



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 222 (as introduced)

Committee: Appropriations

FY 2006-07 Year-to-Date Gross Appropriation	\$113,628,800
Changes from FY 2006-07 Year-to-Date:	
1. Local Conservation Districts. The Governor eliminated GF/GP funding for grants of \$19,200 to each of 79 local conservation districts.	(1,516,800)
2. Intercounty Drain Program. The Governor eliminated GF/GP funding and 5.0 FTE positions for the Intercounty Drain Program.	(469,300)
3. Agricultural Statistics. The Governor reduced GF/GP funding for this program by 80 percent and eliminated 3.0 FTE positions.	(261,300)
4. Aquaculture and Cervid Culture Program. The Governor eliminated GF/GP funding and 3.0 FTE positions for these outreach programs.	(250,000)
5. MSU Northwest Horticultural Research Station Grant. The Governor eliminated GF/GP funding for this grant.	(30,000)
6. Agriculture Equine Industry Development Fund. Due to declines in revenue to the fund, the Governor recommended reductions in funding from the AEIDF for horse racing purses and supplements (\$3,684,500) and Bovine TB (\$215,500).	(3,900,000)
7. FFA and 4H Grants. The Governor eliminated funding for the FFA grant (\$80,000) and the 4H grant (\$20,000). Both grants were funded through the Agriculture Equine Industry Development Fund.	(100,000)
8. Emerald Ash Borer. The Governor reduced funding to the program to reflect anticipated reductions in federal revenue.	(3,800,000)
9. Buy Michigan. The Governor reduced GF/GP funding in Right to Farm (\$150,000 and 2.0 FTE), Laboratory Services-Agriculture Products Testing (\$150,000 and 2.0 FTE), and the Plant Industry and Pesticide Section (\$200,000 and 3.0 FTE). The resources are shifted to the Buy Michigan program (\$500,000 and 2.0 FTE).	0
10. Cooperative Resources Management Initiative. The Governor eliminated funding for this program due to declining revenue. The program is funded through the District Forestry and Wildlife Program in the Department of Natural Resources.	(1,000,000)
11. Federal Funding Contingency Line Item. The Governor added a line item for federal contingency funds.	1,000,000
12. Revenue Adjustments. The Governor adjusted funding to reflect anticipated federal and state restricted revenue.	808,300
13. Economic Adjustments. The Governor included standard economic adjustments.	2,411,000
14. Other Changes. The Governor recommended an administrative reduction for information technology (\$12,900), the addition of funds for Human Resources User Charges (\$1,100), a reduction for the continuation of the retirement adjustment (\$113,600); elimination of one-time funding for the Equine Industry Survey (\$50,000); and a reduction for Human Resources Optimization Charges (\$14,700).	(190,100)
Total Changes.....	(\$7,298,200)
FY 2007-08 Governor's Recommendation.....	\$106,330,600

Changes from FY 2006-07 Year to Date:

1. **Indemnification Payments.** The Governor removed language requiring the department to make indemnification payments for livestock killed by a wolf, coyote, or cougar.
2. **Restrictions on Departmental Operations.** The Governor removed a number of restrictions on the operations of the department: notification of appropriations committees prior to awarding of grants to local government agencies, institutions of higher education, or nonprofit organizations (Sec. 214); disciplinary action against an employee for communicating with the Legislature (Sec. 224); exploration of expansion of the MSU Pavilion for Agriculture and Livestock Education (Sec. 225); per diem rates for commodity committees (Sec 301); development of approval process for local units of government to reallocate restaurant inspection program funds (Sec 403); application for all eligible federal funds for migrant labor housing (Sec 603); use of appropriation for the Export Market Development Program (Sec 705); awarding of Julian-Stille grants (Sec 707 and 708); notification of Legislature prior to reducing expenditures from the Agriculture Equine Industry Development Fund (Sec 805); and a requirement that uncashed winning race tickets must be deposited into the AEIDF prior to distribution. (Sec 811)
3. **Legislative Reports:** The Governor removed a number of required legislative reports: return on investment for each of the department's programs (Sec. 227); notification prior to and an annual report on fee changes (Sec 302); bi-annual report on motor fuel quality inspection data (sec 304); conformance of local health departments with restaurant inspection requirements (Sec 401); food-borne outbreaks (Sec 402); Agriculture Development and Export Market Development activities (Sec 706); activities of the Grape and Wine Industry Council (Sec 709); and simulcasting revenues and license fees. (Sec 801)
4. **Contingency Funds.** The Governor included contingency fund language. (Sec. 228)
5. **Motor Fuel Quality Program.** The Governor removed language requiring expenditures of at least \$3.8 million for the motor fuel quality program. (Sec 304)
6. **Food-borne Disease Outbreaks.** The Governor removed language requiring the department to seek additional resources to reimburse local units of government for costs resulting from a food-borne disease outbreak. (Sec. 401)
7. **Language Related to Appropriation Line Items.** The Governor removed boilerplate language related to several appropriation line items for which funding was eliminated: survey of the equine industry (Sec 305); distribution of funds to local conservation districts (Sec 604); and the FFA grant (Sec 704). In addition, adjustments to boilerplate allocations were made concerning Purses and Supplements (Sec 802) and the Thoroughbred Program. (Sec 803)
8. **MSU Northwest Horticultural Research Station.** The Governor removed language earmarking \$30,000 GF/GP for the Research Station. (Sec. 703)

Date Completed: 2-14-07

Fiscal Analyst: Debra Hollon