



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2006-07 Year-to-Date Gross Appropriation	\$110,232,000
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Changes from FY 2006-07 Year-to-Date:

Items Included by the Senate and House

1. In an effort to expedite the process and move the bill into conference, the House zeroed the line items for the department's budget. As a result, all items were items of difference.

Conference Agreement on Items of Difference

2. Local Conservation Districts. Gov. eliminated funding. Conf. Rpt. restored partial funding.	(600,000)
3. Intercounty Drains. Gov. eliminated funding; 5 FTE. Conf. Rpt. restored partial funding; 2.5 FTE.	(269,300)
4. Ag Stats. Gov. reduced funding (\$261,300; 3 FTE). Conf. Rpt. further reduced GF, but partially offset.	(199,500)
5. Aquaculture/Cervid Program. Gov. reduced funding; 3 FTE. Conf. Rpt. partially restored; 2 FTE.	(75,000)
6. NW Hort Station. Gov. eliminated grant. Conf. Rpt. retained reduction; included boilerplate funding.	(30,000)
<i>Vetoed by the Governor.</i>	
7. AEIDF. Gov./Conf. Rpt. reduced horse racing line items (\$3,684,500) and Bovine TB (\$215,500).	(3,900,000)
8. FFA and 4H Grants. Gov./Conference Report eliminated funding for the FFA and 4H grants.	(100,000)
9. Emerald Ash Borer. Gov./Conference Report reduced federal funding to the program.	(3,800,000)
10. Right to Farm. Gov. reduced funding (\$150,000; 2 FTE). Conf. Report restored partial funding.	(10,000)
11. Laboratory. Gov. reduced funding (\$150,000; 2 FTE). Conf. Rpt. partially offset with restricted funds.	(75,000)
12. PPPM. Gov. reduced funding (\$200,000; 3 FTE). Conf. Rpt. further reduced GF, but partially offset.	(180,400)
13. Food Safety. Conference Report increased civil penalty expenditures due to increased revenue.	200,000
14. Executive. Conf. Rpt. reduced Mgmt Svcs (\$300,000, 3 FTE) and Comms/Boards (\$29,500).	(329,500)
15. Bovine TB. The Conf. Report added GF funding and 10.0 FTE positions for the program.	1,600,000
16. Technical Assistance. The Conference Report added funding to match federal funds.	300,000
17. Agriculture Development. Conference Report reduced GF funding by \$30,000 and also shifted \$150,000 for the Ag Surplus System from GF to an IDG for DHS.	(30,000)
18. Information Technology. The Conference Report reduced GF funding for the program.	(40,000)
19. Environmental Stewardship. Conference Report shifted \$50,000 from GF to restricted funds.	0
20. Migrant Housing. The Conference Report added federal funding to the program.	250,000
21. CRMI. Gov. eliminated funding for this program. The Conference Report restored the funding.	(1,000,000)
<i>Vetoed by the Governor.</i>	
22. Revenue Adjustments. Gov./Conf. Rpt. adjusted funding to reflect anticipated revenue.	808,300
23. Economic Adjustments. Gov./Conference Report added standard economic adjustments.	2,411,000
24. Other Reductions. Gov./Conf. Report recommended: IT (\$12,900), retirement adjustments (\$113,600); Equine Industry Survey (\$50,000); and HR Optimization Charges (\$13,600).	(190,100)
25. Adjustments. Adjustments for FY06-07 reductions: EO2007-3(\$3,110,600); 2007 PA17 (\$286,200).	3,396,800
Total Changes	(\$1,862,700)

FY 2007-08 Enacted Gross Appropriation	\$108,339,300
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Changes from FY 2006-07 Year to Date:Items Included by the Senate and House

1. **Indemnification.** Gov. removed/Conf. Report retained payments for livestock killed by a wolf, coyote, or cougar. (Sec. 212)
2. **Restrictions on Departmental Operations.** Gov. removed/Conf. Rpt. retained restrictions: notification of legislature prior to awarding of grants to certain entities (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 Reports (Sec 301); search for resources to reimburse local governments for costs from food-borne disease outbreak (Sec 401); development of approval process for local governments to reallocate restaurant inspection program funds (Sec 403); application for all eligible federal funds for migrant labor housing (Sec 603); awarding of Julian-Stille grants (Sec 707 and 708); notification of Legislature prior to reducing expenditures from the AEIDF (Sec 805); and depositing uncashed winning race tickets into the AEIDF prior to distribution. (Sec 811)
3. **Legislative Reports:** Gov. removed and Conf. Rpt. retained required legislative reports: ROI 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. **EQUIP.** Conf. Rpt. added language requiring MDA to search for any source of funding to match federal funds. (Sec 606)
5. **Thoroughbred Purse Money.** Conf. Rpt. required funds to be held in escrow if there are no races in 2008. (Sec. 902)
6. **Electronic ID.** Conf. Rpt. prohibited tagging animals other than cattle unless procedures are outlined in statute. (Sec. 456)

Conference Agreement on Items of Difference

7. **Contingency Funds.** Gov. and Conference Report included contingency fund language. (Sec 228)
8. **Motor Fuel Quality Program.** Gov. removed and Conf. Rpt. retained language requiring certain expenditures. (Sec 304)
9. **Language Related to Appropriation Line Items.** Gov./Conf. Rpt. removed language related to several line items for which funding was eliminated: survey of the equine industry (Sec 305) and the FFA grant (Sec 704). In addition, adjustments to allocations for local conservation districts (Sec 604) and purses and supplements (Sec 802 and Sec 803) were made.
10. **NW Horticulture Station.** Gov. removed earmark of \$30,000. Conf. Report retained and added a match. (Sec. 703)

Vetoed by the Governor.

11. **Feed Testing.** The Conf. Report added language requiring feed fees appropriations to be used for feed testing. (Sec 501)
12. **Legal Services.** The Conference Report added language concerning departmental legal staff. (Sec 228)
13. **Bovine TB.** Conf. Rpt. required application for funds (Sec 452); USDA collaboration (Sec. 454); monthly reports. (Sec 457)
14. **PPPM Reductions.** The Conf. Rpt. added language allowing the department to increase fees to offset GF reductions. (Sec 502)
15. **Direct Service Employees.** Conf. Rpt. required not less than 315 employees who provide direct public service. (Sec 231)
16. **Efficiency Mechanisms.** Conf. Rpt. required implementation of efficiency mechanisms and biannual report. (Sec 232)
17. **Agricultural Statistics.** Conf. Rpt. required that state funding be matched at not less than 50% by private funds. (Sec 306)
18. **Hiring Freeze.** Conf. Rpt. provided an exemption for the Food and Dairy (Sec 406) and Bovine TB programs. (Sec 459)
19. **E-inspector Program.** The Conf. Report provided that unexpended funding for the program carryforward. (Sec 407)
20. **Aquaculture.** The Conf. Report required inspection and testing of aquaculture facilities and researchers. (Sec 458)
21. **Intercounty Drains.** The Conference Report directed the department to continue intercounty drain activities. (Sec 607)
22. **Export Marketing.** The Conference Report required participation in the federal market access program. (Sec 705)
23. **Bldg/Track Improvements.** The Conf. Report stated intent that reduction in funding be restored in FY 2009. (Sec 813)
24. **NRCS Technical Assistance.** The Conf. Rpt. required appropriation to be used for NRCS technical assistance. (Sec. 605)
25. **Electronic Animal Identification.** The Conf. Rpt. added language allowing the id tagging of cattle at saleyards. (Sec. 455)
26. **Farm Markets.** Conf. Rpt. required 20% of applications to be used for farm markets and agricultural tourism. (Sec. 712)

Date Completed: 11-5-07

Fiscal Analyst: Debra Hollon