

# SENATE BILL No. 1080

February 28, 2006, Introduced by Senators BARCIA and EMERSON and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2007; 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, 2007, 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..... 690.0

GROSS APPROPRIATION..... \$ 111,785,000

Interdepartmental grant revenues:

IDG from MDCH, local public health operations..... 8,878,700

IDG from MDEQ, aquifer protection and dispute  
resolution ..... 50,000

IDG from MDEQ, biosolids..... 90,200

IDG from MDEQ, MAEAP..... 155,100

IDG from MDEQ, type II well survey..... 16,800

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

IDG from MDNR, district forestry and wildlife program 1,000,000

Total interdepartmental grants and intradepartmental  
transfers ..... 10,382,700

ADJUSTED GROSS APPROPRIATION..... \$ 101,402,300

Federal revenues:

DAG, multiple grants..... 20,089,500

EPA, multiple grants..... 2,304,300

HHS, FDA..... 363,200

Total federal revenues..... 22,757,000

Special revenue funds:

Total local revenues..... 0

1	Private-commodity group.....	40,000
2	Private-slow-the-spread foundation.....	143,800
3	Total private revenues.....	183,800
4	Agricultural preservation fund.....	900,000
5	Agriculture equine industry development fund.....	16,565,000
6	Agriculture pollution prevention fund.....	100
7	Civil penalties.....	47,700
8	Commodity inspection fees.....	920,700
9	Gasoline inspection and testing fund.....	2,561,900
10	Groundwater and freshwater protection fund.....	5,093,500
11	Horticulture fund.....	77,500
12	Industry support funds.....	533,400
13	Licensing and inspection fees.....	6,320,700
14	Nonretail liquor fees.....	632,500
15	Refined petroleum fund.....	3,317,700
16	State services fee fund.....	8,982,100
17	Testing fees.....	434,500
18	Upper Peninsula state fair revenue.....	1,361,400
19	Weights and measures regulation fees.....	650,300
20	Total other state restricted revenues.....	48,399,000
21	State general fund/general purpose.....	\$ 30,062,500
22	<b>Sec. 102. EXECUTIVE</b>	
23	Full-time equated unclassified positions.....	6.0
24	Full-time equated classified positions.....	51.0
25	Commission and boards.....	\$ 47,300
26	Unclassified positions.....	354,000
27	Executive direction--10.0 FTE positions.....	1,119,600

1	Management services--34.5 FTE positions .....	2,647,700
2	Statistical reporting service--4.0 FTE positions .....	326,000
3	Emergency management--2.5 FTE positions .....	232,900
4	Human resource optimization user charges .....	<u>40,100</u>
5	GROSS APPROPRIATION .....	\$ 4,767,600
6	Appropriated from:	
7	Special revenue funds:	
8	Gasoline inspection and testing fund .....	57,200
9	Industry support funds .....	32,300
10	Nonretail liquor fees .....	8,800
11	Refined petroleum fund .....	229,900
12	State services fee fund .....	577,000
13	Upper Peninsula state fair revenue .....	9,000
14	State general fund/general purpose .....	\$ 3,853,400
15	<b>Sec. 103. DEPARTMENTWIDE</b>	
16	Rent and building occupancy charges .....	\$ <u>1,469,000</u>
17	GROSS APPROPRIATION .....	\$ 1,469,000
18	Appropriated from:	
19	Federal revenues:	
20	DAG, multiple grants .....	106,300
21	EPA, multiple grants .....	64,800
22	HHS-FDA .....	13,900
23	Special revenue funds:	
24	Agricultural preservation fund .....	23,900
25	Groundwater and freshwater protection fund .....	10,100
26	Licensing and inspection fees .....	63,200
27	Nonretail liquor fees .....	8,400

1	Refined petroleum fund.....	114,000
2	State services fee fund.....	312,600
3	State general fund/general purpose.....	\$ 751,800
4	<b>Sec. 104. FOOD AND DAIRY</b>	
5	Full-time equated classified positions.....	107.0
6	Food safety and quality assurance--107.0 FTE positions	\$ 11,307,100
7	Local public health operations.....	<u>8,878,700</u>
8	GROSS APPROPRIATION.....	\$ 20,185,800
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDCH, local public health operations.....	8,878,700
12	Federal revenues:	
13	DAG, multiple grants.....	25,900
14	HHS-FDA.....	212,200
15	Special revenue funds:	
16	Civil penalties.....	47,700
17	Licensing and inspection fees.....	2,687,900
18	State general fund/general purpose.....	\$ 8,333,400
19	<b>Sec. 105. ANIMAL INDUSTRY</b>	
20	Full-time equated classified positions.....	49.0
21	Animal health and welfare--22.5 FTE positions.....	\$ 2,428,400
22	Bovine tuberculosis program--26.5 FTE positions.....	<u>5,577,400</u>
23	GROSS APPROPRIATION.....	\$ 8,005,800
24	Appropriated from:	
25	Federal revenues:	
26	DAG, multiple grants.....	1,099,400
27	HHS-FDA.....	70,800

1	Special revenue funds:	
2	Agriculture equine industry development fund.....	2,399,100
3	Licensing and inspection fees.....	105,000
4	State general fund/general purpose.....	\$ 4,331,500
5	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>	
6	Full-time equated classified positions.....	231.8
7	Pesticide and plant pest management--119.8 FTE	
8	positions .....	\$ 13,126,000
9	Emerald ash borer control program--112.0 FTE positions	<u>13,782,000</u>
10	GROSS APPROPRIATION.....	\$ 26,908,000
11	Appropriated from:	
12	Federal revenues:	
13	DAG, multiple grants.....	16,008,700
14	EPA, multiple grants.....	1,451,600
15	HHS-FDA.....	66,300
16	Special revenue funds:	
17	Private - slow-the-spread foundation.....	143,800
18	Commodity inspection fees.....	920,700
19	Horticulture fund.....	77,500
20	Industry support funds.....	331,500
21	Licensing and inspection fees.....	3,337,600
22	State general fund/general purpose.....	\$ 4,570,300
23	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>	
24	Full-time equated classified positions.....	47.0
25	Environmental stewardship--32.7 FTE positions .....	\$ 3,155,300
26	Groundwater and freshwater protection program--8.3	
27	FTE positions .....	5,141,000

1	Farmland and open space preservation--6.0 FTE	
2	positions .....	946,300
3	Cooperative resources management initiative program..	1,000,000
4	Agriculture pollution prevention program.....	400,100
5	Local conservation districts.....	1,441,000
6	Migrant labor housing.....	150,100
7	Aquifer protection program.....	<u>50,000</u>
8	GROSS APPROPRIATION.....	\$ 12,283,800
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDEQ, aquifer protection and dispute	
12	resolution .....	50,000
13	IDG from MDEQ, biosolids.....	90,200
14	IDG from MDEQ, MAEAP.....	155,100
15	IDG from MDEQ, type II well survey.....	16,800
16	IDG from MDNR, district forestry and wildlife program	1,000,000
17	Federal revenues:	
18	DAG, multiple grants.....	550,000
19	EPA, multiple grants.....	436,700
20	Special revenue funds:	
21	Agricultural preservation fund.....	875,900
22	Agriculture pollution prevention fund.....	100
23	Groundwater and freshwater protection fund.....	5,083,300
24	State general fund/general purpose.....	\$ 4,025,700
25	<b>Sec. 108. LABORATORY PROGRAM</b>	
26	Full-time equated classified positions.....	148.0
27	Laboratory services--62.5 FTE positions.....	\$ 5,696,900

1	USDA monitoring--18.0 FTE positions .....	2,070,700
2	Consumer protection program--67.5 FTE positions .....	<u>4,948,600</u>
3	GROSS APPROPRIATION.....	\$ 12,716,200
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from MDLEG (LCC), liquor quality testing fees ....	189,100
7	Federal revenues:	
8	DAG, multiple grants.....	2,092,700
9	EPA, multiple grants.....	351,200
10	Special revenue funds:	
11	Gasoline inspection and testing fund.....	2,477,700
12	Refined petroleum fund.....	2,973,800
13	State services fee fund.....	519,700
14	Testing fees.....	434,500
15	Weights and measures regulation fees.....	650,300
16	State general fund/general purpose.....	\$ 3,027,200
17	<b>Sec. 109. AGRICULTURE DEVELOPMENT</b>	
18	Full-time equated classified positions ..... 8.0	
19	Agriculture development--5.0 FTE positions .....	\$ 901,800
20	Grape and wine program--3.0 FTE positions .....	670,000
21	Export market development program.....	50,000
22	Michigan agricultural surplus system.....	630,500
23	Michigan FFA association.....	80,000
24	Michigan 4-H foundation.....	<u>20,000</u>
25	GROSS APPROPRIATION.....	\$ 2,352,300
26	Appropriated from:	
27	Federal revenues:	



1	DAG, multiple grants.....		206,500
2	Special revenue funds:		
3	Private-commodity group.....		40,000
4	Agriculture equine industry development fund.....		100,000
5	Industry support funds.....		159,000
6	Nonretail liquor fees.....		614,800
7	State services fee fund.....		350,700
8	State general fund/general purpose.....	\$	881,300
9	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>		
10	Full-time equated classified positions..... 16.5		
11	Upper Peninsula state fair--7.0 FTE positions.....	\$	1,351,500
12	Fairs, racing and producer security--9.5 FTE positions		1,104,300
13	Building and track improvement - county and state		
14	fairs .....		963,200
15	Premiums - county and state fairs.....		1,614,000
16	Purses and supplements - fairs/licensed tracks.....		3,031,700
17	Light horse racing programs.....		170,900
18	Standardbred breeders' awards.....		1,273,000
19	Standardbred purses and supplements - licensed tracks		2,305,700
20	Standardbred sire stakes.....		1,040,000
21	Thoroughbred sire stakes.....		1,063,100
22	Standardbred training and stabling.....		44,900
23	Thoroughbred program.....		3,092,400
24	Thoroughbred owners' awards.....		159,900
25	Distribution of outstanding winning tickets.....		<u>700,000</u>
26	GROSS APPROPRIATION.....	\$	17,914,600
27	Appropriated from:		

1	Special revenue funds:	
2	Agriculture equine industry development fund.....	13,844,800
3	Industry support funds.....	10,600
4	Licensing and inspection fees.....	127,000
5	State services fee fund.....	2,580,700
6	Upper Peninsula state fair revenue.....	1,351,500
7	State general fund/general purpose.....	\$ 0
8	<b>Sec. 111. OFFICE OF RACING COMMISSIONER</b>	
9	Full-time equated classified positions.....	31.7
10	Office of racing commissioner--31.7 FTE positions....	\$ <u>3,644,100</u>
11	GROSS APPROPRIATION.....	\$ 3,644,100
12	Appropriated from:	
13	Special revenue funds:	
14	State services fee fund.....	3,644,100
15	State general fund/general purpose.....	\$ 0
16	<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
17	Information technology services and projects.....	\$ <u>1,537,800</u>
18	GROSS APPROPRIATION.....	\$ 1,537,800
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from MDLEG (LCC), liquor quality testing fees....	2,800
22	Special revenue funds:	
23	Agricultural preservation fund.....	200
24	Agriculture equine industry development fund.....	221,100
25	Gasoline inspection and testing fund.....	27,000
26	Groundwater and freshwater protection fund.....	100
27	Nonretail liquor fees.....	500

1	State services fee fund.....	997,300
2	Upper Peninsula state fair revenue.....	900
3	State general fund/general purpose.....	\$ 287,900

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 GENERAL SECTIONS

7 Sec. 201. Pursuant to section 30 of article IX of the state  
 8 constitution of 1963, total state spending from state resources  
 9 under part 1 for fiscal year 2006-2007 is \$78,461,500.00 and state  
 10 spending from state resources to be paid to local units of  
 11 government for fiscal year 2006-2007 is \$3,141,000.00. The itemized  
 12 statement below identifies appropriations from which spending to  
 13 units of local government will occur:

14 DEPARTMENT OF AGRICULTURE

15	Groundwater and freshwater protection program.....	\$ 1,700,000
16	Local conservation districts.....	<u>1,441,000</u>
17	TOTAL.....	\$ 3,141,000

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

21 Sec. 203. As used in this bill:

- 22 (a) "DAG" means the United States department of agriculture.  
 23 (b) "Department" means the department of agriculture.  
 24 (c) "Director" means the director of the department.  
 25 (d) "EPA" means the United States environmental protection

1 agency.

2 (e) "FFA" means future farmers of America.

3 (f) "FTE" means full-time equated.

4 (g) "HHS-FDA" means the United States department of health and  
5 human services - food and drug administration.

6 (h) "IDG" means interdepartmental grant.

7 (i) "MAEAP" means the Michigan agriculture environmental  
8 assurance program.

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

10 (k) "MDLEG (LCC)" means the Michigan department of labor and  
11 economic growth - liquor control commission.

12 (l) "MDEQ" means the Michigan department of environmental  
13 quality.

14 (m) "MDNR" means the Michigan department of natural resources.

15 (n) "USDA" means the United States department of agriculture.

16 Sec. 204. The department of civil service shall bill  
17 departments and agencies at the end of the first fiscal quarter for  
18 the 1% charge authorized by section 5 of article XI of the state  
19 constitution of 1963. Payments shall be made for the total amount  
20 of the billing by the end of the second fiscal quarter.

21 Sec. 205. (1) A hiring freeze is imposed on the state  
22 classified civil service. State departments and agencies are  
23 prohibited from hiring any new full-time state classified civil  
24 service employees and prohibited from filling any vacant state  
25 classified civil service positions. This hiring freeze does not  
26 apply to internal transfers of classified employees from 1 position  
27 to another within a department.

1           (2) The state budget director may grant exceptions to this  
2 hiring freeze when the state budget director believes that the  
3 hiring freeze will result in rendering a state department or agency  
4 unable to deliver basic services, cause loss of revenue to the  
5 state, result in the inability of the state to receive federal  
6 funds, or necessitate additional expenditures that exceed any  
7 savings from maintaining a vacancy. The state budget director shall  
8 report quarterly to the chairpersons of the senate and house of  
9 representatives standing committees on appropriations the number of  
10 exceptions to the hiring freeze approved during the previous  
11 quarter and the reasons to justify the exception.

12           Sec. 208. Unless otherwise specified, the department shall use  
13 the Internet to fulfill the reporting requirements of this bill.  
14 This requirement may include transmission of reports via electronic  
15 mail to the recipients identified for each reporting requirement,  
16 or it may include placement of reports on an Internet or Intranet  
17 site.

18           Sec. 209. Funds appropriated in part 1 shall not be used for  
19 the purchase of foreign goods or services, or both, if  
20 competitively priced and of comparable quality American goods or  
21 services, or both, are available. Preference should be given to  
22 goods or services, or both, manufactured or provided by Michigan  
23 businesses if they are competitively priced and of comparable  
24 quality.

25           Sec. 210. The director shall take all reasonable steps to  
26 ensure businesses in deprived and depressed communities compete for  
27 and perform contracts to provide services or supplies, or both. The

1 director shall strongly encourage firms with which the department  
2 contracts to subcontract with certified businesses in depressed and  
3 deprived communities for services, supplies, or both.

4       Sec. 212. Of the funds appropriated in part 1, the department  
5 may provide for indemnity as provided for pursuant to the  
6 animal industry act of 1987, 1988 PA 466, MCL 287.701 to  
7 287.745, not to exceed \$100,000.00 per order from any line  
8 item for the fiscal year ending September 30, 2007. Before the  
9 department provides for an indemnification under this section,  
10 the department shall report the reason for the  
11 indemnification, the amount of the indemnification, and to  
12 whom the indemnification is to be paid. The report shall be  
13 given to each member of the house and senate appropriations  
14 subcommittees on agriculture and to the senate and house  
15 fiscal agencies and the state budget director.

16       Sec. 219. From the funds appropriated in part 1 for  
17 information technology, departments and agencies shall pay user  
18 fees to the department of information technology for technology-  
19 related services and projects. Such user fees shall be subject to  
20 provision of an interagency agreement between the departments and  
21 agencies and the department of information technology.

22       Sec. 220. Amounts appropriated in part 1 for information  
23 technology may be designated as work projects and carried forward  
24 to support technology projects under the direction of the  
25 department of information technology. Funds designated in this  
26 manner are not available for expenditure until approved as work  
27 projects under section 451a of the management and budget act, 1984

1 PA 431, MCL 18.1451a.

2 Sec. 223. (1) Due to the current budgetary problems in this  
3 state, out-of-state travel for the fiscal year ending September 30,  
4 2007 shall be limited to situations in which 1 or more of the  
5 following conditions apply:

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

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

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

14 (d) The travel is necessary to comply with federal  
15 requirements.

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

18 (f) The travel is financed entirely by federal or nonstate  
19 funds.

20 (2) If out-of-state travel is necessary but does not meet 1 or  
21 more of the conditions in subsection (1), the state budget director  
22 may grant an exception to allow the travel. Any exceptions granted  
23 by the state budget director shall be reported on a monthly basis  
24 to the senate and house of representatives standing committees on  
25 appropriations.

26 (3) Not later than January 1 of each year, each department  
27 shall prepare a travel report listing all travel by classified and

1 unclassified employees outside this state in the immediately  
2 preceding fiscal year that was funded in whole or in part with  
3 funds appropriated in the department's budget. The report shall be  
4 submitted to the chairs and members of the senate and house of  
5 representatives standing committees on appropriations, the fiscal  
6 agencies, and the state budget director. The report shall include  
7 the following information:

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

10 (b) The destination of each travel occurrence.

11 (c) The dates of each travel occurrence.

12 (d) A brief statement of the reason for each travel  
13 occurrence.

14 (e) The transportation and related costs of each travel  
15 occurrence, including the proportion funded with state general  
16 fund/general purpose revenues, the proportion funded with state  
17 restricted revenues, the proportion funded with federal revenues,  
18 and the proportion funded with other revenues.

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

21 Sec. 225. (1) In addition to the funds appropriated in part 1,  
22 there is appropriated an amount not to exceed \$5,000,000.00 for  
23 federal contingency funds. These funds are not available for  
24 expenditure until they have been transferred to another line item  
25 in this bill under section 393(2) of the department of management  
26 and budget act, 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is



1 appropriated an amount not to exceed \$6,000,000.00 for state  
2 restricted contingency funds. These funds are not available for  
3 expenditure until they have been transferred to another line item  
4 in this bill under section 393(2) of the department of management  
5 and budget act, 1984 PA 431, MCL 18.1393.

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

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

## 18 EXECUTIVE

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

24 (a) Management services publications.

25 (b) Management services audit and licensing functions.

26 (c) Pesticide and plant pest management propagation and

1 certification of virus free foundation stock.

2 (d) Pesticide and plant pest management bean inspection and  
3 grading services.

4 (e) Laboratory support testing for testing horses in draft  
5 horse pulling contests at county fairs when local jurisdictions  
6 request state assistance.

7 (f) Laboratory support analyses to determine foreign  
8 substances in horses engaged in racing or pulling contests at  
9 tracks.

10 (g) Laboratory support analysis of food, livestock, and  
11 agricultural products for disease, foreign products for disease,  
12 toxic materials, foreign substances, and quality standards.

13 (h) Laboratory support test samples for other agencies and  
14 organizations.

15 (i) Fruit and vegetable inspection at shipping and termination  
16 points and processing plants.

17 **FOOD AND DAIRY**

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

22 **ANIMAL INDUSTRY**

23 Sec. 450. From the funds appropriated in section 105 for the  
24 bovine tuberculosis program, the department shall reimburse the  
25 department of natural resources for those costs associated with

1 monitoring and testing wildlife for bovine tuberculosis that are  
2 necessary to support the department goals and are jointly agreed to  
3 by the department and the department of natural resources to be in  
4 excess of efforts necessary to effectively plan and execute the  
5 eradication of bovine tuberculosis from Michigan's wild free-  
6 ranging deer herd.

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

#### 13   ENVIRONMENTAL STEWARDSHIP

14       Sec. 604. The appropriation in section 107 for local  
15 conservation districts shall be allocated in the following manner:

16       (a) Of the total appropriation, each local conservation  
17 district meeting the minimum grant requirements shall receive a  
18 grant of \$18,200.00 to support basic operations, unless the  
19 district resides in a county consisting of multiple districts, in  
20 which case a \$18,200.00 grant shall be divided equally among the  
21 districts in that county. The amount of money allocated under this  
22 subdivision shall not be used by local conservation districts to  
23 replace any money received from local sources.

24       (b) Any amount remaining from the appropriation after  
25 distributions under subdivision (a) shall be allocated for local  
26 conservation district training.

1    **AGRICULTURE DEVELOPMENT**

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

7    **FAIRS AND EXPOSITIONS**

8           Sec. 802. From the amount appropriated in section 110 for  
9 purses and supplements - fairs/licensed tracks, \$280,000.00 is to  
10 be used for state purse supplements at state licensed pari-mutuel  
11 tracks for races comprised only of Michigan-bred horses segregated  
12 into a 4-year-old colt trot division, a 4-year-old filly trot  
13 division, a 4-year-old colt pace division, and a 4-year-old filly  
14 pace division.

15          Sec. 803. Included in the appropriation made in section 110  
16 for the thoroughbred program is \$30,500.00 for the Michigan united  
17 thoroughbred breeders and owners association to conduct a  
18 thoroughbred yearling show. The Michigan united thoroughbred  
19 breeders and owners association shall submit to the department an  
20 itemized list of expenses showing that the expenses of the yearling  
21 show were paid.

22          Sec. 804. From the funds appropriated in section 110 for  
23 thoroughbred owners' awards, awards shall be distributed pursuant  
24 to section 20 of the horse racing law of 1995, 1995 PA 279, MCL  
25 431.320.

1       Sec. 806. A county fair, district fair, 4-H fair, or state  
2 fair receiving funds in section 110 to be used for prizes or  
3 awards, in whole or in part, as a condition precedent to the  
4 receiving of the funds for those purposes, shall publish the rules  
5 relative to the prizes, awards, and deadlines for entries eligible  
6 for the funds in their official premium books or lists relative to  
7 the prizes or awards. An aggrieved exhibitor may make a written  
8 complaint to the fair within 10 days after the fair ends. If the  
9 fair has not satisfactorily settled the grievance within 45 days  
10 after it is submitted to the fair, the aggrieved person may file  
11 the complaint with the department and the department shall  
12 investigate the complaint and make a finding of fact regarding the  
13 complaint and take appropriate action regarding the complaint.

14       Sec. 807. Of the amount appropriated in section 110 for purses  
15 and supplements - fairs/licensed tracks, a sufficient amount is  
16 appropriated to provide for overnight purse supplements pursuant to  
17 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

18       Sec. 808. Of the amount appropriated in section 110 for  
19 premiums - county and state fairs, \$91,400.00 shall be expended to  
20 reimburse up to 75% premiums paid to large livestock and equine  
21 exhibitors in shows or exhibitions held by statewide associations  
22 as defined by the department. Livestock expositions shall be  
23 limited to participation in this program and prohibited from  
24 participation in any state funded premium programs. The Michigan  
25 horse show association fall youth show shall be included.

26       Sec. 809. From the appropriations for premiums - county and  
27 state fairs in section 110, \$40,000.00 shall be awarded through a

1 competitive grant program to local, regional, or state fairs or  
2 youth education programs to promote youth involvement and adult  
3 exhibitions in the animal agriculture industry.

4 **OFFICE OF RACING COMMISSIONER**

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