

**SUBSTITUTE FOR
HOUSE BILL NO. 5875**

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2011; 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:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of agriculture for the fiscal year ending September 30, 2011, from the

House Bill No. 5875 (H-3) as amended March 25, 2010

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..... 2.0

Full-time equated classified positions..... 458.4

GROSS APPROPRIATION..... \$ [77,192,800]

Interdepartmental grant revenues:

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

IDG from MDNRE, biosolids..... 97,200

Total interdepartmental grants and intradepartmental

transfers 289,100

ADJUSTED GROSS APPROPRIATION..... \$ [76,903,700]

Federal revenues:

DAG, multiple grants..... 10,863,300

EPA, multiple grants..... 1,728,900

HHS-FDA..... 1,713,800

United States department of labor..... 463,900

Total federal revenues..... 14,769,900

Special revenue funds:

Total local revenues..... 0

Private - slow-the-spread foundation..... 166,400

Private - commodity group revenue..... 93,700

Total private revenues..... 260,100

Agricultural preservation fund..... 3,002,700

Agriculture equine industry development fund..... 5,750,700

Agriculture pollution prevention fund..... 100

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1	Animal welfare fund.....	142,400
2	Commodity inspection fees.....	1,218,500
3	Consumer and industry food safety education fund.....	278,000
4	Dairy and food safety fund.....	3,016,500
5	Freshwater protection fund.....	5,127,600
6	Gasoline inspection and testing fund.....	2,822,600
7	Horticulture fund.....	89,300
8	Industry support funds.....	821,600
9	Licensing and inspection fees.....	4,281,100
10	Migrant housing inspection fees.....	112,300
11	Migratory labor housing fund.....	28,600
12	Nonretail liquor fees.....	718,800
13	Refined petroleum fund.....	3,870,900
14	State services fee fund.....	53,400
15	Testing fees.....	434,500
16	Weights and measures regulation fees.....	722,500
17	Total other state restricted revenues.....	32,492,100
18	State general fund/general purpose.....	\$ [29,381,600]
19	Sec. 102. EXECUTIVE	
20	Full-time equated unclassified positions.....	2.0
21	Full-time equated classified positions.....	27.5
22	Commissions and boards.....	\$ 23,800
23	Unclassified positions--2.0 FTE positions.....	213,300
24	Executive direction--8.0 FTE positions.....	1,025,800
25	Management services--12.0 FTE positions.....	1,016,600
26	Statistical reporting service--1.0 FTE positions.....	150,300
27	Emergency management--6.5 FTE positions.....	759,400

1	Accounting service center.....		<u>878,300</u>
2	GROSS APPROPRIATION.....	\$	4,067,500
3	Appropriated from:		
4	Federal revenues:		
5	HHS-FDA.....		512,300
6	Special revenue funds:		
7	Private - commodity group revenue.....		82,600
8	Gasoline inspection and testing fund.....		70,100
9	Industry support funds.....		38,400
10	Nonretail liquor fees.....		8,800
11	Refined petroleum fund.....		57,800
12	State general fund/general purpose.....	\$	3,297,500
13	Sec. 103. DEPARTMENTWIDE		
14	Rent and building occupancy charges.....	\$	<u>1,042,200</u>
15	GROSS APPROPRIATION.....	\$	1,042,200
16	Appropriated from:		
17	Federal revenues:		
18	DAG, multiple grants.....		236,000
19	EPA, multiple grants.....		182,900
20	HHS-FDA.....		45,500
21	Special revenue funds:		
22	Agricultural preservation fund.....		23,900
23	Freshwater protection fund.....		35,200
24	Licensing and inspection fees.....		177,800
25	Nonretail liquor fees.....		30,300
26	Refined petroleum fund.....		257,200
27	State services fee fund.....		53,400

1	State general fund/general purpose	\$	0
2	Sec. 104. FOOD AND DAIRY		
3	Full-time equated classified positions.....	107.0	
4	Food safety and quality assurance--107.0 FTE positions	\$	<u>13,159,900</u>
5	GROSS APPROPRIATION.....	\$	13,159,900
6	Appropriated from:		
7	Federal revenues:		
8	DAG, multiple grants.....		61,100
9	HHS-FDA.....		432,600
10	Special revenue funds:		
11	Consumer and industry food safety education fund.....		278,000
12	Dairy and food safety fund.....		3,016,500
13	State general fund/general purpose	\$	9,371,700
14	Sec. 105. ANIMAL INDUSTRY		
15	Full-time equated classified positions.....	67.9	
16	Animal health and welfare--12.4 FTE positions	\$	2,027,100
17	Bovine tuberculosis program--55.5 FTE positions		<u>7,571,700</u>
18	GROSS APPROPRIATION.....	\$	9,598,800
19	Appropriated from:		
20	Federal revenues:		
21	DAG, multiple grants.....		1,215,800
22	HHS-FDA.....		75,400
23	Special revenue funds:		
24	Animal welfare fund.....		142,400
25	Licensing and inspection fees.....		111,400
26	State general fund/general purpose	\$	8,053,800
27	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		

1	Full-time equated classified positions.....	108.0	
2	Pesticide and plant pest management--94.0 FTE		
3	positions		\$ 11,366,800
4	Emerald ash borer control program--10.0 FTE positions		2,138,500
5	Producer security/grain dealers--4.0 FTE positions ...		<u>252,600</u>
6	GROSS APPROPRIATION.....		\$ 13,757,900
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	Federal revenues:		
10	DAG, multiple grants.....		3,214,400
11	EPA, multiple grants.....		838,600
12	HHS-FDA.....		105,000
13	Special revenue funds:		
14	Private - slow-the-spread foundation.....		166,400
15	Commodity inspection fees.....		1,218,500
16	Horticulture fund.....		89,300
17	Industry support funds.....		461,900
18	Licensing and inspection fees.....		3,833,600
19	State general fund/general purpose.....		\$ 3,830,200
20	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
21	Full-time equated classified positions.....	40.0	
22	Environmental stewardship--8.0 FTE positions		\$ 910,100
23	Michigan agriculture environmental assurance program .		100
24	Groundwater and freshwater protection program--15.0		
25	FTE positions		5,354,100
26	Farmland and open space preservation--9.0 FTE		
27	positions		928,600

1	Agriculture pollution prevention program.....		1,000,100
2	Migrant labor housing--8.0 FTE positions.....		<u>1,004,800</u>
3	GROSS APPROPRIATION.....	\$	9,197,800
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	IDG from MDNRE, biosolids.....		97,200
7	Federal revenues:		
8	DAG, multiple grants.....		1,000,000
9	EPA, multiple grants.....		356,200
10	United States department of labor.....		463,900
11	Special revenue funds:		
12	Agricultural preservation fund.....		928,600
13	Agriculture pollution prevention fund.....		100
14	Freshwater protection fund.....		5,092,300
15	Migrant housing inspection fees.....		112,300
16	Migratory labor housing fund.....		28,600
17	State general fund/general purpose.....	\$	1,118,600
18	Sec. 108. LABORATORY PROGRAM		
19	Full-time equated classified positions.....	97.0	
20	Laboratory services--45.0 FTE positions.....	\$	6,142,500
21	USDA monitoring--13.0 FTE positions.....		2,259,000
22	Consumer protection program--39.0 FTE positions.....		<u>5,498,100</u>
23	GROSS APPROPRIATION.....	\$	13,899,600
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from MDELEG (LCC), liquor quality testing fees...		189,100
27	Federal revenues:		

1	DAG, multiple programs.....		2,281,000
2	EPA, multiple programs.....		351,200
3	HHS-FDA.....		543,000
4	Special revenue funds:		
5	Agriculture equine industry development fund.....		541,700
6	Gasoline inspection and testing fund.....		2,639,400
7	Licensing and inspection fees.....		79,500
8	Refined petroleum fund.....		3,555,900
9	Testing fees.....		434,500
10	Weights and measures regulation fees.....		722,500
11	State general fund/general purpose.....	\$	2,561,800
12	Sec. 109. AGRICULTURE DEVELOPMENT		
13	Full-time equated classified positions.....	7.0	
14	Agriculture development--4.0 FTE positions.....	\$	2,185,100
15	Grape and wine program--3.0 FTE positions.....		<u>736,800</u>
16	GROSS APPROPRIATION.....	\$	2,921,900
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	Federal revenues:		
20	DAG, multiple grants.....		1,605,000
21	Special revenue funds:		
22	Private - commodity group revenue.....		11,100
23	Industry support funds.....		321,300
24	Nonretail liquor fees.....		679,200
25	State general fund/general purpose.....	\$	305,300
26	Sec. 110. FAIRS AND EXPOSITIONS		
27	Full-time equated classified positions.....	4.0	

1	Fairs and racing--4.0 FTE positions	\$	525,900
2	Purses and supplements - fairs/licensed tracks		1,019,100
3	Licensed tracks - light horse racing		56,800
4	Standardbred breeders' awards		416,700
5	Standardbred purses and supplements - licensed tracks		769,400
6	Standardbred sire stakes		348,300
7	Standardbred training and stabling		15,500
8	Thoroughbred owners' awards		53,300
9	Thoroughbred program		1,032,000
10	Thoroughbred sire stakes		356,900
11	Distribution of outstanding winning tickets		<u>500,000</u>
12	GROSS APPROPRIATION	\$	5,093,900
13	Appropriated from:		
14	Special revenue funds:		
15	Agriculture equine industry development fund		5,093,900
16	State general fund/general purpose	\$	0
17	Sec. 111. INFORMATION AND TECHNOLOGY		
18	Information technology services and projects	\$	<u>1,500,400</u>
19	GROSS APPROPRIATION	\$	1,500,400
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from MDLEG (LCC), liquor quality testing fees		2,800
23	Special revenue funds:		
24	Agricultural preservation fund		200
25	Agriculture equine industry development fund		115,100
26	Gasoline inspection testing fund		113,100
27	Freshwater protection fund		100

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1	Licensing and inspection fees.....	78,800
2	Nonretail liquor fees.....	500
3	State general fund/general purpose.....	\$ 1,189,800
4	Sec. 112. CAPITAL OUTLAY	
5	Farmland and open space development acquisition.....	\$ 3,300,000
6	GROSS APPROPRIATION.....	\$ 3,300,000
7	Appropriated from:	
8	Federal revenues:	
9	DAG, multiple grants.....	1,250,000
10	Special revenue funds:	
11	Agriculture preservation fund.....	2,050,000
12	State general fund/general purpose.....	\$ 0
	[Sec. 113. BUDGETARY SAVINGS	
	Budgetary savings.....	\$ (347,100)
	GROSS APPROPRIATION.....	\$ (347,100)
	Appropriated from:	
	State general fund/general purpose	\$ (347,100)]

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is [\$61,873,700.00] and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$1,500,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE

24	Groundwater and freshwater protection program.....	\$ 1,500,000
25	TOTAL.....	\$ 1,500,000

1 Sec. 202. The appropriations authorized under this act are
2 subject to the management and budget act, 1984 PA 431, MCL 18.1101
3 to 18.1594.

4 Sec. 203. As used in this act:

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

6 (b) "Department" means the department of agriculture.

7 (c) "Director" means the director of the department.

8 (d) "EPA" means the United States environmental protection
9 agency.

10 (e) "FTE" means full-time equated.

11 (f) "HHS-FDA" means the United States department of health and
12 human services - food and drug administration.

13 (g) "IDG" means interdepartmental grant.

14 (h) "MDELEG" means the Michigan department of energy, labor,
15 and economic growth.

16 (i) "MDNRE" means the Michigan department of natural resources
17 and environment.

18 (j) "USDA" means the United States department of agriculture.

19 Sec. 204. The civil service commission shall bill departments
20 and agencies at the end of the first fiscal quarter for the charges
21 authorized by section 5 of article XI of the state constitution of
22 1963. Payments shall be made for the total amount of the billing by
23 the end of the second fiscal quarter.

24 Sec. 205. (1) A hiring freeze is imposed on the state
25 classified civil service. State departments and agencies are
26 prohibited from hiring any new full-time state classified civil
27 service employees and prohibited from filling any vacant state

1 classified civil service positions. This hiring freeze does not
2 apply to internal transfers of classified employees from 1 position
3 to another within a department.

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

15 Sec. 208. Unless otherwise specified, the department shall use
16 the Internet to fulfill the reporting requirements of this act.
17 This requirement shall include transmission of reports via
18 electronic mail to the recipients identified for each reporting
19 requirement and shall include placement of reports on an Internet
20 or Intranet site.

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

1 services, or both, that are manufactured or provided by Michigan
2 businesses owned and operated by veterans, if they are
3 competitively priced and of comparable quality.

4 Sec. 210. The director shall take all reasonable steps to
5 ensure businesses in deprived and depressed communities compete for
6 and perform contracts to provide services or supplies, or both. The
7 director shall strongly encourage firms with which the department
8 contracts to subcontract with certified businesses in depressed and
9 deprived communities for services, supplies, or both.

10 Sec. 212. Of the funds appropriated in part 1, the department
11 may provide for indemnity as provided for pursuant to the animal
12 industry act, 1988 PA 466, MCL 287.701 to 287.746, not to exceed
13 \$100,000.00 per order from any line item for the fiscal year ending
14 September 30, 2011. Before the department provides for an
15 indemnification under this section, the department shall report the
16 reason for the indemnification, the amount of the indemnification,
17 and to whom the indemnification is to be paid. The report shall be
18 given to each member of the senate and house appropriations
19 subcommittees on agriculture and to the senate and house fiscal
20 agencies and the state budget director.

21 Sec. 214. Of the funds appropriated in part 1 that are other
22 than line-item grants, the department shall not provide grants to
23 local government agencies, institutions of higher education, or
24 nonprofit organizations unless the department provides notice of
25 the grant to the senate and house appropriations subcommittees on
26 agriculture at least 10 days before the grant is issued. The grants
27 shall be used to support research or other related activities for

1 the purpose of enhancing the agricultural industries in this state.

2 Sec. 215. From the funds appropriated in part 1, the
3 department shall use an amount not to exceed \$10,000.00 to develop,
4 post, and maintain, on a publicly accessible Internet site, all
5 expenditures made by the agency within a fiscal year. The posting
6 must include the purpose for which each expenditure is made. The
7 department shall not be required to hire additional employees to
8 comply with this section.

9 Sec. 219. From the funds appropriated in part 1 for
10 information technology, departments and agencies shall pay user
11 fees to the department of technology, management, and budget for
12 technology-related services and projects. The user fees shall be
13 subject to provisions of an interagency agreement between the
14 department and the department of technology, management, and
15 budget.

16 Sec. 223. (1) Due to the current budgetary problems in this
17 state, out-of-state travel shall be limited to situations in which
18 1 or more of the following conditions apply:

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

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

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

27 (d) The travel is necessary to comply with federal

1 requirements.

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

4 (f) The travel is financed entirely by federal or nonstate
5 funds.

6 (2) Not later than January 1 of each year, each department
7 shall prepare a travel report listing all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the senate and house appropriations committees, the
12 senate and house fiscal agencies, and the state budget director.
13 The report shall include the following information:

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

16 (b) The destination of each travel occurrence.

17 (c) The dates of each travel occurrence.

18 (d) A brief statement of the reason for each travel
19 occurrence.

20 (e) The transportation and related costs of each travel
21 occurrence, including the proportion funded with state general
22 fund/general purpose revenues, the proportion funded with state
23 restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

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

27 Sec. 228. (1) In addition to the funds appropriated in part 1,

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

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$6,000,000.00 for state
8 restricted contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in this act under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

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

18 (4) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$100,000.00 for private
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in this act
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

24 Sec. 229. (1) The department shall report no later than April
25 1, 2011 on each specific policy change made to implement a public
26 act affecting the department that took effect during the prior
27 calendar year to the senate and house appropriations subcommittees

1 on the budget for the department, the joint committee on
2 administrative rules, and the senate and house fiscal agencies.

3 (2) Funds appropriated in part 1 shall not be used by the
4 department to adopt a rule that will apply to a small business and
5 that will have a disproportionate economic impact on small
6 businesses because of the size of those businesses if the
7 department fails to reduce the disproportionate economic impact of
8 the rule on small businesses as provided under section 40 of the
9 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

10 (3) As used in this section:

11 (a) "Rule" means that term as defined under section 7 of the
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

13 (b) "Small business" means that term as defined under section
14 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
15 24.207a.

16 Sec. 230. Funds appropriated in part 1 shall not be used by a
17 principal executive department, state agency, or authority to hire
18 a person to provide legal services that are the responsibility of
19 the attorney general. This prohibition does not apply to legal
20 services for bonding activities and for those activities that the
21 attorney general authorizes.

22 Sec. 231. From the funds appropriated in part 1 for salaries
23 and benefits, the department shall provide funding in the pesticide
24 and plant pest management, food and dairy, animal industry,
25 environmental stewardship and laboratory divisions for not less
26 than 315 employees who provide direct service to the public or
27 substantially support the work of those who provide direct service.

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1 Expenditures shall be made so that these divisions continue to
2 provide service to protect the public health, safety, and welfare
3 and environment.

4 Sec. 234. The department shall not approve the travel of more
5 than 1 departmental employee to a specific professional development
6 conference or training seminar that is located outside of this
7 state unless the professional development conference or training
8 seminar is funded by a federal or private funding source and
9 requires more than 1 person from a department to attend, or the
10 conference or training seminar includes multiple issues in which 1
11 employee from the department does not have expertise.

12 Sec. 236. All appropriations in part 1 from the agriculture
13 equine industry development fund shall be spent for equine-related
14 purposes.

15 Sec. 237. Not later than September 30, 2011, the department
16 shall prepare and transmit a report that provides for estimates of
17 the total general fund/general purpose appropriation lapses at the
18 close of the fiscal year. This report shall summarize the projected
19 year-end general fund/general purpose appropriation lapses by major
20 departmental program or program areas. The report shall be
21 transmitted to the office of the state budget, the chairpersons of
22 the senate and house appropriations committees, and the senate and
23 house fiscal agencies.

[Sec. 238. (1) On a quarterly basis, the department shall report on the number of FTEs in pay status by civil service classification to the house and senate appropriations subcommittees on agriculture and the house and senate fiscal agencies.

(2) From the funds appropriated in part 1, the department shall develop, post, and maintain on a user-friendly and publicly accessible Internet site, all expenditures made by the agency within a fiscal year. The posting must include the purpose for which each expenditure is made. Funds appropriated in part 1 from the federal American recovery and reinvestment act shall also be included on a publicly accessible website maintained by the Michigan economic recovery office. The department shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or

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guideline that establishes privacy or security standards applicable to
that section.

Sec. 239. The department shall not expend more than \$10,000.00 from
the appropriations in part 1 to implement the requirements of section
238(2).

Sec. 240. (1) The negative appropriation for budgetary savings in
part 1 shall be satisfied through savings and reductions identified by
the department director and approved by the state budget director.

(2) Adjustments to appropriation authorizations necessary to
implement the requirements of subsection (1) shall be made only after the
approval of transfers by the legislature pursuant to section 393(2) of
the management and budget act, 1984 PA 431, MCL 18.1393.

(3) The state budget director is authorized to reduce federal,
local, private, and state restricted appropriation amounts in part 1 to
reflect savings from those fund sources associated with reductions made
to state general fund/general purpose appropriations under subsection
(2).]

24 **EXECUTIVE**

25 Sec. 302. (1) Pursuant to the appropriations in part 1, the
26 department may receive and expend revenue and use that revenue to

1 cover necessary expenses related to publications, audit and
2 licensing functions, livestock sales, certification of nursery
3 stock, and laboratory analyses as specified in the following:

4 (a) Management services publications.

5 (b) Management services audit and licensing functions.

6 (c) Pesticide and plant pest management propagation and
7 certification of virus-free foundation stock.

8 (d) Pesticide and plant pest management grading services.

9 (e) Laboratory support testing for testing horses in draft
10 horse pulling contests at county fairs when local jurisdictions
11 request state assistance.

12 (f) Laboratory support analyses to determine foreign
13 substances in horses engaged in racing or pulling contests at
14 tracks.

15 (g) Laboratory support analyses of food, livestock, and
16 agricultural products for disease, foreign products for disease,
17 toxic materials, foreign substances, and quality standards.

18 (h) Laboratory support test samples for other agencies and
19 organizations.

20 (i) Fruit and vegetable inspection at shipping and termination
21 points and processing plants.

22 (2) The department shall notify the senate and house
23 appropriations subcommittees on agriculture and the senate and
24 house fiscal agencies 30 days prior to proposing changes in fees
25 authorized under this section or under section 5 of 1915 PA 91, MCL
26 285.35.

27 (3) Annually, before February 1, the department shall provide

1 a report to the senate and house appropriations subcommittees on
2 agriculture and the senate and house fiscal agencies detailing all
3 the fees charged by the department under the authorization provided
4 in this section, including, but not limited to, rates, number of
5 individuals paying each fee, and the revenue generated by each fee
6 in the previous fiscal year.

7 Sec. 304. (1) To ensure motor fuel quality and quantity, the
8 department shall maintain the motor fuel quality program and shall
9 not reduce program level of effort below that of the 2006-2007
10 fiscal year. Notwithstanding the provisions of section 205, the
11 department shall maintain field and laboratory staff for the motor
12 fuel quality program.

13 (2) On or before January 1 and every 6 months thereafter, the
14 department shall report to the senate and house appropriations
15 subcommittees on agriculture and the senate and house fiscal
16 agencies the results of both complaint-based and random-based
17 inspections, including the number of inspections performed, samples
18 collected, and compliance rates.

19 Sec. 306. From the funds appropriated in section 102, private
20 funds for agricultural statistics shall be used to match state
21 funds at not less than 50% of study costs.

22 **FOOD AND DAIRY**

23 Sec. 401. The department shall monitor restaurant inspection
24 and licensing functions carried out by local health departments to
25 ensure uniform application and enforcement of minimum program
26 requirements.

1 Sec. 402. Not later than April 1, 2011, the department shall
2 provide a report to the senate and house appropriations
3 subcommittees on agriculture and the senate and house fiscal
4 agencies describing significant food-borne outbreaks and
5 emergencies, including any enforcement actions taken related to
6 food safety during the 2009-2010 fiscal year.

7 Sec. 404. From the funds appropriated in section 104 for food
8 safety and quality assurance, not less than \$150,000.00 from the
9 consumer and industry food safety education fund shall be expended
10 for purposes required under section 4117 of the food law of 2000,
11 2000 PA 92, MCL 289.4117, including the statewide training and
12 education to consumers on food safety and the training and
13 education on food safety to food service establishment employees
14 and department employees and agents who enforce section 4117 of the
15 food law of 2000, 2000 PA 92, MCL 289.4117.

16 Sec. 406. Notwithstanding the provisions of section 205, the
17 department is authorized to fill open positions in the food and
18 dairy inspection program.

19 **ANIMAL INDUSTRY**

20 Sec. 450. From the funds appropriated in section 105 for the
21 bovine tuberculosis program, the department shall reimburse the
22 department of natural resources and environment for those costs
23 associated with monitoring and testing wildlife for bovine
24 tuberculosis that are necessary to support the department goals and
25 are jointly agreed to by the department and the department of
26 natural resources and environment to be in excess of efforts

1 necessary to effectively plan and execute the eradication of bovine
2 tuberculosis from Michigan's wild free-ranging deer herd.

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

9 Sec. 452. The department shall apply for all federal and
10 private funds for which it is eligible that can be used to support
11 the bovine tuberculosis program.

12 Sec. 454. The department shall use its resources to
13 collaborate with the United States department of agriculture to
14 obtain TB-free status for the area of the Lower Peninsula that is
15 zoned as modified accredited advanced. The department shall also
16 aggressively work toward eradicating bovine TB in the modified
17 accredited zone.

18 **PESTICIDE AND PLANT PEST MANAGEMENT**

19 Sec. 551. It is the intent of the legislature that the
20 department work with the fruit and vegetable industry to ensure the
21 development of a sustainable system of third-party inspections of
22 fruits and vegetables.

23 **ENVIRONMENTAL STEWARDSHIP**

24 Sec. 603. The department shall apply for all federal funds for
25 which it is eligible that can be used to support the migrant labor

1 housing program.

2 Sec. 604. The department shall work with the conservation
3 districts on the most effective and efficient use of the funding
4 provided in section 107. Funds should be used to help draw down
5 federal funding and support land conservation projects.

6 Sec. 606. The department shall actively search for all
7 possible funding sources to be used to match federal funds in the
8 USDA environmental quality incentives program.

9 Sec. 607. It is the intent of the legislature that the
10 department continue its activities in support of intercounty
11 drainage districts as provided in chapter 5 of the drain code of
12 1956, 1956 PA 40, MCL 280.101 to 280.106.

13 **AGRICULTURE DEVELOPMENT**

14 Sec. 706. Not later than April 1, 2011, the department shall
15 provide a report to the senate and house appropriations
16 subcommittees on agriculture and the senate and house fiscal
17 agencies describing the department's agriculture development and
18 export market development activities. The report shall identify
19 grants awarded during the prior fiscal year, including a
20 description of federal or private funds made available as a result
21 of department activities.

22 Sec. 709. (1) Not later than April 1, 2011, the department
23 shall provide a report to the senate and house appropriations
24 subcommittees on agriculture and the senate and house fiscal
25 agencies describing the activities of the grape and wine industry
26 council established under section 303 of the Michigan liquor

1 control act of 1998, 1998 PA 58, MCL 436.1303.

2 (2) The report shall include all of the following:

3 (a) Council activities and accomplishments for the previous
4 fiscal year.

5 (b) Council expenditures for the previous fiscal year by
6 category of administration, industry support, research and
7 education grants, and promotion and consumer education.

8 (c) Grants awarded during the prior fiscal year and the
9 results of research grant projects completed during the prior
10 fiscal year.

11 Sec. 710. The department may match external funding for
12 domestic and international marketing programs for the purpose of
13 developing new and enhancing existing export markets for Michigan
14 agricultural products.

15 Sec. 711. In accordance with chapter 8B of the Michigan
16 strategic fund act, 1984 PA 270, MCL 125.2089 to 125.2089d, it is
17 the intent of the legislature that the Michigan strategic fund, its
18 employees, contract employees, and individuals working on its
19 behalf collaborate with the Michigan department of agriculture to
20 promote business development of Michigan agricultural products to
21 achieve outcomes that include, but are not limited to, increases in
22 export sales, increases in the number of retailers carrying
23 Michigan commodities both within and outside of this state, and
24 increased sales of Michigan products at chain grocers.

25 **CAPITAL OUTLAY**

26 Sec. 1001. Of the amounts appropriated in part 1 for farmland

1 and open space development acquisition, the funds shall be used for
2 the purchase of development rights and the awarding of grants by
3 the agriculture preservation fund board under the natural resources
4 and environmental protection act, 1994 PA 451, MCL 324.101 to
5 324.90106.

6 Sec. 1002. (1) The director shall allocate lump-sum
7 appropriations made in this act consistent with statutory
8 provisions and the purposes for which funds were appropriated.
9 Lump-sum allocations shall address priority program or facility
10 needs and may include, but are not limited to, design,
11 construction, remodeling and addition, special maintenance, major
12 special maintenance, energy conservation, and demolition.

13 (2) The state budget director may authorize that funds
14 appropriated for lump-sum appropriations shall be available for no
15 more than 3 fiscal years following the fiscal year in which the
16 original appropriation was made. Any remaining balance from
17 allocations made in this section shall lapse to the fund from which
18 it was appropriated pursuant to the lapsing of funds as provided in
19 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

20 Sec. 1003. The appropriations in part 1 for capital outlay
21 shall be carried forward at the end of the fiscal year consistent
22 with the provisions of section 248 of the management and budget
23 act, 1984 PA 431, MCL 18.1248.