

**SENATE BILL NO. 912**

**EXECUTIVE BUDGET BILL**

February 24, 1998, Introduced by Senators MC MANUS, GAST, GOUGEON  
and STEIL and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 1998 and the fiscal year ending September 30, 1999; 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, 1999, from the following  
3 funds:  
4 DEPARTMENT OF AGRICULTURE

## 1 APPROPRIATION SUMMARY:

2	Full-time equated unclassified positions . . .	6.0	
3	Full-time equated classified positions . . .	593.5	
4	GROSS APPROPRIATION . . . . .		\$ 76,587,100
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and		
7	intradepartmental transfers . . . . .		894,100
8	ADJUSTED GROSS APPROPRIATION . . . . .		\$ 75,693,000
9	Federal revenues:		
10	Total federal revenues . . . . .		5,130,400
11	Special revenue funds:		
12	Total local revenues . . . . .		0
13	Total private revenues . . . . .		709,400
14	Total other state restricted revenues . . . . .		31,583,800
15	State general fund/general purpose . . . . .		\$ 38,269,400
16	EXECUTIVE		
17	Full-time equated unclassified positions . . .	6.0	
18	Full-time equated classified positions . . .	10.0	
19	Commissions and boards . . . . .		\$ 48,500
20	Unclassified positions . . . . .		522,700
21	Executive direction--5.0 FTE positions . . . . .		503,400
22	Statistical reporting services--5.0 FTE positions		465,900
23	Project GREEN . . . . .		4,000,000
24	Environmental technology research grant . . . . .		<u>1,000,000</u>
25	GROSS APPROPRIATION . . . . .		\$ 6,540,500
26	Appropriated from:		
27	Special revenue funds:		
28	Industry support funds . . . . .		25,800
29	Michigan state fair revenue . . . . .		159,300
30	State general fund/general purpose . . . . .		\$ 6,355,400
31	ADMINISTRATIVE SERVICES		
32	Full-time equated classified positions . . .	75.0	
33	Management services--62.0 FTE positions . . . . .		\$ 4,779,500
34	Property management charges . . . . .		639,500

1	Rent . . . . .	285,700
2	Upper Peninsula state fair--8.0 FTE positions . .	1,095,900
3	Agriculture development--5.0 FTE positions . . .	825,400
4	Future farmers of America . . . . .	40,000
5	Building and track improvements--county and	
6	state fairs . . . . .	564,500
7	Premiums--county and state fairs . . . . .	1,611,200
8	Purses and supplements--fairs and licensed	
9	tracks . . . . .	1,762,700
10	Standardbred Fedele Fauri futurity . . . . .	58,500
11	Standardbred Michigan futurity . . . . .	<u>58,500</u>
12	GROSS APPROPRIATION. . . . .	\$ 11,721,400
13	Appropriated from:	
14	Federal revenues:	
15	DAG-ERS-ARED . . . . .	125,300
16	Special revenue funds:	
17	Agriculture equine industry development fund . .	4,029,000
18	Gasoline inspection and testing fund . . . . .	51,100
19	Licensing and inspection fees . . . . .	61,800
20	Upper Peninsula state fair revenue . . . . .	922,800
21	State general fund/general purpose . . . . .	\$ 6,531,400
22	PESTICIDE AND PLANT PEST MANAGEMENT	
23	Full-time equated classified positions . . 131.3	
24	Pesticide and plant pest management--131.3 FTE	
25	positions . . . . .	\$ 11,630,500
26	Disease and pesticide intervention fund . . . . .	341,800
27	Michigan State University . . . . .	<u>210,000</u>
28	GROSS APPROPRIATION . . . . .	\$ 12,182,300
29	Appropriated from:	
30	Federal revenues:	
31	DAG-AMS, cooperative agreement . . . . .	35,800
32	DAG-APHIS, plant and animal disease and	
33	pest control . . . . .	35,100
34	DAG-FS, multiple grants . . . . .	2,039,200

1	EPA-OECA, pesticides enforcement program		
2	grants . . . . .		984,600
3	HHS-FDA . . . . .		15,600
4	Special revenue funds:		
5	Commodity inspection fees . . . . .		962,900
6	Licensing and inspection fees . . . . .		2,081,600
7	State general fund/general purpose . . . . .	\$	6,027,500
8	ANIMAL INDUSTRY		
9	Full-time equated classified positions . . . . .	26.0	
10	Animal health and welfare--26.0 FTE positions . . . . .	\$	<u>2,082,500</u>
11	GROSS APPROPRIATION . . . . .	\$	2,082,500
12	Appropriated from:		
13	Federal revenues:		
14	HHS-FDA . . . . .		9,500
15	Special revenue funds:		
16	Licensing and inspection fees . . . . .		32,100
17	Pseudorabies and swine brucellosis . . . . .		87,000
18	State general fund/general purpose . . . . .	\$	1,953,900
19	FOOD AND DAIRY		
20	Full-time equated classified positions . . . . .	107.0	
21	Food safety and quality assurance--107.0 FTE		
22	positions . . . . .	\$	<u>8,081,500</u>
23	GROSS APPROPRIATION . . . . .	\$	8,081,500
24	Appropriated from:		
25	Federal revenues:		
26	DAG-AMS, cooperative agreement . . . . .		22,500
27	HHS-FDA . . . . .		183,800
28	Special revenue funds:		
29	Civil penalties . . . . .		25,700
30	Food handler licensing fees . . . . .		1,106,600
31	Licensing and inspection fees . . . . .		531,800
32	State general fund/general purpose . . . . .	\$	6,211,100
33	LABORATORY PROGRAM		
34	Full-time equated classified positions . . . . .	127.0	

1	Laboratory analysis program--71.5 FTE positions .	\$	5,471,200
2	Pesticide data program--11.0 FTE positions . . .		1,096,500
3	Consumer protection program--44.5 FTE positions .		<u>3,176,800</u>
4	GROSS APPROPRIATION . . . . .	\$	9,744,500
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from MDCIS LCC-liquor quality		
8	testing fees . . . . .		149,400
9	IDG from MDEQ-meter calibrations . . . . .		230,700
10	Federal revenues:		
11	DAG-AMS, cooperative agreement . . . . .		1,082,500
12	DAG-APHIS, plant and animal disease and pest		
13	control . . . . .		<u>7,800</u>
14	Special revenue funds:		
15	Private-oil company overcharge settlement . . . .		294,300
16	Agriculture equine industry development fund . .		581,100
17	Gasoline inspection and testing fund . . . . .		1,932,800
18	Testing fees . . . . .		169,500
19	Weights and measures regulation fees . . . . .		306,500
20	State general fund/general purpose . . . . .	\$	4,989,900
21	ENVIRONMENTAL STEWARDSHIP		
22	Full-time equated classified positions . . . 40.0		
23	Environmental stewardship--30.0 FTE positions . .	\$	2,550,900
24	Groundwater and freshwater protection--10.0 FTE		
25	positions . . . . .		4,504,800
26	Energy conservation program . . . . .		363,100
27	Forest stewardship program . . . . .		100,000
28	Local soil conservation districts . . . . .		1,400,000
29	Migrant labor housing . . . . .		<u>315,000</u>
30	GROSS APPROPRIATION . . . . .	\$	9,233,800
31	Appropriated from:		
32	Interdepartmental grant revenues:		
33	IDG from MDEQ-type II well survey . . . . .		15,100
34	IDG from MDEQ-sewage sludge . . . . .		65,100

1	Federal revenues:	
2	DAG-FS, multiple grants . . . . .	100,000
3	EPA-OW . . . . .	237,900
4	EPA-RCRA . . . . .	148,500
5	Special revenue funds:	
6	Private-oil company overcharge settlement . . . . .	415,100
7	Groundwater and freshwater protection fund . . . . .	4,505,100
8	State general fund/general purpose . . . . . \$	3,747,000
9	MARKET DEVELOPMENT	
10	Full-time equated classified positions . . . . .	15.5
11	Marketing and emergency management-- 15.5 FTE	
12	positions . . . . . \$	2,165,500
13	Food bank . . . . .	725,000
14	Grown in Michigan . . . . .	100,000
15	Michigan festivals . . . . .	50,000
16	Northwest Michigan horticultural research	
17	station . . . . .	41,800
18	Southwestern Michigan tourist council-taste of	
19	Michigan . . . . .	<u>60,400</u>
20	GROSS APPROPRIATION . . . . . \$	3,142,700
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from MDCIS LCC-nonretail liquor	
24	license fees . . . . .	433,800
25	Federal revenues:	
26	DAG-federal/state marketing improvement	
27	program . . . . .	102,300
28	Special revenue funds:	
29	Industry support funds . . . . .	153,400
30	State general fund/general purpose . . . . . \$	2,453,200
31	AGRICULTURE EQUINE INDUSTRY DEVELOPMENT	
32	Full-time equated classified positions . . . . .	39.7
33	Office of racing commissioner--39.7 FTE positions \$	3,608,300
34	Quarterhorse programs . . . . .	28,700

1	Licensed tracks-light horse racing . . . . .	55,800
2	Standardbred breeders' awards . . . . .	896,800
3	Standardbred purses and supplements-licensed	
4	tracks . . . . .	194,000
5	Sire stakes program . . . . .	1,461,300
6	Standardbred training and stabling . . . . .	31,800
7	Thoroughbred program . . . . .	1,310,800
8	Thoroughbred owners' awards . . . . .	113,300
9	Grant to draft horse show . . . . .	<u>52,300</u>
10	GROSS APPROPRIATION . . . . . \$	7,753,100
11	Appropriated from:	
12	Special revenue funds:	
13	Agriculture equine industry development fund . .	7,753,100
14	State general fund/general purpose . . . . . \$	0
15	MICHIGAN STATE FAIR	
16	Full-time equated classified positions . . . 22.0	
17	Michigan state fair operations--22.0 FTE positions	\$
18	<u>6,104,800</u>	
19	GROSS APPROPRIATION . . . . . \$	6,104,800
20	Appropriated from:	
21	Special revenue funds:	
22	State fair revenue . . . . .	6,104,800
23	State general fund/general purpose . . . . . \$	0
24	Sec. 102. There is appropriated for the department of agriculture	
25	for the fiscal year ending September 30, 1998, from the following	
26	funds:	
27	DEPARTMENT OF AGRICULTURE	
28	APPROPRIATION SUMMARY:	
29	GROSS APPROPRIATION . . . . . \$	750,000
30	Interdepartmental grant revenues:	
31	Total interdepartmental grants and	
32	intradepartmental transfers . . . . .	500,000
33	ADJUSTED GROSS APPROPRIATION . . . . . \$	250,000
34	Federal revenues:	
35	Total federal revenues . . . . .	0

1	Special revenue funds:		
2	Total local revenues . . . . .		0
3	Total private revenues . . . . .		0
4	Total other state restricted revenues . . . . .		0
5	State general fund/general purpose . . . . .	\$	250,000
6	ANIMAL INDUSTRY		
7	Bovine tuberculosis surveillance and eradication	\$	500,000
8	Bovine tuberculosis indemnification . . . . .	\$	250,000
9	GROSS APPROPRIATION . . . . .	\$	750,000
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG, department of community health, tobacco tax	\$	500,000
13	State general fund/general purpose . . . . .	\$	250,000

14 **GENERAL SECTIONS**

15       Sec. 201. (1) Pursuant to section 30 of article IX of the state  
16 constitution of 1963, total state spending from state sources for  
17 fiscal year 1998-99 is estimated at \$69,853,200.00 in this bill and  
18 state spending from state sources paid to local units of government  
19 for fiscal year 1998-99 is estimated at \$1,400,000.00. The itemized  
20 statement below identifies appropriations from which spending to units  
21 of local government will occur:

22 DEPARTMENT OF AGRICULTURE

23	Grants to soil conservation districts . . . . .	\$	<u>1,400,000</u>
24	Total . . . . .	\$	1,400,000

25       (2) If it appears to the principal executive officer of a  
26 department or branch that state spending to local units of government  
27 will be less than the amount that was projected to be expended under  
28 subsection (1), the principal executive officer shall immediately give  
29 notice of the approximate shortfall to the state budget director.

30       Sec. 202. The expenditures and funding sources authorized under  
31 this bill are subject to the management and budget act, 1984 PA 431,  
32 MCL 18.1101 to 18.1594.

33       Sec. 203. (1) In addition to the funds appropriated in section  
34 101, there is appropriated an amount not to exceed \$4,000,000.00 for  
35 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item in  
2 this bill pursuant to section 393(2) of the management and budget act,  
3 1984 PA 431, MCL 18.1393.

4 (2) In addition to the funds appropriated in section 101, there is  
5 appropriated an amount not to exceed \$6,000,000.00 for state  
6 restricted contingency funds. These funds are not available for  
7 expenditure until they have been transferred to another line item in  
8 this bill pursuant to section 393(2) of the management and budget act,  
9 1984 PA 431, MCL 18.1393.

10 (3) In addition to the funds appropriated in section 101, there is  
11 appropriated an amount not to exceed \$100,000.00 for local contingency  
12 funds. These funds are not available for expenditure until they have  
13 been transferred to another line item in this bill pursuant to section  
14 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

15 (4) In addition to the funds appropriated in section 101, there is  
16 appropriated an amount not to exceed \$100,000.00 for private  
17 contingency funds. These funds are not available for expenditure  
18 until they have been transferred to another line item in this bill  
19 pursuant to section 393 (2) of the management and budget act, 1984 PA  
20 431, MCL 18.1393.

21 Sec. 204. (1) Beginning October 1, 1998, there is a hiring freeze  
22 imposed on the state classified civil service. State departments and  
23 agencies are prohibited from hiring any new full-time state classified  
24 civil service employees or prohibited from filling any vacant state  
25 classified civil service positions. This hiring freeze does not apply  
26 to internal transfers of classified employees from 1 position to  
27 another within a department or to positions that are 80% or more  
28 federal or restricted funds.

29 (2) The state budget director shall grant exceptions to this  
30 hiring freeze when the state budget director believes that the hiring  
31 freeze will result in the state department or agency being unable to  
32 deliver basic services. The state budget director shall report by the  
33 fifteenth of each month to the chairpersons of the senate and house  
34 appropriations committees the number of exclusions to the hiring

1 freeze approved during the previous month and the justification for  
2 the exclusion.

3 Sec. 205. The department of civil service shall bill departments  
4 and/or agencies at the end of the first fiscal quarter for the 1%  
5 charges authorized by section 5 of article XI of the state  
6 constitution of 1963. Payments shall be made for the total amount of  
7 the billing by the end of the second fiscal quarter.

8 Sec. 206. (1) The department shall submit to the department of  
9 management and budget, the house and senate appropriations committees,  
10 the house and senate fiscal agencies and the house and senate standing  
11 committees having jurisdiction over technology issues, periodic  
12 reports on the department's efforts to change the department's  
13 computer software and hardware as necessary to perform properly in the  
14 year 2000 and beyond. These reports shall identify actual progress in  
15 comparison to the department's approved work plan for these efforts.

16

17 (2) The department may present progress billings to the department  
18 of management and budget for the costs incurred in changing computer  
19 software and hardware as necessary to perform properly in the year  
20 2000 and beyond. At the time progress billings are presented for  
21 reimbursement, the department shall identify and forward as  
22 appropriate the funding sources that should support the work  
23 performed.

24 Sec. 207. As used in this bill:

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

26 (b) "DAG-AMS" means the DAG agriculture marketing service.

27 (c) "DAG-APHIS" means the DAG animal and plant health inspection  
28 service.

29 (d) "DAG-ERS-ARED" means the DAG economic research service-  
30 agriculture and rural economy division.

31 (e) "DAG-FS" means the DAG forest service.

32 (f) "Department" means the Michigan department of agriculture.

33 (g) "Director" means the director of the department.

34 (h) "EPA" means the United States environmental protection

- 1 agency. . . . . (i) "EPA-OECA"
- 2 means the EPA office of enforcement and compliance assistance.
- 3 (j) "EPA-OW" means the EPA office of water.
- 4 (k) "EPA-RCRA" means the EPA resource conservation and recovery
- 5 act.
- 6 (l) "FTE" means full-time equated position.
- 7 (m) "GREEN" means generating research and extension to meet
- 8 environmental and economic needs.
- 9 (n) "HHS" means the United States department of health and human
- 10 services.
- 11 (o) "HHS-FDA" means the HHS food and drug administration.
- 12 (p) "IDG" means interdepartmental grant.
- 13 (q) "MDCIS" means the Michigan department of consumer and
- 14 industry services.
- 15 (r) "MDCIS LCC" means the MDCIS liquor control commission.
- 16 (s) "MDEQ" means the Michigan department of environmental
- 17 quality. Sec. 208. (1) The unexpended and unobligated balance
- 18 of any state restricted fund or account remaining at the end of the
- 19 fiscal year shall revert back to the state restricted fund or account
- 20 from which appropriated and be available for appropriation for the
- 21 next fiscal year. Appropriations that revert to a state restricted
- 22 fund or account
- 23 pursuant to this section shall not revert to the general fund of this
- 24 state.
- 25 (2) A state restricted revenue fund or account that receives
- 26 revenues in excess of expenditures made from that state restricted
- 27 revenue fund or account shall not have the excess revenue revert to
- 28 the general fund of this state.
- 29 Sec. 209. (1) Of the funds appropriated in section 101, the
- 30 department may provide for indemnity as provided for pursuant to the
- 31 animal industry act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not
- 32 to exceed \$10,000.00 per order from any line item for the fiscal year
- 33 ending September 30, 1999. Before the department provides for an
- 34 indemnification under this section, the department shall report the

1 reason for the indemnification, the amount of the indemnification, and  
2 to whom the indemnification is to be paid. The report shall be given  
3 to the state budget director, to each member of the senate and house  
4 appropriations subcommittees on agriculture and to the senate and  
5 house fiscal agencies.

6 **EXECUTIVE**

7 Sec. 301. The appropriations in section 101 may be used for per  
8 diem payments to members of boards, committees, and commissions for a  
9 full day's board, committee, or commission work at which a quorum is  
10 present; for attending a hearing as authorized by the respective  
11 board, committee, or commission; or for performing official business  
12 as authorized by the respective board, committee, or commission. The  
13 per diem payments shall be at a rate as follows:

- 14 (a) Commission of agriculture . . . . . \$ 75.00 per day
- 15 (b) Upper Peninsula state fair board . . . \$ 50.00 per day
- 16 (c) Agricultural marketing and bargaining  
17 board . . . . . \$ 35.00 per day

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

- 23 (a) Management services publications.
- 24 (b) Management services audit and licensing functions.
- 25 (c) Upper Peninsula state fair livestock sales.
- 26 (d) Pesticide and plant pest management propagation and  
27 certification of virus free foundation stock.
- 28 (e) Pesticide and plant pest management bean inspection and  
29 grading services.
- 30 (f) Laboratory support testing for testing horses in draft horse  
31 pulling contests at county fairs when local jurisdictions request  
32 state assistance.
- 33 (g) Laboratory support analyses to determine foreign substances in  
34 horses engaged in racing or pulling contests at tracks.

1 (h) Laboratory support analysis of food, livestock, and  
2 agricultural products for disease, toxic materials, foreign products  
3 for disease, toxic materials, foreign substances, and quality  
4 standards.

5 (i) Laboratory support test samples for other agencies and  
6 organizations.

7 (j) Fruit and vegetable inspection at shipping and termination  
8 points and processing plants.

9 Sec. 303. The appropriation in section 101 for an environmental  
10 technology research grant is allocated to the Michigan biotechnology  
11 institute, pending receipt of matching federal funds, for the  
12 development and implementation of innovative technologies to be used  
13 for environmentally safe products, biodegradable chemicals,  
14 environmental cleanup, and waste stream minimization projects in  
15 Michigan.

16 **ADMINISTRATIVE SERVICES**

17 Sec. 401. A county fair, district fair, 4-H fair, or state fair  
18 receiving funds under this bill to be used for prizes or awards, in  
19 whole or in part, as a condition precedent to the receiving of the  
20 funds for those purposes, shall publish the rules relative to the  
21 prizes, awards, and deadlines for entries eligible for the funds in  
22 their official premium books or lists relative to the prizes or  
23 awards. An aggrieved exhibitor may make a written complaint to the  
24 fair within 10 days after the fair ends. If the fair has not  
25 satisfactorily settled the grievance within 45 days after it is  
26 submitted to the fair, the aggrieved person may file the complaint  
27 with the department and the department shall investigate the complaint  
28 and make a finding of fact regarding the complaint and take  
29 appropriate action regarding the  
30 complaint.

31 Sec. 402. Of the amount appropriated in section 101 for purses  
32 and supplements fairs/licensed tracks, a sufficient amount is  
33 appropriated to provide for overnight purse supplements pursuant to  
34 the

1 horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

2       Sec. 403. From the appropriations for premiums-county and state  
3 fairs, \$120,000.00 shall be awarded through a competitive grant  
4 program to local, regional, or state fairs or expositions to promote  
5 youth involvement and adult exhibitions in the animal agriculture  
6 industry. Appropriate exhibition classes for youth shall be developed  
7 that encourage a production exhibit for which premium awards may be  
8 paid. The age for youth exhibitors shall be determined by the  
9 standards of the association requesting the grant or, if standards do  
10 not exist, the age for youth exhibitors shall be ages 9 through 21.  
11 Implementation of the latest technologies into the evaluation of the  
12 animals shall be encouraged in the production exhibit. Adult  
13 exhibitions should focus on the performance or end product, or both,  
14 with the appropriate technologies used to enhance placings and the  
15 awarding of premiums.

16       Sec. 404. Indirect costs may not be charged against the future  
17 farmers of America grant in section 101 by any administering agency.

18 **PESTICIDE AND PLANT PEST MANAGEMENT**

19       Sec. 501. Of the funds appropriated in section 101 to the  
20 pesticide and plant pest management division, up to \$100,000.00 may be  
21 made available to the Michigan cooperative extension service for the  
22 purpose of training of applicators. Reimbursement shall be based on  
23 actual expenditures and revenue availability.

24       Sec. 502. From the appropriation in section 101 for the disease  
25 and pesticide intervention fund program, the department of agriculture  
26 shall utilize these funds as needed to respond to plant pest diseases.

27  
28 **LABORATORY PROGRAM**

29       Sec. 601. If House Bill Nos. 4820 and 4821 of the 89th  
30 Legislature are enacted into law, there is appropriated an  
31 interdepartmental grant from MDEQ from the oil and gas regulatory fund  
32 created in section 61525b of the natural resources and environmental  
33 protection act, 1994 PA 451, MCL 324.61525b, an amount not to exceed  
34 \$180,000.00 to purchase meter calibration equipment to be used by the

1 department's laboratory division for the purpose of monitoring oil and  
2 gas well meters on state-owned land.

3 **ENVIRONMENTAL STEWARDSHIP**

4 Sec. 701. From the amount appropriated in section 101 for energy  
5 conservation program/local soil conservation districts, \$100,000.00  
6 shall be allocated to Michigan State University for improved  
7 technology for energy conservation in Michigan.

8 Sec. 702. The amount appropriated in section 101 for grants to  
9 local soil conservation districts shall be used for providing  
10 financial assistance to all soil conservation districts in order to  
11 permit the districts to engage in programs that conserve soil  
12 resources and prevent and control soil erosion. All grants to local  
13 soil conservation districts shall be allocated according to a formula  
14 approved by the commission of agriculture. Any soil conservation  
15 district that allows payment for expenses to the district associate  
16 directors shall be considered ineligible to receive grant money.

17 Sec. 703. (1) The department may expend the amount appropriated  
18 in section 101 for migrant labor housing grants for construction of  
19 new migrant labor housing. Project grants shall not exceed \$2,000.00  
20 per unit. An applicant is not eligible for more than a \$10,000.00  
21 grant in any fiscal year. Units shall be equivalent in construction  
22 to units approved by the DAG rural development agency for low interest  
23 construction loans and shall be not less than 484 square feet in size  
24 and be self-contained with a minimum of 1 bedroom, a kitchen, flush  
25 toilet, lavatory, and bathing facilities.

26 (2) Any unexpended migrant labor housing funds from the prior year  
27 shall be available for grants in the subsequent fiscal year.

28 Sec. 704. (1) From the amounts appropriated in section 101 for  
29 migrant labor housing, no less than \$100,000.00 shall be allocated to  
30 a private, nonprofit entity for the purpose of providing matching  
31 grants  
32 for the improvement or new construction of migrant labor housing. The  
33 terms or requirements imposed on a recipient of a grant awarded for  
34 migrant labor housing improvement or new construction by a private,

1 nonprofit entity shall be no less stringent than those imposed by the  
2 department on recipients of similar grants awarded by the department.  
3 An entity receiving funds under this section shall use no greater than  
4 7% of the state allocation for the administration of this program.

5 (2) A private nonprofit entity that receives an allocation to  
6 administer a migrant labor housing construction grant program shall  
7 give priority to grant applicants who are on the department's waiting  
8 list of applicants for migrant labor housing construction grants. The  
9 applicants for migrant labor construction grants administered by a  
10 nonprofit entity who are on the department's waiting list shall be  
11 served in the order in which they reside on the department's waiting  
12 list.

### 13 **MARKET DEVELOPMENT**

14 Sec. 801. Within the appropriations in section 101 for market  
15 development, \$433,800.00 is for the grape and wine industry council,  
16 from which the department may provide grants for the purposes as  
17 described in section 16b of the Michigan liquor control act, 1933 (Ex  
18 Sess) PA 8, MCL 436.16b.

19 Sec. 802. In any given year when insufficient amounts of  
20 Michigan surplus products are offered to the food bank council and  
21 accepted for distribution, unused funds may be applied by the food  
22 bank council for the direct purchase of foods from Michigan growers,  
23 manufacturers, or wholesalers.

24 Sec. 803. (1) The \$100,000.00 appropriated in section 101 for the  
25 grown in Michigan program is to provide competitive grants to Michigan  
26 nonprofit organizations to raise in-state consumer awareness of  
27 Michigan grown commodities.

28 (2) The grants are to be made by the Michigan commission of  
29 agriculture on a competitive basis considering the following order of  
30 priority:

31 (a) Cooperative efforts by recognized, statewide, grower funded  
32 organizations.

33 (b) The number of consumers made aware of the benefits of Michigan  
34 grown commodities.

1 (c) The number of Michigan grown products encompassed in the  
2 proposal.

3 (d) The amount of the match.

4 (3) A grant made under this section shall not be less than  
5 \$5,000.00 or more than \$25,000.00.

6 (4) Each grant shall be matched equally with grantees' funds. In-  
7 kind contributions shall not be considered as match.

#### 8 **AGRICULTURE EQUINE INDUSTRY DEVELOPMENT**

9 Sec. 901. The racing commissioner may pay rewards of not more  
10 than \$5,800.00 to a person who provides information that results in  
11 the arrest and conviction on a felony or misdemeanor charge for a  
12 crime that involves the horse racing industry. A reward paid pursuant  
13 to this section shall be paid out of the office of racing commissioner  
14 line item.

15 Sec. 902. The department shall submit a report each month for the  
16 fiscal year ending September 30, 1999 to the state budget director,  
17 the senate and house appropriations committees and to the senate and  
18 house fiscal agencies that sets forth the simulcasting revenues  
19 generated in the preceding month by each licensed track and the amount  
20 received from license fees.

21 Sec. 903. Of the \$52,300.00 appropriated in section 101 for the  
22 draft horse show, \$18,800.00 shall be made available for the Michigan  
23 dynamometers association, \$30,900.00 shall be made available for the  
24 Michigan draft horse breeders association, and \$2,600.00 shall be used  
25 for advertisement and promotion of an annual Great Lakes international  
26 draft horse show.

27 Sec. 904. (1) The appropriation of \$194,000.00 in section 101 for  
28 standardbred purses and supplements-licensed tracks is intended to  
29 provide state purse supplements for 4 races at state licensed pari-  
30 mutuel horse racing tracks. The purse supplements are to be used for  
31 races comprised only of Michigan bred horses segregated into a 4-year-  
32 old colt trot division, a 4-year-old filly trot division, a 4-year-old  
33 colt pace division, and a 4-year-old filly pace division.

34 (2) The appropriation in section 101 for licensed tracks - light

1 horse racing shall be allocated as follows:

2	Arabian and Appaloosa horse racing.....	\$ 14,000.00
3	Quarter horse racing.....	\$ 41,800.00

4 Sec. 905. Included in the appropriation made in section 101 for  
5 the thoroughbred program is \$30,500.00 for the Michigan united  
6 thoroughbred breeders and owners association to conduct a thoroughbred  
7 yearling show. The Michigan united thoroughbred breeders and owners  
8 association shall submit to the department an itemized list of  
9 expenses showing that the expenses of the yearling show were paid.

10 Sec. 906. From the funds appropriated in section 101 for  
11 thoroughbred owners' awards, the department shall develop a program to  
12 provide for thoroughbred owners' awards that will be given to owners  
13 of Michigan-bred horses finishing first in nonrestricted races at  
14 licensed pari-mutuel tracks in Michigan.

15 **FISCAL YEAR 1997-1998 ANIMAL INDUSTRY**

16 Sec. 1001. Funds appropriated in section 102 for bovine  
17 tuberculosis surveillance and eradication are considered work project  
18 appropriations and any unencumbered or unallotted funds are carried  
19 forward into the succeeding fiscal year. The following is in  
20 compliance with section 451(3) of the management and budget act, 1984  
21 PA 431, MCL 18.1451:

- 22 (a) The purpose of the project to be carried over is to provide
- 23 for bovine tuberculosis surveillance and eradication activities,
- 24 pursuant to executive directive 1998-1.
- 25 (b) This project will be accomplished through the efforts of state
- 26 employees and through contracted services.
- 27 (c) The total estimated cost of this project is \$500,000.00.
- 28 (d) The tentative completion date for this project is September
- 29 30, 1999.

30 Sec. 1002. Funds appropriated in section 102 for the bovine  
31 tuberculosis indemnification project are considered work project  
32 appropriations and any unencumbered or unallotted funds are carried  
33 forward into the succeeding fiscal year. The following is in  
34 compliance with section 451 (3) of the management and budget act, 1984

1 PA 431, MCL 18.1451:

2 (a) The purpose of the project to be carried over is to provide  
3 for indemnification provisions as provided by section 14 (3), 1988 PA  
4 466, MCL 287.714, to indemnify livestock owners for animals ordered  
5 destroyed by the director in accordance with 1988 PA 466, MCL 287.701  
6 to 287.747.

7 (b) This project will be accomplished through payments for  
8 indemnification agreements entered into between the department and  
9 livestock owners.

10 (c) The total estimated cost of this project is determined by the  
11 number of animals ordered destroyed by the director in accordance with  
12 1988 PA 466, MCL 287.701 to 287.747.

13 (d) The tentative completion date for this project will be  
14 September 30, 1999.

Final page.