



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 139 (S-1 as passed by the Senate)
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2016-17 YEAR-TO-DATE	FY 2017-18 SENATE-PASSED	CHANGES FROM FY 2016-17 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	476.0	493.5	17.5	3.7
GROSS	95,906,900	109,744,600	13,837,700	14.4
Less:				
Interdepartmental Grants Received	323,200	310,300	(12,900)	(4.0)
ADJUSTED GROSS.....	95,583,700	109,434,300	13,850,600	14.5
Less:				
Federal Funds.....	10,471,200	11,273,900	802,700	7.7
Local and Private	130,700	101,600	(29,100)	(22.3)
TOTAL STATE SPENDING.....	84,981,800	98,058,800	13,077,000	15.4
Less:				
Other State Restricted Funds.....	35,054,900	36,660,900	1,606,000	4.6
GENERAL FUND/GENERAL PURPOSE.....	49,926,900	61,397,900	11,471,000	23.0
PAYMENTS TO LOCALS	4,750,000	7,350,000	2,600,000	54.7

FY 2016-17 Year-to-Date Gross Appropriation	\$95,906,900
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Changes from FY 2016-17 Year-to-Date:

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| 1. Food Bank Council of Michigan. Senate recommended a one-time grant to the Food Bank Council of Michigan. | 2,500,000 |
| 2. Michigan Agriculture Environmental Assurance Program (MAEAP) Enhancement. Governor and Senate recommended an increase of \$1.5 million Restricted to reflect added revenue resulting from fee increases provided by PA 118 of 2015. | 1,500,000 |
| 3. Food and Agriculture Investment Program. Governor recommended \$1,243,900 GF/GP increase for a grant program which follows closely the FY 2016-17 \$1.5 million Value-Added Grant Program. Senate added \$2.0 million over the Governor's recommendation for an FY 2017-18 appropriation of \$4,743,900 GF/GP. | 3,243,900 |
| 4. Fruit and Vegetable Mobile Lab Project. Senate added \$1.2 million GF/GP in a one-time appropriation to establish a fruit and vegetable mobile lab. | 1,200,000 |
| 5. Federal Food and Dairy Regulatory Requirements. Governor and Senate recommended 4.0 FTEs and \$1,122,300 Gross (\$980,100 GF/GP) to implement requirements of the Federal Food Safety Modernization Act. | 1,122,300 |
| 6. Enhanced Wildlife Risk Management. Governor and Senate recommended one-time funding of \$1.0 million GF/GP for local conservation districts in Alpena County to assess cattle farms and implement practices to prevent the spread of bovine tuberculosis. | 1,000,000 |

7. Tree Fruit Commission. Governor and Senate recommended one-time funding of an additional \$1.0 million GF/GP in one-time funding for capital improvements for Tree Fruit Commission research facilities, for a total FY 2017-18 recommendation of \$1.5 million GF/GP.	1,000,000
8. Double Up Food Bucks - Statewide. Governor recommended one-time funding of \$750,000 GF/GP to bring the program to targeted areas throughout the State. Senate did not include.	0
9. Drinking Water Declaration of Emergency. Governor recommended one-time funding of \$680,100 Gross (\$680,000 GF/GP) for providing Double Up Food Bucks program in the city of Flint (\$380,100) and to perform water tests at local food service establishments (\$300,000). Senate did not include.	0
10. Agriculture Development Expansion. Governor and Senate recommended an additional FTE and \$408,500 GF/GP to support the promotion of Michigan food processing and products in worldwide markets.	408,500
11. Right to Farm Program. Governor and Senate recommended an additional 2.5 FTEs and \$384,000 GF/GP to handle increased workload of Right to Farm program.	384,000
12. Emergency Management. Governor and Senate added GF/GP funds to enhance emergency management preparedness and response.	359,700
13. Intercounty Drain Program. Governor and Senate added \$315,100 in GF/GP funds to increase staff and resources for program operations.	315,100
14. Farmland Preservation Program. Governor and Senate recommended an additional \$305,600 in restricted fund support of farmland preservation efforts.	305,600
15. Intercounty Drain Mapping Project. Governor and Senate recommended a one-time appropriation of \$250,000 GF/GP to fund a project with the Michigan Association of County Drain Commissioners to establish a state standard drainage infrastructure mapping tool.	250,000
16. Department Operations. Governor and Senate recommended an increase of 1.0 FTE and \$187,700 GF/GP for department operations.	187,700
17. Animal Disease Prevention and Response. Governor added \$164,700 GF/GP to enhance disease prevention and response. Senate added another \$97,000 GF/GP.	261,700
18. Pesticide and Plant Pest Management. Governor and Senate added \$142,200 GF/GP.	142,200
19. Advanced Deposit Wagering. Senate added a \$100 placeholder appropriation for advanced deposit wagering.	100
20. Albion Equestrian Center. Senate added a one-time \$100,000 GF/GP grant for the Albion Equestrian Center.	100,000
21. Animal Agriculture Initiative. Governor and Senate recommended the elimination of one-time appropriation of \$500,000 GF/GP for Animal Agriculture Initiative research project.	(500,000)
22. Efficiencies and reduction adjustments. Governor and Senate included a technical reduction in Environmental Stewardship (\$469,000) and for the completion of FY 2016-17 lump-sum payments (\$407,300).	(876,300)
23. Vital Agriculture Infrastructure Grant. Governor and Senate recommended the elimination of one-time appropriation of \$220,000 GF/GP for an agriculture bridge infrastructure project.	(220,000)
24. Grape and Wine Council. Governor and Senate recommended the elimination of one-time appropriation of \$170,000 GF/GP for the Wine and Grape Council.	(170,000)

25. County Fairs, Shows and Expositions Grants. Governor recommended the reduction of \$169,500 GF/GP for the Grant program, leaving a FY 2017-18 recommended appropriation of \$300,500 GF/GP. Senate did not concur and added \$179,300 over current year, for an FY 2017-18 appropriated amount of \$649,300 GF/GP.	179,300
26. Remove FY 2016-17 Supplemental Appropriations. PA 340 of 2016 provided \$1,805,600 in restricted revenue support for MAEAP.	(1,805,600)
27. Technical Adjustments for Actual Revenue Received.	1,866,000
28. Unclassified Salaries. Economic adjustment.	16,400
29. Economic Adjustments. Includes \$1,067,100 Gross and \$732,500 GF/GP for economic adjustments.	1,067,100
30. Comparison to Governor's Recommendation. Senate is \$4,815,900 Gross and \$4,815,900 GF/GP over the Governor.	
Total Changes	\$13,837,700
FY 2017-18 Senate-Passed Gross Appropriation.....	\$109,744,600

Boilerplate Changes from FY 2016-17 Year-to-Date:

1. **Technology Use.** Governor and Senate struck language requiring use of technology in licensing and registration using a secure web portal. (Sec. 303)
2. **Food Safety Modernization Act.** Governor and Senate struck language providing guidelines for implementing Food Modernization Act, funding, and to require a report. (Sec. 403)
3. **Animal Indemnity.** Governor and Senate amended a section by modifying guidelines for animal indemnity payments, eliminating some language duplicative of statute and modified reporting requirements. (Sec. 453)
4. **Bovine TB Monitoring.** Governor and Senate amended language to update guidelines per a more recent MOU between the USDA and the MDARD. (Sec. 454)
5. **Value-Added Grants.** Governor and Senate eliminated a boilerplate section that provided guidelines and procedures for a Value-Added Grants program which including a competitive grant program and a Food and Agriculture Investment Program. (Sec. 701)
6. **Rural Development Fund Grants.** Governor and Senate eliminated a boilerplate section requiring work with the Rural Development Fund board to establish a process and criteria for the program. (Sec. 702)
7. **Food and Agriculture Investment Program.** Governor and Senate added a new boilerplate section providing guidelines for a new agriculture investment program which would include the allowance to spend funds for grants, loans or loan guarantees, infrastructure development, other economic assistance, program administration and export assistance and promotion. (Sec. 711)
8. **County Fairs, Show and Expositions Grant Program.** Governor and Senate amended language to substitute "expositions" in place of any reference to "exhibitions" and modifies guidelines. (Sec. 805)
9. **Drinking Water Declaration of Emergency.** Governor added a new boilerplate section which provides guidelines for the expenditure of part 1 appropriations for Drinking Water Declaration of Emergency, including the operation of Double Up Food Bucks program and the water testing at local food establishments in the emergency-declared area. The Senate did not include this boilerplate section. (Sec. 901)

Date Completed: 5-3-17

Fiscal Analyst: Bruce Baker

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.