



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5875 (as introduced)

Committee: Appropriations

FY 2009-10 Year-to-Date Gross Appropriation	\$80,369,000
Changes from FY 2009-10 Year-to-Date:	
1. Michigan Agriculture Environmental Assurance Program (MAEAP) Transfer. The Governor recommended the transfer of the MAEAP for farmers to the Michigan State University Agricultural Experiment Station for a GF/GP and 5.0 FTE savings.	(586,400)
2. Dairy Inspection Fees. The Governor recommended an increase in dairy inspection fees over those included in the FY 2009-10 budget. The additional revenue would offset a General Fund reduction of \$500,000 in the program.	0
3. Migrant Worker Housing Inspection Fee. The Governor recommended an increase in Migrant Worker Housing Inspection fees from the current year proposed \$5.00 per worker to \$30.00 per worker for FY 2010-11. The additional revenue would offset a General Fund reduction of \$537,000 in the program.	0
4. Office of Racing Commissioner (ORC) Transfer. The budget reflects a restricted fund reduction as a result of the transfer of the ORC to the Department of Treasury's Gaming Control Board, per E.O. 2009-45. The transfer includes 10 FTEs.	(1,905,000)
5. Pesticide and Plant Pest Management. The Governor recommended a GF/GP reduction to the program, for a FY 2010-11 total of \$13.4 million, \$3.8 million GF/GP.	(379,400)
6. Right to Farm Program. The Governor recommended a GF/GP savings due to a plan for the program to work with the Department of Natural Resources and the Environment.	(150,000)
7. Animal Control Officers and Shelter Program. The Governor recommended removing funding for the program, which is to be assumed by local government, to save GF/GP.	(150,000)
8. Adjustments for Actual Revenue Received. The Governor recommended a reduction to reflect the expected receipt of revenues from IDGs (\$426,600), federal (\$1,740,500), and restricted (\$581,000).	(2,748,100)
9. Administrative Efficiencies. The Governor recommended GF/GP administrative efficiencies for Shelter Oversight (\$70,400), Aquaculture (\$20,000) Livestock Program (\$10,200), Domestic Marketing (\$27,300), DIT and DMB consolidation (\$2,700), Grants to Shelters (\$8,000) and Bodies of Dead Animals Program (\$800).	(139,400)
10. Combining of Migrant Worker Programs. The Governor recommended the combining of two similar programs which would result in a slight program increase of \$43,000 (\$40,000 federal and \$3,000 restricted).	43,000
11. Accounting Shift. The budget included an accounting staff shift of 8.0 FTEs and \$878,300 to MDOT (in the form of an IDG) per consolidation ordered by E.O. 2007-32.	0
12. Economic Adjustments. The budget made adjustments for rent, building occupancy charges, salaries and wages, retirement benefits, workers' compensation, and utilities.	3,324,100
Total Changes	(\$2,691,200)
FY 2010-11 Governor's Recommendation.....	\$77,677,800

Changes from FY 2009-10 Year to Date:**Deleted Boilerplate Sections**

1. **Hiring Freeze.** Language establishing a hiring freeze. (Sec. 205)
2. **Grant Notice.** Requires a 10-day notice of non line item grants. (Sec. 214)
3. **Expenditure Notice.** Requires Internet disclosure of expenditures. (Sec.215)
4. **DIT Project.** Permits DIT appropriations to be designated as work projects. (Sec.220)
5. **Disciplinary Action.** Prohibits disciplinary action against Dept. employee for communicating with Legislature. (Sec. 224)
6. **Small Business.** Requires report on policy changes and prohibits rules discriminatory to small businesses. (Sec. 229)
7. **Employee Funding.** Requires not less than 315 employees be funded for Pesticide and Plant Pest Management, Food and Dairy, Animal Industry, Environmental Stewardship and Laboratory Division. (Sec. 231)
8. **Efficiency Mechanism.** Requires implementation of continuous improvement efficiency mechanisms. (Sec. 232)
9. **Travel Guidelines.** Guidelines for employee attendance at out-of-state conferences. (Sec. 234)
10. **C.S. Mott Funding.** Permits funding to C.S. Mott Group for Sustainable Food Systems/Local Market Enhancement. (Sec. 235)
11. **Equine Expenditures.** Requires Equine Industry funds to spent only for equine-related purposes. (Sec. 236)
12. **Lapse Report.** Requires report of year-end GF/GP lapse estimates. (Sec. 237)
13. **FTE Report.** Requires bi-monthly report of FTEs in pay status. (Sec. 238)
14. **Fuel Quality Program.** Requires Motor Fuel Quality Program to not reduce effort below FY 2006-07 level, plus report. (Sec. 304)
15. **Agriculture Statistics.** Requires private funds for Ag stats to be used to match State funds at not less than 50%. (Sec. 306)
16. **Food-Borne Report.** Requires annual report on food-borne outbreaks including enforcement action taken. (Sec. 402)
17. **Food and Dairy Inspections.** Authorizes Dept. to fill all open positions in the Food and Dairy Inspection Program. (Sec. 406)
18. **Dairy Inspections.** Requires not less than \$3,098,000.00 be spent for dairy inspections. (Sec. 407)
19. **Bovine TB.** Bovine TB guidelines, plans, reports and position authorization. (Sec. 452, 454, 455, 456, 457,459)
20. **Aquaculture.** Requires aquaculture inspections and prohibits reductions for aquaculture programs. (Sec. 458, 460)
21. **Fruit & Vegetable Inspections.** States intent that MDA work with industry to develop third-party fruit and vegetable inspections. (Sec. 551)
22. **Environmental Stewardship.** Environmental Stewardship language requiring application for Federal funds, support of intercounty drainage districts, no reductions to Right-to-farm Program, and guidelines for use of \$130,000.00 for water withdrawal assessment. (Sec. 603, 606, 607, 608,610)
23. **Agriculture Development.** Agriculture development required guidelines, reports of activities, collaboration with Strategic Fund, earmark of \$100,000.00 for export market development. (Sec. 705, 706, 707, 709, 711,713)
24. **Horse Racing.** Requires report of fund expenditures, earmarks for purses and supplements, Thoroughbred Program, thoroughbred owners, fairs and licensed tracks, outstanding winning tickets, guidelines for Thoroughbred Purse and Program money and requiring a 30-day notice prior to a request for rule making by the Racing Commissioner. (Sec. 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308 of PA 140 of 2009)

Amended Boilerplate Sections

25. **Indemnity.** The Governor removed provision for livestock killed by wolf, coyote or cougar. (Sec. 212-2)
26. **Receive & Expend Allowance.** Allows receipt/expenditure for various programs—Governor removed bean inspection services. (Sec. 302)
27. **Migrant Worker Housing.** Migrant worker housing inspection fee—the Gov. raised it from \$5 to \$30 per worker. (Sec 609)

Date Completed: 2-26-09

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