of the Extra Session of 1933 being section
 24 436 16b of the Michigan Compiled Laws

25 **OFFICE OF RACING COMMISSIONER**

26 Sec 701 The racing commissioner may pay rewards of not more than
 27 \$5 800 00 to a person who provides information which results in the
 28 arrest and conviction on a felony or misdemeanor charge for a crime

1 which involves the horse racing industry A reward paid pursuant to
2 this section shall be paid out of the licensing and regulation line
3 item

4 Sec 702 Included in section 101 is an amount not to exceed
5 \$180 000 00 for promotion of attendance at pari-mutuel horse racing
6 The state funds shall be matched before expenditure such that each
7 \$2 00 of state funds is matched by \$1 00 of private industry funds A
8 race meeting licensee or an association of thoroughbred and harness
9 racetracks or any horsemen s group may submit a plan and proposal to
10 the racing commissioner for use of funds authorized to be expended for
11 promotion of attendance at pari-mutuel horse racing A plan shall be
12 submitted by the commissioner to the chairpersons of the senate and
13 house subcommittees on agriculture at least 30 days before the funds
14 may be expended Each licensee or association of thoroughbred and
15 harness racetracks or horsemen s group shall be eligible for
16 promotional funds

17 **GRANTS**

18 Sec 801 Of the \$78 800 00 appropriated in section 101 for the
19 Great Lakes draft horse show \$28 300 00 shall be made available for
20 the Michigan dynamometers association \$46 700 00 shall be made
21 available for the Michigan draft horse breeders association and
22 \$3 800 00 shall be used for advertisement and promotion of an annual
23 Great Lakes international draft horse show

24 Sec 802 The independent audits of local units of government as
25 required by the uniform budgeting and accounting act Act No 2 of the
26 Public Acts of 1968 being sections 141 421 to 141 440a of the
27 Michigan Compiled Laws shall include an examination to determine the
28 accuracy of reports submitted in compliance with section 14 of Act No

1 327 of the Public Acts of 1980 being section 431 74 of the Michigan
2 Compiled Laws

3 Sec 803 Of the \$157 500 00 appropriated in section 101 for water
4 wonderland breeder awards not more than 2% of the amount appropriated
5 may be used for administrative expenses required to manage the
6 program the remainder shall be expended for premiums judges ribbons
7 and trophies promotion and to send state champions to national
8 shows Large breeds receiving over \$8 000 00 may use up to 20% for a
9 show held separate from county or state fairs

10 Sec 804 A county fair district fair 4-H fair or state fair
11 receiving funds under this act to be used for prizes or awards in
12 whole or in part as a condition precedent to the receiving of the
13 funds for those purposes shall publish the rules relative to the
14 prizes awards and deadlines for entries eligible for the funds in
15 their official premium books or lists relative to the prizes or
16 awards An aggrieved exhibitor may make a written complaint to the
17 fair within 10 days after the fair ends If the fair has not
18 satisfactorily settled the grievance within 45 days after it is
19 submitted to the fair the aggrieved person may file the complaint
20 with the department and the department shall investigate the complaint
21 and make a finding of fact regarding the complaint and take
22 appropriate action regarding the complaint

23 Sec 805 (1) The appropriation of \$254 000 00 in section 101 for
24 purses and supplements - licensed tracks is intended to provide state
25 purse supplements for 4 races at state licensed pari-mutuel horse
26 racing tracks The purse supplements are to be used for races
27 comprised only of Michigan bred horses segregated into a 4-year-old
28 colt trot division a 4-year-old filly trot division a 4-year-old

1 colt pace division and a 4-year-old filly pace division

2 (2) The appropriation in section 101 for licensed tracks - light
3 horse racing shall be allocated as follows

4 Arabian and Appaloosa horse racing \$ 20 900

5 Quarter horse racing \$ 63 100

6 (3) The allocations made pursuant to this section shall be
7 considered allocations for work projects and the unexpended balances
8 shall be carried forward and shall not lapse until expended

9 Sec 806 Of the amount appropriated in section 101 for purses and
10 supplements-fairs a sufficient amount is appropriated to provide for
11 overnight purse supplements at a maximum supplement of \$1 000 00 per
12 overnight race

13 Sec 807 Of the amount appropriated in section 101 for premiums
14 \$11 400 00 shall be expended as a grant for the Michigan horse show
15 association-fall youth show at the Michigan exposition and
16 fairgrounds

17 Sec 808 Included in the appropriation made in section 101 for
18 the thoroughbred program is \$30 500 00 for the Michigan united
19 thoroughbred breeders and owners association to conduct a thoroughbred
20 yearling show The Michigan united thoroughbred breeders and owners
21 association shall submit to the department an itemized list of
22 expenses showing that the expenses of the yearling show were paid

23 Sec 809 Of the horse race revenues collected for fiscal year
24 1994-1995 for grants to cities with racetracks \$1 633 200 shall be
25 appropriated to the general fund of the state

26 Sec 810 In any given year when insufficient amounts of Michigan
27 surplus products are offered to the food bank council and accepted for
28 distribution unused funds may be applied by the food bank council for

1 the direct purchase of foods from Michigan growers manufacturers
2 and/or wholesalers

3 Sec 811 The amount appropriated in section 101 for grants to
4 local soil conservation districts shall be used for providing
5 financial assistance to all soil conservation districts in order to
6 permit the districts to engage in programs that conserve soil
7 resources and prevent and control soil erosion All grants to local
8 soil conservation districts shall be allocated according to a formula
9 approved by the commission of agriculture Any soil conservation
10 district that allows payment for expenses to the district associate
11 directors shall be considered ineligible to receive grant money

12 Sec 812 Indirect costs may not be charged against the grant in
13 section 101 to the future farmers of America by any administering
14 agency