



**Senate Fiscal Agency**  
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**BILL ANALYSIS**



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Senate Bill 115 (as introduced)  
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is Senate Bill 133.](#)

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 GOV.'S REC.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	446.0	454.0	8.0	1.8
<b>GROSS .....</b>	<b>84,462,200</b>	<b>84,144,000</b>	<b>(318,200)</b>	<b>(0.4)</b>
Less:				
Interdepartmental Grants Received .....	318,100	317,300	(800)	(0.3)
<b>ADJUSTED GROSS.....</b>	<b>84,144,100</b>	<b>83,826,700</b>	<b>(317,400)</b>	<b>(0.4)</b>
Less:				
Federal Funds.....	10,126,200	10,427,900	301,700	3.0
Local and Private .....	98,300	128,100	29,800	30.3
<b>TOTAL STATE SPENDING.....</b>	<b>73,919,600</b>	<b>73,270,700</b>	<b>(648,900)</b>	<b>(0.9)</b>
Less:				
Other State Restricted Funds.....	28,003,400	30,897,100	2,893,700	10.3
<b>GENERAL FUND/GENERAL PURPOSE.....</b>	<b>45,916,200</b>	<b>42,373,600</b>	<b>(3,542,600)</b>	<b>(7.7)</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>4,750,000</b>	<b>4,750,000</b>	<b>0</b>	<b>0.0</b>

**FY 2014-15 Year-to-Date Gross Appropriation..... \$84,462,200**

**Changes from FY 2014-15 Year-to-Date:**

- Pesticide and Plant Pest Management Division Increase.** Governor recommended an increase in registration and inspection fees totaling \$1,220,000 restricted to enhance the surveillance of fertilizer and pesticide industry. 1,220,000
- Food Establishments.** Governor recommended an increase in food establishment fees totaling \$1,514,000 restricted to increase inspections in an effort to improve food establishment compliance to food safety regulations. 1,514,400
- Commercial Feed Inspections.** Governor recommended an increase in inspection fees totaling \$521,400 to enhance inspection activity. The current FY 2014-15 appropriation authority level for this support is adequate for this increase in restricted revenue to be expended. 0
- Geagely Laboratory Improvements.** Governor recommended a one-time appropriation of \$500,000 GF/GP to replace outdated and unsupported equipment at the lab. 500,000
- Accounting Service Center.** Governor recommended \$50,000 GF/GP to fully fund the accounting service center. 50,000
- Commercial Forestry Audit Program.** Governor recommended elimination of \$150,000 GF/GP program. (150,000)
- Rural Development Value-Added Grant Program.** Governor recommended elimination of the \$950,000 GF/GP grant program. (950,000)

FY 2015-16 AGRICULTURE AND RURAL DEVELOPMENT BUDGET

8. <b>County Fairs Capitol Improvement Grants.</b> Governor recommended a reduction in funding for the program of \$150,000 GF/GP, leaving the FY 2015-16 level at \$170,000 GF/GP.	(150,000)
9. <b>Shows and Expositions Grants.</b> Governor recommended the elimination of the \$50,000 GF/GP grants to agricultural exhibitors.	(50,000)
10. <b>Removal of FY 2014-15 One-Time Funding.</b> Governor recommended the elimination of one-time GF/GP funding for Food and Agriculture Industry Growth Initiative (\$2.0 million), Muskegon Farmers Market (\$200,000), and Ottawa County Agriculture Incubator (\$500,000).	(2,700,000)
11. <b>Economic Adjustments.</b> Includes a negative \$588,200 Gross and a negative \$329,400 GF/GP for OPEB and \$412,900 Gross and \$228,900 GF/GP for other economic adjustments.	(167,400)
12. <b>Other Changes.</b> Governor recommended non-GF/GP technical adjustments across various lines to reflect anticipated revenue and expenditure levels.	564,800
Total Changes .....	(\$318,200)
<b>FY 2015-16 Governor's Recommendation .....</b>	<b>\$84,144,000</b>

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

**Boilerplate Changes from FY 2014-15 Year-to-Date:**

1. **Benchmarks.** Governor eliminated requirement that benchmarks be established to measure performance of new programs or program increases in excess of \$500,000. (Sec. 205)
2. **Retain Reports.** The Governor eliminated a requirement that all reports be kept and retained by MDARD. (Sec. 212)
3. **Disciplinary Action.** The Governor eliminated language prohibiting action against employee for communicating with legislative staff. (Sec. 215)
4. **Non Line-Item Grants.** The Governor removed a prohibition that all non line-item grants to non-profits, governments, or schools not be granted without prior notice to Legislature. (Sec. 302)
5. **Licensed Food Establishments.** Governor added NEW Section to require increased inspections of food establishments to improve monthly rate of regulatory compliance. (Sec. 401)
6. **TB Testing Costs.** Governor eliminated requirement that MDARD pay for all whole herd and individual TB testing in modified accredited zones. (Sec. 451)
7. **Animal Indemnification.** The Governor removed a requirement providing for animal indemnification for certain instances of death by wild animals. (Sec. 453)
8. **MDARD TB Collaboration with USDA.** The Governor amended language requiring cooperation to monitor TB by referencing a May, 2014 memorandum of understanding between the two. (Sec. 454)
9. **Animal ID.** The Governor removed prohibition of using electronic tags on anything other than cattle. (Sec. 456)
10. **TB Progress Report.** The Governor eliminated requirement for quarterly progress report on TB monitoring. (Sec. 457)
11. **Aquaculture.** The Governor eliminated requirement for inspections of aquaculture operations. (Sec. 458)
12. **Whole Herd TB Testing.** The Governor eliminated language prohibiting whole herds from being tested more often than every four years or not re-tested until all other county herds have been tested, except under certain circumstances. (Sec. 459)
13. **Pesticide and Plant Pest Management.** Governor added NEW language requiring improvements to perform proper surveillance of fertilizer and pesticide industries, including its use and storage according regulations. (Sec. 501)
14. **Conservation Districts.** Governor eliminated Section which provided guidelines for the allocation of appropriations to conservation districts. (Sec. 603)

15. **Funding Restriction.** The Governor eliminated language prohibiting the use of any other funds for administration or implementation of the Michigan Agriculture Environmental Assurance Program other than what is provided in its line. (Sec. 605)
16. **Intercounty Drains.** The Governor eliminated legislative intent that intercounty drain support be provided by MDARD and the requirement that the Department work with districts to find needed funding for administrative costs. (Sec. 607)
17. **Commercial Forestry Audit Program.** The Governor eliminated guideline language for a forest management evaluation program he recommends not be funded for FY 2015-16. (Sec. 609)
18. **Value-Added Grant Program.** The Governor eliminated guideline language for an agriculture economic development grant program he recommends not be funded for FY 2015-16. (Sec. 701)
19. **Development and Export Report.** The Governor eliminated a requirement for an annual report on MDARD development and export activities. (Sec. 706)
20. **Grape and Wine Report.** The Governor eliminated requirement for annual report on Grape and Wine Industry Council activities. (Sec. 709)
21. **Strategic Growth Initiative Grant Program.** The Governor amended guideline language by striking Section 711(7) which designated \$250,000 for a Michigan Tech regional partnership project. (Sec. 711)
22. **Equine Funds.** The Governor removed requirement that equine funds only be spent for equine purposes. (Sec. 801)
23. **Thoroughbred Purse Disbursement.** The Governor eliminated language providing for disbursement of thoroughbred purse funds in the event no races are held. (Sec. 803)
24. **Equine Regulatory Costs.** The Governor eliminated language which provided criteria for establishing equine regulatory costs. (Sec. 804)
25. **Shows and Exhibition Grants.** The Governor eliminated guideline language for a grant program he recommends not be funded for FY 2015-16. (Sec. 806)

Date Completed: 2-18-15

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