

SENATE BILL No. 969

EXECUTIVE BUDGET BILL

February 3, 2000, Introduced by Senators MC MANUS, GAST and JOHNSON and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2001; 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department of

agriculture for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF AGRICULTURE

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	643.5	
GROSS APPROPRIATION	\$	100,671,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		9,680,800
ADJUSTED GROSS APPROPRIATION	\$	90,990,800
Federal revenues:		
Total federal revenues		6,037,000
Special revenue funds:		
Total local revenues		0
Total private revenues		1,121,900
Total other state restricted revenues		33,362,100
State general fund/general purpose	\$	50,469,800

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	67.0	
Commission and boards	\$	63,300
Unclassified positions		477,200
Executive direction -4.0 FTE positions		440,500
Management services -58.0 FTE positions		5,260,900
Statistical reporting service--5.0 FTE positions		461,300
Project GREEN		<u>6,100,000</u>
GROSS APPROPRIATION	\$	12,803,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDCIS (LCC) nonretail liquor revenue		8,800
Special revenue funds:		
Michigan state fair revenue		77,600
Upper Peninsula state fair revenue		9,000
Gasoline inspection and testing fund		47,800

1	Industry support funds	5,000
2	Licensing and inspection fees	62,100
3	State general fund/general purpose \$	12,592,900
4	Sec. 103. DEPARTMENTWIDE	
5	Rent and building occupancy charges \$	<u>1,132,700</u>
6	GROSS APPROPRIATION \$	1,132,700
7	Appropriated from:	
8	Special revenue funds:	
9	Gasoline inspection and testing fund	3,200
10	State general fund/general purpose \$	1,129,500
11	Sec. 104. FOOD AND DAIRY	
12	Full-time equated classified positions . . . 112.0	
13	Food safety and quality assurance--112.0 FTE	
14	positions \$	9,360,800
15	Local public health operations	<u>8,977,500</u>
16	GROSS APPROPRIATION \$	18,338,300
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from MDCH, local public health operations . .	8,977,500
20	Federal revenues:	
21	DAG-AMS, cooperative agreement	22,500
22	HHS-FDA	183,600
23	Special revenue funds:	
24	Civil penalties	60,000
25	Food handler licensing fees	1,105,400
26	Licensing and inspection fees	576,400
27	State general fund/general purpose \$	7,412,900
28	Sec. 105. ANIMAL INDUSTRY	
29	Full-time equated classified positions . . . 55.0	
30	Animal health and welfare--26.0 FTE positions . . \$	2,253,200
31	Bovine tuberculosis program -29.0 FTE	
32	positions	<u>3,488,900</u>
33	GROSS APPROPRIATION \$	5,742,100
34	Appropriated from:	
35	Federal revenues:	
36	HHS-FDA	9,000

1	Special revenue funds:	
2	Licensing and inspection fees	34,500
3	Pseudorabies and swine brucellosis fund	87,100
4	State general fund/general purpose \$	5,611,500
5	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
6	Full-time equated classified positions . . . 133.3	
7	Pesticide and plant pest management--133.3 FTE	
8	positions \$	12,853,900
9	Disease and pest intervention fund	341,800
10	Michigan state university	<u>210,000</u>
11	GROSS APPROPRIATION \$	13,405,700
12	Appropriated from:	
13	Federal revenues:	
14	DAG-AMS, cooperative agreement	36,400
15	DAG-APHIS, plant and animal disease and pest	
16	control	34,600
17	DAG-FS, multiple grants	1,881,200
18	EPA-OECA, pesticides enforcement program	
19	grants	1,510,000
20	HHS-FDA	15,400
21	Special revenue funds:	
22	Private-slow-the-spread foundation	130,000
23	Commodity inspection fees	991,500
24	Licensing and inspection fees	2,053,000
25	State general fund/general purpose \$	6,753,600
26	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
27	Full-time equated classified positions . . . 48.0	
28	Environmental stewardship--38.0 FTE positions . . \$	3,413,500
29	Groundwater and freshwater protection program	
30	--10.0 FTE positions	5,077,800
31	Energy conservation program	138,000
32	Forest stewardship program	100,000
33	Local conservation districts	1,400,000
34	Migrant labor housing	<u>550,000</u>
35	GROSS APPROPRIATION \$	10,679,300
36	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG-MDEQ sewage sludge fund	70,000
3	IDG-MDEQ type II well survey	15,000
4	Federal revenues:	
5	DAG-FS, multiple grants	100,000
6	DAG-NRCS	250,000
7	EPA-OW	236,300
8	EPA-RCRA	165,000
9	EPA, multiple grants	250,000
10	Special revenue funds:	
11	Private - oil company overcharge settlement . . .	193,900
12	Groundwater and freshwater protection fund . . .	4,577,800
13	Industry support funds	40,000
14	State general fund/general purpose \$	4,781,300
15	Sec. 108. LABORATORY PROGRAM	
16	Full-time equated classified positions . . . 132.0	
17	Laboratory analysis program--73.5 FTE positions . \$	5,831,700
18	Pesticide data program--14.0 FTE positions . . .	1,096,500
19	Consumer protection program--44.5 FTE positions .	<u>3,240,800</u>
20	GROSS APPROPRIATION \$	10,169,000
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG-MDCIS (LCC)liquor quality testing fees . . .	161,100
24	Federal revenues:	
25	DAG-AMS, cooperative agreement	1,096,500
26	DAG-APHIS, plant and animal disease and pest	
27	control	20,400
28	Special revenue funds:	
29	Private - oil company overcharge settlement . . .	798,000
30	Agriculture equine industry development fund . .	500,000
31	Gasoline inspection and testing fund	1,472,100
32	Testing fees	167,100
33	Weights and measures regulation fees	323,400
34	State general fund/general purpose \$	5,630,400
35	Sec. 109. MARKET DEVELOPMENT	
36	Full-time equated classified positions . . . 21.5	

1	Marketing and emergency management--15.5 FTE		
2	positions	\$	2,244,000
3	Agriculture development 6.0 FTE positions		1,045,100
4	Food bank		774,200
5	Grown in Michigan		100,000
6	Northwest Michigan horticultural research		
7	station		41,800
8	Southwestern Michigan tourist council - taste		
9	of Michigan		60,400
10	Future farmers of America		<u>60,000</u>
11	GROSS APPROPRIATION	\$	4,325,500
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG-MDCIS (LCC), nonretail liquor license fees .		448,400
15	Federal revenues:		
16	DAG, ERS-ARED		126,100
17	DAG, federal/state marketing improvement		
18	program		100,000
19	Special revenue funds:		
20	Industry support funds		225,000
21	State general fund/general purpose	\$	3,426,000
22	Sec. 110. FAIRS AND EXPOSITIONS		
23	Full-time equated classified positions . . . 35.0		
24	Michigan state fair operations--22.0 FTE		
25	positions	\$	6,994,300
26	Fairs and racing--5.0 FTE positions		604,300
27	Upper Peninsula state fair--8.0 FTE positions . .		1,375,700
28	Michigan festivals		50,000
29	Building and track improvements--county and		
30	state fairs		753,100
31	Draft horse shows		78,200
32	Premiums--county and state fairs		1,611,200
33	Standardbred purses and supplements--fairs and		
34	licensed tracks		2,684,100
35	Standardbred Fedele Fauri futurity		87,900
36	Standardbred Michigan futurity		87,900

For Fiscal Year Ending
September 30, 2001

1	Quarterhorse programs	39,600
2	Licensed tracks -- light horse racing	76,700
3	Standardbred breeders' awards	1,332,000
4	Standardbred purses and supplements--licensed	
5	tracks	291,600
6	Sire stakes program	2,095,500
7	Standardbred training and stabling	43,700
8	Thoroughbred program	1,859,800
9	Thoroughbred owners' awards	<u>155,700</u>
10	GROSS APPROPRIATION	\$ 20,221,400

Appropriated from:

Special revenue funds:

13	Agriculture equine industry development fund . .	8,804,600
14	Michigan state fair revenue	7,085,100
15	Upper Peninsula state fair revenue	1,200,000
16	State general fund/general purpose	\$ 3,131,700

Sec. 111. OFFICE OF RACING COMMISSIONER

18	Full-time equated classified positions . . .	39.7
19	Office of racing commissioner--39.7 FTE	
20	positions	\$ <u>3,854,400</u>
21	GROSS APPROPRIATION	\$ 3,854,400

Appropriated from:

Special revenue funds:

24	Agriculture equine industry development fund . .	3,854,400
25	State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 2000-2001 is \$83,831,900.00 and state appropriations to be paid to local units of government are as follows:

DEPARTMENT OF AGRICULTURE

34	Groundwater and freshwater protection program . .	\$ 1,700,000
35	Local conservation districts	<u>1,400,000</u>
36	TOTAL	\$ 3,100,000

1 (2) If it appears to the principal executive officer of a
2 department or branch that state spending to local units of government
3 will be less than the amount that was projected to be expended for any
4 quarter under subsection (1), the principal executive officer shall
5 immediately give notice of the approximate shortfall to the state
6 budget director, the senate and house of representatives standing
7 committees on appropriations, and the senate and house fiscal
8 agencies.

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

12 Sec. 203. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$5,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item in
16 this bill pursuant to section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

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

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for local contingency
26 funds. These funds are not available for expenditure until they have
27 been transferred to another line item in this bill pursuant to section
28 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

29 (4) In addition to the funds appropriated in part 1, there is
30 appropriated an amount not to exceed \$100,000.00 for private
31 contingency funds. These funds are not available for expenditure
32 until they have been transferred to another line item in this bill
33 pursuant to section 393(2) of the management and budget act, 1984 PA
34 431, MCL 18.1393.

35 Sec. 204. (1) Beginning October 1, a hiring freeze is imposed on
36 the state classified civil service. State departments and agencies

1 are prohibited from hiring any new full-time state classified civil
2 service employees and prohibited from filling any vacant state
3 classified civil service positions. This hiring freeze does not apply
4 to internal transfers of classified employees from one position to
5 another within a department or to positions that are funded with 80%
6 or more federal or restricted funds.

7 (2) The state budget director shall grant exceptions to this
8 hiring freeze when the state budget director believes that the hiring
9 freeze will result in rendering a state department or agency unable to
10 deliver basic services. The state budget director shall report by the
11 30th of each month to the chairpersons of the senate and house of
12 representatives standing committees on appropriations the number of
13 exceptions to the hiring freeze approved during the previous month and
14 the reasons to justify the exception.

15 Sec. 205. The department of civil service shall bill departments
16 and agencies at the end of the first fiscal quarter for the 1% charge
17 authorized by section 5 of article XI of the state constitution of
18 1963. Payments shall be made for the total amount of the billing by
19 the end of the second fiscal quarter.

20 Sec. 206. As used in this bill:

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

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

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

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

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

28 (f) "DAG-NRCS" means the DAG natural resources conservation
29 service.

30 (g) "Department" means the Michigan department of agriculture.

31 (h) "Director" means the director of the department.

32 (i) "EPA" means the United States environmental protection agency.

33 (j) "EPA-OECA" means the EPA-office of enforcement and compliance
34 assistance.

35 (k) "EPA-OW" means the EPA office of water.

36 (l) "EPA-RCRA" means the EPA resource conservation and recovery

1 act.

2 (m) "FTE" means full-time equated.

3 (n) "GREEN" means generating research and extension to meet
4 environmental and economic needs.

5 (o) "HHS-FDA" means the HHS food and drug administration.

6 (p) "IDG" means interdepartmental grant.

7 (q) "MDCIS" means the Michigan department of consumer industry
8 services.

9 (r) "MDCH" means the Michigan department of community health.

10 (s) "MDCIS (LCC)" means the MDCIS liquor control commission.

11 (t) "MDEQ" means the Michigan department of environmental quality.

12 Sec. 207. The unexpended and unencumbered balance of revenue
13 deposited pursuant to section 20 (12) OF 1997 PA 73, MCL 731.320 for
14 the fiscal year ending September 30, 2001, shall be appropriated to
15 the Michigan agriculture equine industry development fund for
16 distribution as set forth in section 20(4) to section 20(11) of 1997
17 PA 73, MCL 431.320.

18 Sec. 208. (1) Of the funds appropriated in part 1, the department
19 may provide for indemnity as provided for pursuant to the animal
20 industry act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not to
21 exceed \$10,000.00 per order from any line item for the fiscal year
22 ending September 30, 2001. Before the department provides for an
23 indemnification under this section, the department shall report the
24 reason for the indemnification, the amount of the indemnification, and
25 to whom the indemnification is to be paid. The report shall be given
26 to each member of the house and senate appropriations subcommittees on
27 agriculture and to the senate and house fiscal agencies.

28 (2) The department of agriculture shall make an indemnification
29 payment for the fair market value of livestock that is killed by a
30 wolf, if the kill is verified by the department of natural resources.
31 The fair market value of the livestock shall be determined pursuant to
32 the indemnification procedures prescribed in the animal industry act
33 of 1987, 1988 PA 466, MCL 287.701 to 287.747. In addition to the funds
34 appropriated in part 1, the department of agriculture is authorized to
35 expend the funds received from the department of natural resources to
36 reimburse the department of agriculture for all indemnification

1 payments made pursuant to this subsection.

2 Sec. 209. Sixty days before beginning any effort to privatize,
3 the department shall submit a complete project plan to the appropriate
4 subcommittees of the senate and house of representatives standing
5 committees on appropriations and the senate and house fiscal agencies.
6 The plan shall include the criteria under which the privatization
7 initiative will be evaluated. The evaluation shall be completed and
8 submitted to the appropriate subcommittees of the senate and house of
9 representatives standing committees on appropriations and the senate
10 and house fiscal agencies within 30 months.

11 Sec. 210. The department shall continue to pilot the use of the
12 Internet to fulfill the reporting requirements in this bill. This may
13 include transmission of reports via electronic mail to the recipients
14 identified for each reporting requirement or it may include placement
15 of reports on the Internet or on the Intranet. The appropriations
16 subcommittee shall be notified in writing of the Internet/Intranet
17 site of any such report.

18 **EXECUTIVE**

19 Sec. 301. The appropriations in part 1 may be used for per diem
20 payments to members of boards, committees, and commissions for a full
21 day's board, committee, or commission work at which a quorum is
22 present; for attending a hearing as authorized by the respective
23 board, committee, or commission; or for performing official business
24 as authorized by the respective board, committee, or commission. The
25 per diem payments shall be at a rate as follows:

26	(a) Commission of agriculture	\$75.00 per day
27	(b) Upper Peninsula state fair board	\$50.00 per day
28	(c) Agricultural marketing and bargaining board	\$35.00 per day
29	(d) Michigan state fair council	\$50.00 per day
30	(e) Grape and wine industry council	\$50.00 per day

31 Sec. 302. The department may receive and expend revenue and use
32 that revenue to cover necessary expenses related to publications,
33 audit and licensing functions, livestock sales, certification of
34 nursery stock, bean inspection services, and laboratory analyses as
35 specified in the following:

36 (a) Management services publications.

1 (b) Management services audit and licensing functions.

2 (c) Upper Peninsula state fair livestock sales.

3 (d) Pesticide and plant pest management propagation and
4 certification of virus free foundation stock.

5 (e) Pesticide and plant pest management bean inspection and
6 grading services.

7 (f) Laboratory support testing for testing horses in draft horse
8 pulling contests at county fairs when local jurisdictions request
9 state assistance.

10 (g) Laboratory support analyses to determine foreign substances in
11 horses engaged in racing or pulling contests at tracks.

12 (h) Laboratory support analysis of food, livestock, and
13 agricultural products for disease, foreign products for disease, toxic
14 materials, foreign substances, and quality standards.

15 (i) Laboratory support test samples for other agencies and
16 organizations.

17 (j) Fruit and vegetable inspection at shipping and termination
18 points and processing plants.

19 Sec. 303. (1) From the appropriation in part 1 for project
20 GREEN, \$6,100,000.00 is allocated for a grant to an institution of
21 higher education for the purpose of research and/or extension programs
22 designed to address critical regulatory, food safety, economic, and
23 environmental problems faced by Michigan's plant-based agriculture,
24 forestry, and processing industries.

25 (2) A consortium of interested parties consisting of, but not
26 limited to, representatives from the department, institutions of
27 higher education, and agricultural commodity groups shall develop the
28 research and/or extension program priorities described in subsection
29 (1).

30 (3) Any unexpended balance of the appropriation for project GREEN
31 in part 1 is considered a work project appropriation. Project GREEN
32 projects will be accomplished by the use of contractual services with
33 an estimated completion date of September 30, 2003.

34 (4) Not later than November 1, 2001, the grantee under subsection
35 (1) shall submit to the house and senate appropriations subcommittees
36 on agriculture and to the house and senate fiscal agencies a report

1 for the immediately preceding fiscal year regarding project GREEN
2 projects. The report shall include, but is not limited to, the dollar
3 amount of each project and a review of each project's performance and
4 accomplishments.

5 (5) Indirect costs shall not be charged by an administering agency
6 against a grant funded under the allocation in subsection (1).

7 **FOOD AND DAIRY**

8 Sec. 401. The department shall monitor restaurant inspection and
9 licensing functions carried out by local health departments to ensure
10 uniform application and enforcement of state licensing standards. On
11 or before September 30, 2001, the department shall report to the
12 senate and house appropriations subcommittees on agriculture, the
13 senate and house fiscal agencies, and the state budget director on
14 local health department conformance with state restaurant licensing
15 standards.

16 **PESTICIDE AND PLANT PEST MANAGEMENT**

17 Sec. 501. Of the funds appropriated in part 1 to the pesticide
18 and plant pest management division, up to \$100,000.00 may be made
19 available to the Michigan cooperative extension service for the
20 purpose of training of applicators. Reimbursement shall be based on
21 actual expenditures and revenue availability.

22 Sec. 502. From the appropriation in part 1 for the disease and
23 pest intervention fund program, the department shall utilize these
24 funds as needed to respond to exotic or regulatory pests or diseases.

25 Sec. 503. The department is authorized to enter into a
26 cooperative agreement with a nonprofit foundation or agency associated
27 with the gypsy moth slow-the-spread program in order to receive funds
28 for managing plant pests.

29 **ENVIRONMENTAL STEWARDSHIP**

30 Sec. 601. The amount appropriated in part 1 for grants to local
31 conservation districts shall be used for providing financial
32 assistance to all conservation districts in order to permit the
33 districts to engage in programs that conserve soil resources and
34 prevent and control soil erosion. All grants to local conservation
35 districts shall be allocated according to a formula approved by the
36 commission of agriculture.

1 Sec. 602. (1) The department may expend the amount appropriated
2 in part 1 for migrant labor housing grants for construction of new
3 migrant labor housing. Project grants shall not exceed \$4,000.00 per
4 unit. An applicant is not eligible for more than a \$16,000.00 grant
5 in any fiscal year. Units shall be equivalent in construction to
6 units approved by the DAG-rural development agency for low interest
7 construction loans and shall be not less than 484 square feet in size
8 and be self-contained with a minimum of 1 bedroom, a kitchen, a flush
9 toilet, a lavatory, and bathing facilities.

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

12 Sec. 603. (1) From the amounts appropriated in part 1 for migrant
13 labor housing, no less than \$100,000.00 shall be allocated to a
14 private, nonprofit entity for the purpose of providing matching grants
15 for the improvement or new construction of migrant labor housing. The
16 terms or requirements imposed on a recipient of a grant awarded for
17 migrant labor housing improvement or new construction by a private,
18 nonprofit entity shall be no less stringent than those imposed by the
19 department on recipients of similar grants awarded by the department.
20 An entity receiving funds under this section shall use no greater than
21 7% of the state allocation for the administration of this program.

22 (2) A private nonprofit entity that receives an allocation to
23 administer a migrant labor housing construction grant program shall
24 give priority to grant applicants who are on the department's waiting
25 list of applicants for migrant labor housing construction grants. The
26 applicants for migrant labor construction grants administered by a
27 nonprofit entity who are on the department's waiting list shall be
28 served in the order in which they reside on the department's waiting
29 list.

30 Sec. 604. From the part 1 appropriation for local conservation
31 districts, \$300,000.00 shall be allocated for district forestry
32 programs to assist private forest land development. Allocations to
33 districts will be made in accordance with a plan developed by the
34 department of agriculture in cooperation with the forest management
35 division of the department of natural resources.

36 **MARKET DEVELOPMENT**

1 Sec. 701. Within the appropriations in part 1 for market
2 development, \$448,400.00 is for the grape and wine industry council,
3 from which the department may provide grants for the purposes as
4 described in section 303 of the Michigan liquor control code of 1998,
5 1998 PA 58, MCL 436.1303.

6 Sec. 702. In any given year when insufficient amounts of Michigan
7 surplus products are offered to the food bank council and accepted for
8 distribution, unused funds may be applied by the food bank council for
9 the direct purchase of foods from Michigan growers, manufacturers, or
10 wholesalers.

11 Sec. 703. (1) The \$100,000.00 appropriated in part 1 for the
12 grown in Michigan program is to provide competitive grants to Michigan
13 nonprofit organizations to raise in-state consumer awareness of
14 Michigan grown commodities.

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

18 (a) Cooperative efforts by recognized, statewide, grower funded
19 organizations.

20 (b) The number of consumers made aware of the benefits of Michigan
21 grown commodities.

22 (c) The number of Michigan grown products encompassed in the
23 proposal.

24 (d) The amount of the match.

25 (3) A grant made under this section shall not be less than
26 \$5,000.00 or more than \$25,000.00.

27 (4) Each grant shall be matched equally with grantees' funds. In-
28 kind contributions shall not be considered as matching funds

29 Sec. 704. Indirect costs may not be charged against the future
30 farmers of America grant in part 1 by any administering agency.

31 Sec. 705. The amount appropriated in part 1 for Michigan
32 festivals shall be allocated to the Michigan festivals and events
33 association for the purpose of promoting commodity related festivals
34 on a statewide basis. The allocation to the Michigan festivals and
35 events association is contingent upon the association providing
36 at least a 100% cash or in-kind match.

1 **FAIRS AND EXPOSITIONS**

2 Sec. 801. The department shall submit a report each month for the
3 fiscal year ending September 30, 2001, to the state budget director,
4 the senate and house standing committees on appropriations, and the
5 senate and house fiscal agencies that sets forth the simulcasting
6 revenues generated in the preceding month by each licensed track and
7 the amount received from license fees.

8 Sec. 802. (1) The appropriation of \$291,600.00 in part 1 for
9 standardbred purses and supplements - fairs/licensed tracks is
10 intended to provide state purse supplements for 4 races at state
11 licensed pari-mutuel horse racing tracks. The purse supplements are
12 to be used for races comprised only of Michigan-bred horses segregated
13 into a 4-year-old colt trot division, a 4-year-old filly trot
14 division, a 4-year-old colt pace division, and a 4-year-old filly pace
15 division.

16 (2) The appropriation in part 1 for licensed tracks - light horse
17 racing shall be allocated as follows:

18	Arabian and Appaloosa horse racing	\$	20,500.00
19	Quarter horse racing	\$	61,300.00

20 Sec. 803. Included in the appropriation made in part 1 for the
21 thoroughbred program is \$30,500.00 for the Michigan united
22 thoroughbred breeders and owners association to conduct a thoroughbred
23 yearling show. The Michigan united thoroughbred breeders and owners
24 association shall submit to the department an itemized list of
25 expenses showing that the expenses of the yearling show were paid.

26 Sec. 804. From the funds appropriated in part 1 for thoroughbred
27 owners' awards, the department shall develop a program to provide for
28 thoroughbred owners' awards that will be given to owners of Michigan-
29 bred horses finishing first in nonrestricted races at licensed pari-
30 mutuel tracks in Michigan.

31 Sec. 805. The \$78,200.00 appropriated in part 1 for draft horse
32 shows shall be allocated in equal amounts to the Can-Am draft horse
33 show held at the Michigan state fairgrounds and the Great Lakes draft
34 horse show held at Michigan State University.

35 Sec. 806. A county fair, district fair, 4-H fair, or state fair
36 receiving funds in part 1 to be used for prizes or awards, in whole or

1 in part, as a condition precedent to the receiving of the funds for
2 those purposes, shall publish the rules relative to the prizes,
3 awards, and deadlines for entries eligible for the funds in their
4 official premium books or lists relative to the prizes or awards. An
5 aggrieved exhibitor may make a written complaint to the fair within 10
6 days after the fair ends. If the fair has not satisfactorily settled
7 the grievance within 45 days after it is submitted to the fair, the
8 aggrieved person may file the complaint with the department and the
9 department shall investigate the complaint and make a finding of fact
10 regarding the complaint and take appropriate action regarding the
11 complaint.

12 Sec. 807. Of the amount appropriated in part 1 for standardbred
13 purses and supplements - fairs/licensed tracks, a sufficient amount is
14 appropriated to provide for overnight purse supplements pursuant to
15 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

16 Sec. 808. Of the amount appropriated in part 1 for premiums,
17 \$11,400.00 shall be expended as a grant for the Michigan horse show
18 association - fall youth show at the Michigan exposition and
19 fairgrounds.

20 Sec. 809. From the appropriations for premiums - county and state
21 fairs in part 1, \$120,000.00 shall be awarded through a competitive
22 grant program to local, regional, or state fairs or expositions to
23 promote youth involvement and adult exhibitions in the animal
24 agriculture industry. Appropriate exhibition classes for youth shall
25 be developed that encourage a production exhibit for which premium
26 awards may be paid. The age for youth exhibitors shall be determined
27 by the standards of the association requesting the grant or, if
28 standards do not exist, the age for youth exhibitors shall be ages 9
29 through 21. Implementation of the latest technologies into the
30 evaluation of the animals shall be encouraged in the production
31 exhibit. Adult exhibitions should focus on the performance or end
32 product, or both, with the appropriate technologies used to enhance
33 placings and the awarding of premiums.

34 **OFFICE OF RACING COMMISSIONER**

35 Sec. 901. The racing commissioner may pay rewards of not more
36 than \$5,800.00 to a person who provides information that results in

1 the arrest and conviction on a felony or misdemeanor charge for a
2 crime that involves the horse racing industry. A reward paid pursuant
3 to this section shall be paid out of the office of racing commissioner
4 line item.

Final page.