

LINE ITEM AND BOILERPLATE SUMMARY

AGRICULTURE AND RURAL DEVELOPMENT

Fiscal Year 2022-23
Article 1, Public Act 166 of 2022
House Bill 5783 as Enacted



William E. Hamilton, Senior Fiscal Analyst

September 2022

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September 2022

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2022-23 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website (www.house.mi.gov/hfa), or from Kathryn Bateson, Administrative Assistant (373-8080 or kbateson@house.mi.gov).

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director

TABLE OF CONTENTS

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	1
Departmental Administration and Support	2
Information and Technology	5
Food and Dairy	6
Animal Industry	9
Pesticide and Plant Pest Management	11
Environmental Stewardship	14
Laboratory Program	18
Agriculture Development	23
Fairs and Expositions	26
One-Time Only Appropriations	29
BOILERPLATE SECTION INFORMATION	31

GLOSSARY

STATE BUDGET TERMS

Line Item

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

Boilerplate

Specific language sections in an appropriation bill which direct, limit, or restrict line-item expenditures, express legislative intent, and/or require reports.

Lapse

Appropriated amounts that are unspent or unobligated at the end of a fiscal year; appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

Work Project

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

APPROPRIATIONS AND FUND SOURCES

Appropriations

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

Gross: Total of all applicable appropriations in an appropriation bill.

Adjusted Gross: Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Interdepartmental Grant (IDG) Revenue

Funds received by one state department from another state department—usually for service(s) provided.

Intradepartmental Transfer (IDT) Revenue

Funds transferred from one appropriation unit to another within the same departmental budget.

Federal Revenue

Federal grant or match revenue; generally dedicated to specific programs or purposes.

Local Revenue

Revenue received from local units of government for state services.

Private Revenue

Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, or gifts and bequests.

State Restricted Revenue

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

MAJOR STATE FUNDS

General Fund

The state's primary operating fund; receives state revenue not dedicated to another state fund.

School Aid Fund (SAF)

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

Budget Stabilization Fund

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

The stated mission of the Michigan Department of Agriculture and Rural Development is to: "Assure the food safety, agricultural, environmental, and economic interests of the people of the state of Michigan are met through service, partnership, and collaboration." The department's stated priorities are: Assure food safety; protect animal and plant health; sustain environmental stewardship; provide consumer protection; enable rural development; and foster efficient administrative operations.

The department was established by Public Act 13 of 1921 to "foster and promote in every possible way the agricultural interests of this state". Public Act 13 also established the five-member bi-partisan Commission of Agriculture. Members of the Commission are appointed by the Governor, with consent of the Senate, for four-year terms.

The respective powers and duties of the department and the commission were redefined in Chapter 8 of the Executive Reorganization Act of 1965 (enacted following the ratification of the 1963 Constitution), and more recently by Executive Orders 2009-45 and 2009-54. Executive Order 2009-45 gave to the Governor the power to appoint the Department Director, a power previously held by the Commission. Executive Order 2011-2 changed the name of the department to the Department of Agriculture and Rural Development (MDARD), changed the name of the Commission to the Commission of Agriculture and Rural Development, and rescinded some provisions of Executive Order 2009-54.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
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Full-time equated classified positions	531.0	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position.</i>
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GROSS APPROPRIATION \$187,715,100 Total of all applicable line item appropriations.

Total interdepartmental grant/intradepartmental transfer revenue	326,700	Revenue received from other departments or transferred within the department.
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ADJUSTED GROSS APPROPRIATION	\$187,388,400	Gross appropriation less (or minus) interdepartmental grant (IDG) and intradepartmental transfer (IDT) revenue.
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Total federal revenue	19,670,900	Revenue received from federal departments and agencies.
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Total local revenue	0	Revenue received from local units of government.
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Total private revenue	21,300	Revenue received from private individuals and entities.
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Total state restricted revenues	44,706,400	State revenue dedicated to a specific fund (other than the General Fund) or restricted for a specific purpose.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$122,989,800	Unrestricted state revenue from taxes and other sources.
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Executive direction – 23.0 FTE positions	3,288,800	Supports staff and other operating costs of the department's Executive Office, including the Chief Deputy Director, Deputy Director, Director of Finance and Budget, communications staff, and support staff; provides overall strategic, policy, and operational and financial direction for the department. Insurance and retirement benefit costs for unclassified positions are also funded from this line.
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The Director of Finance and Budget coordinates compliance with the legislative boilerplate directives and reporting requirements listed below.

This line item also supports the Office of Organizational Innovation which provides ongoing support for the development and management of department IT support systems and processes, including the department's licensing and public interface portal, inspection systems, legacy systems, data warehouse, and interfaces with state financial systems. This office oversees the department's IT system coordination and serves as the primary link to DTMB Agency Services, managing the department's hardware and software acquisition and compliance, security, privacy, record retention, and contingency emergency support for all IT systems.

The Office of Organizational Innovation also provides "lean process improvement" facilitation and monitoring, performance management roll out and oversight, including employee engagement survey activities, Monthly Scorecard review and development, and various risk assessment initiatives.

Funding Source(s):	Restricted	230,800
	GF/GP	3,058,000

Related Boilerplate Section(s): 204, 205, 206, 207, 208, 211, 212, 213, 216, 219, 220, 221, 222, 224, 241, 301, 302

Property management	752,400	Supports lease obligations for space occupied by the department in Constitution Hall in downtown Lansing, a state-owned facility managed by DTMB.
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Funding Source(s):	Restricted	122,100
	GF/GP	630,300

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$8,709,200	Total of all applicable line item appropriations.
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HHS, multiple grants	447,400	U.S. Department of Health and Human Services, Food and Drug Administration grants (CFDA 93.103), used primarily in support of food safety activities, including the Food Protection Rapid Response Team in the Emergency Management program.
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Agriculture licensing and inspection fees	45,400	Established in the Insect Pest and Plant Disease Act (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.
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Dairy and food safety fund	102,700	Established in Section 4117 of the Food Law of 2000, the fund receives revenue from licensing and regulatory fees under the Food Law of 2000, the Grade A Milk Law, and the Manufacturing Milk Law. Fund revenue is used to support food and dairy safety/quality assurance programs.
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Feed control fund	8,100	Established under the Feed Law (1975 PA 120), as amended by 2015 PA 83. Fund revenue is derived from licensing and inspection fees established under the act. Fund revenue is designated for administration and enforcement of the act and for education programs to ensure proper handling of animal feed.
Fertilizer control fund	10,200	Section 8514 of Michigan's Natural Resources and Environmental Protection Act (NREPA) establishes the Fertilizer Control Fund as a state restricted fund and directs all fertilizer regulatory fee revenue, as well as civil and administrative fines under Part 85 of NREPA, to the fund.
Freshwater protection fund	62,400	Established in Section 8716, Part 87 of NREPA, the fund receives revenue from pesticide and fertilizer water quality protection fees. The fund supports MDARD environmental protection programs, including MAEAP; fund revenue is also used as a match for federal conservation and water quality technical assistance grants.
Gasoline inspection and testing fund	25,600	Established in the Motor Fuels Quality Act (1984 PA 44), the fund receives revenue from a \$1.0 million earmark of certain driver's license fees under the Michigan Vehicle Code, plus inspection fees under 1984 PA 44. The fund is used to support MDARD's motor fuel quality inspection program.
Industry support funds	57,000	Although listed as restricted funds in the budget, these are really private funds provided by industry groups to support specific industry events and activities.
Michigan craft beverage council fund	8,800	The Liquor Control Code (1998 PA 58), as amended by 2018 PA 154 and 2018 PA 155, earmarks certain non-retail liquor fees to the Michigan Craft Beverage Fund, established in Section 303a of the Code. [Formerly shown as Nonretail liquor fees in the budget.]
Private forestland enhancement fund	16,000	Established under Part 513 of NREPA, the fund receives revenue from a 2-mill fee levied on property enrolled in the Qualified Forest Program, and from tax recapture assessed on property withdrawn from the program. The fund is used for administrative costs of the Qualified Forest Program and for programs to encourage management of private nonindustrial forest lands, incentive and cost share programs to assist landowners, education/training programs, and technical assistance.
Refined petroleum fund	20,500	Established in Part 215 of NREPA, the fund receives revenue from a refined petroleum regulatory fee. Fund revenue is used in the MDARD budget to support the department's Consumer Protection/motor fuel quantity testing program. Public Act 467 of 2016 increased the refined petroleum regulatory fee and lifted a sunset on the use of Refined Petroleum Fund for the motor fuel quantity inspection program.
Weights and measures regulation fees	5,000	Established under the Weights and Measures Act (1964 PA 283), the fund receives revenue from fees collected from owners/operators of scales and other weighing/measuring instruments. Revenue is used to support MDARD's consumer protection and weights and measures programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$7,900,100	Unrestricted state revenue from taxes and other sources.

SECTION 103: INFORMATION AND TECHNOLOGY

This appropriation unit provides funding for information technology services and projects provided through DTMB.

Information technology services and projects	\$2,337,700	Supports various information technology services and projects provided by DTMB. The department estimates that total ongoing information technology costs will be approximately \$4.0 million. Additional information technology costs not supported by this line item are charged back to direct program line items.
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Funding Source(s):	Restricted	243,600
	GF/GP	2,094,100

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$2,337,700	Total of all applicable line item appropriations.
Agriculture licensing and inspection fees	91,400	Established in the Insect Pest and Plant Disease Act, (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.
Dairy and food safety fund	74,800	Established in Section 4117 of the Food Law of 2000, the fund receives revenue from licensing and regulatory fees under the Food Law of 2000, the Grade A Milk Law, and the Manufacturing Milk Law. Fund revenue supports food and dairy safety/quality assurance programs.
Feed control fund	15,000	Established under the Feed Law (1975 PA 120), as amended by 2015 PA 83. Fund revenue is derived from licensing and inspection fees established under the act. Fund revenue is designated for administration and enforcement of the act and for education programs to ensure proper handling of animal feed.
Fertilizer control fund	15,000	Section 8514 of NREPA establishes the Fertilizer Control Fund as a state restricted fund and directs all fertilizer regulatory fee revenue, as well as civil and administrative fines under Part 85 of NREPA, to the fund.
Freshwater protection fund	15,000	Established in Section 8716, Part 87 of NREPA, the fund receives revenue from pesticide and fertilizer water quality protection fees. The fund supports MDARD environmental protection programs, including MAEAP; fund revenue is also used as a match for federal conservation and water quality technical assistance grants.
Gasoline inspection and testing fund	32,400	Established in the Motor Fuels Quality Act (1984 PA 44), the fund receives revenue from a \$1.0 million earmark of certain driver's license fees under the Michigan Vehicle Code, plus inspection fees under 1984 PA 44. The fund is used to support MDARD's motor fuel quality inspection program.
STATE GENERAL FUND/ GENERAL PURPOSE	\$2,094,100	Unrestricted state revenue from taxes and other sources.

SECTION 104: FOOD AND DAIRY

This appropriation unit provides funding for a number of department-administered food safety programs, including oversight of local health department food safety inspection activities. Program activities are authorized under the Food Law of 2000 (2000 PA 92), the Manufacturing Milk Law (2001 PA 267), and the Grade A Milk Law (2001 PA 266).

Full-time equated classified positions	139.0	Full-time equated (FTE) positions in the state classified service.
Food safety and quality assurance – 103.0 FTE positions	\$18,518,900	<p>Supports the staff and other operating costs of the following regulatory and service programs within the Food and Dairy Division:</p> <p><u>Food Safety and Inspection:</u> This program, required under the Food Law of 2000, is a direct department-administered program to license, regulate, and inspect 18,000 food establishments, including food processing plants, retail grocery and convenience stores, distribution centers, markets, bottled water dispensers, vending machines, and concessions at fairs. Program helps prevent the sale of adulterated or unsafe food products, outbreaks of food-borne disease, and fraud and deception in the sale of food products. Activities also include food establishment plan review, country of origin labeling inspections, and food recall response. There are approximately 62 field food inspectors and 6 regional supervisors.</p> <p>In 2022, this program began working with the Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency (MRA) on joint inspections of edible marijuana processing facilities. MDARD staff will provide advisories regarding food safety, including ingredients, equipment, process, and product labeling. Up to five new FTE positions can be assigned to this program, which is supported entirely with state restricted funds.</p> <p><u>Food Service:</u> Under the Food Law of 2000, the department has responsibility for a food service establishment (e.g., restaurants, schools, hospitals, etc.) regulatory program. There are approximately 35,000 food service establishments in Michigan. Actual program work is delegated to local public health departments, which perform plan reviews, conduct inspections, process license applications, take enforcement actions, investigate complaints, and conduct foodborne illness outbreak investigations. Local public health operations are evaluated every three years under the Michigan Local Public Health Accreditation Program. There are four MDARD food service consultants and one part-time supervisor for this program. Funding for the local health public health department functions is included in the Department of Health and Human Services budget.</p> <p><u>Food Safety Planning and Response:</u> This unit is responsible for MDARD's response to outbreaks of foodborne illnesses (i.e., seizure, recall, and notification of contaminated food products) and the coordination and integration of local, state, and federal public health and food safety components. There are three staff and one supervisor in this unit.</p>

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Food safety and quality assurance – 103.0 FTE positions
(continued)

Pure Michigan FIT: A nutritional and fitness initiative focusing on children; provides information for Michigan families to improve healthy eating habits and increase physical activity. The budget supports a program nutritionist.

Funding Source(s):	Federal	2,732,300
	Restricted	6,332,000
	GF/GP	9,454,600

Related Boilerplate Section(s): 401

Milk safety and quality assurance – 36.0 FTE positions

5,880,600

Supports the Milk Safety and Quality Assurance Program within the Food and Dairy Division which licenses and inspects the dairy industry pursuant to the Manufacturing Milk Law (2001 PA 267) and the Grade A Milk Law (2001 PA 266). Those subject to licensing and inspection include 993 permitted dairy farms, 91 dairy processing plants (which produce bottled milk, cheese, butter, yogurt, ice cream, and other dairy products), and 912 milk trucks and 717 milk haulers/samplers. Enforcement actions include seizure and recall of contaminated dairy products.

Program activities ensure a safe, wholesome supply of milk and dairy products for Michigan and out-of-state consumers. Conformance with the Pasteurized Milk Ordinance, a national standard for dairy-product sanitation developed by the United States Public Health Service, ensures that Michigan milk can be exported for sale out of state.

Funding Source(s):	Federal	191,900
	Restricted	209,000
	GF/GP	5,479,700

Related Boilerplate Section(s): 401

GROSS APPROPRIATION \$24,399,500 Total of all applicable line item appropriations.

HHS, multiple grants

2,787,100

U.S. Department of Health and Human Services, Food and Drug Administration grants (CFDA 93.103), used primarily in support of food safety activities; supports Food Protection Rapid Response Team.

USDA, multiple grants

137,100

This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.

Consumer and industry food safety education fund

242,500

Established in Section 4117(2) of the Food Law of 2000, the fund receives revenue from a \$3.00 surcharge for each food establishment license fee. Fee revenue is earmarked for consumer training and education on food safety.

Dairy and food safety fund

5,484,400

Established in Section 4117(1) of the Food Law of 2000, the fund receives revenue from licensing and regulatory fees under the Food Law of 2000, the Grade A Milk Law, and the Manufacturing Milk Law. Fund revenue is used to support food and dairy safety/quality assurance programs.

Industry food safety education fund

114,100

Established in Section 4117(3) of the Food Law of 2000, the fund receives revenue from a \$2.00 surcharge for each food service establishment license fee; fee revenue is earmarked for food safety training programs for food industry workers.

Marihuana regulatory fund	350,000	The Marihuana Regulatory Fund is established in Section 604 of Michigan's Medical Marihuana Facilities Licensing Act (2016 PA 281). Revenue is credited to the fund from various application fees and regulatory assessment established in the act. This fund source is appropriated in the Food Safety and Quality Assurance line item.
Marihuana regulation fund	350,000	The Marihuana Regulation Fund is established in Section 14 of Michigan's Regulation and Taxation of Marihuana Act (Initiated law 1 of 2018). The fund receives revenue from a marihuana excise tax established section 13 of the act and from various administrative and enforcement fees authorized under the act. This fund source is appropriated in the Food Safety and Quality Assurance line item.
STATE GENERAL FUND/ GENERAL PURPOSE	\$14,934,300	Unrestricted state revenue from taxes and other sources.

SECTION 105: ANIMAL INDUSTRY

This appropriation unit provides funding for the department's animal disease surveillance, reporting and control activities under the general authority of the Animal Industry Act (1988 PA 466), as amended by 2019 PA 132. The Animal Industry Act provides for the appointment of the State Veterinarian.

Full-time equated classified positions

62.0 Full-time equated (FTE) positions in the state classified service.

Animal disease prevention and response – 62.0 FTE positions

\$10,520,900

Supports staff and other operating costs of the Animal Industry Division (AID), including the position of State Veterinarian. The primary responsibility of the AID is the Animal Disease Surveillance, Reporting, and Control (ADSRC) program under the general authority of the Animal Industry Act (1988 PA 466). During the 2019-2020 legislative session, the Animal Industry Act was amended by 2019 PA 132.

The ADSRC program works to protect public health and the health of domestic animals; the program monitors and works to eradicate animal diseases in order to facilitate import and export of healthy livestock and to protect the food supply. The program also licenses and regulates various animal industries including livestock dealers. The Electronic Identification (EID) program allows for the tracing of livestock movement.

Program activities are supported in part through multiple USDA cooperative agreements.

Bovine Tuberculosis (TB) is one of the largest AID programs, accounting for over one-half of AID activity. The department has had a dedicated Bovine TB program since 1995 when the disease was first identified in the Lower Peninsula free-ranging white-tailed deer population. Program activities include testing and surveillance, livestock movement tracing through electronic identification and record review, depopulation and disposal of infected animals, indemnification of livestock owners, on-farm assistance, wildlife mitigation, and herd reconciliation; herd testing is performed by private veterinarians under contract with the department (fee based). The department coordinates program activities with the Department of Natural Resources; the department also collaborates with the USDA under terms of the May 25, 2022 Memorandum of Understanding and Cooperative Funding Agreement.

Michigan is described as having "split-state status." That is to say, while most of the state is considered TB-free, four counties in northeastern lower Michigan have not yet moved to TB-Free status. Producers within these four counties, and surrounding counties, are subject to additional herd testing and restrictions on the movement of cattle.

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Animal disease prevention and response – 62.0 FTE positions
(continued)

Other AID Programs

Other AID activities funded through the line item include targeted animal health and welfare programs as authorized through the following statutes: Animal Welfare Fund Act, Aquaculture Development Act, 1969 PA 287 (Pet Shops, Dog Pounds, and Animal Shelters), Bodies of Dead Animals Act, 1937 PA 284 (Livestock Dealers), Wildlife Depredations Indemnification Act, the Privately Owned Cervidae Producers Marketing Act, and the Large Carnivore Act.

Funding Source(s): Federal 1,082,500
 Restricted 221,800
 GF/GP 9,216,600

Related Boilerplate Section(s): 451, 452, 454, 455, 457

Indemnification – livestock deprecation 15,000 Supports fair market value indemnification payments to owners for livestock killed by wolves, coyotes, or cougars. Authorized under 2012 PA 487, the Wildlife Depredations Indemnification Act.

Funding Source(s): GF/GP 15,000

Related Boilerplate Section(s): 452

Michigan animal agriculture alliance 3,000,000 Funding authorized under this line item would be granted to Michigan State University for a targeted research grant program related to the animal agriculture industry.

Funding Source(s): GF/GP 3,000,000

Related Boilerplate Section(s): 458

GROSS APPROPRIATION \$13,535,900 Total of all applicable line item appropriations.

HHS, multiple grants 15,100 U.S. Department of Health and Human Services, Food and Drug Administration grants (CFDA 93.103), used primarily in support of food safety activities; supports Food Protection Rapid Response Team.

USDA, multiple grants 1,067,400 This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.

Agriculture licensing and inspection fees 71,800 Established in the Insect Pest and Plant Disease Act (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.

Animal welfare fund 150,000 Established in the Animal Welfare Act (2007 PA 132), the fund receives revenue from a state income tax check-off authorized under MCL 206.435. Fund revenue is used for grants related to the promotion of sterilization and adoption of dogs and cats, education and training regarding the proper care of animals, and care and protection of animals pursuant to anticruelty laws.

STATE GENERAL FUND/ \$12,231,600 Unrestricted state revenue from taxes and other sources.
GENERAL PURPOSE

SECTION 106: PESTICIDE AND PLANT PEST MANAGEMENT

This appropriation unit provides funding for the Pesticide and Plant Pest Management Division, which manages the plant pest and disease prevention program; regulates seed, plant, grain, feed products, and storage facilities; and regulates the manufacture and use of pesticides and fertilizers.

Full-time equated classified positions	101.0	Full-time equated (FTE) positions in the state classified service.
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Animal feed safety – 10.0 FTE positions	\$2,116,100	Supports the staff and operations of the following regulatory and service programs within the Pesticide and Plant Pest Management Division:
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Animal Feed Safety and Agricultural Products Consumer Protection: Responsible for the sampling and analysis of animal feed ingredients and products; licensure of feed manufacturers and distributors; inspection of feed mills; and investigation of animal deaths or illnesses potentially caused by feed. Program activities are authorized under the Feed Law (1975 PA 120).

Audit/Compliance Function: Supports 2.0 FTE positions for audits to ensure compliance with tonnage reporting requirements required under the Feed Law, as recodified under 2015 PA 83.

Funding Source(s):	Federal	397,400
	Restricted	1,402,100
	GF/GP	316,600

Related Boilerplate Section(s): 301, 501

Pesticide and plant pest management – 91.0 FTE positions	15,606,400	Supports the staff and operations of the following regulatory and service programs within the Pesticide and Plant Pest Management Division:
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Exotic and Invasive Pest Detection and Response: Responsible for the early detection of exotic and invasive pests of agriculture and forestry products via pathway analysis, risk-based trapping, and inspections for high-risk species and the management of these pests before they become established.

Plant Health and Export Certification: Responsible for the prevention of the introduction and dissemination of injurious insects and plant diseases and the facilitation of the importation and exportation of nursery stock, plants, and plant products through the detection, eradication, monitoring, and control of certain insects and diseases.

Within this program area are three staff and a program specialist to provide statewide management of the Industrial Hemp Program as well as two field staff who will conduct industrial hemp inspections and sampling activities.

Pesticide Certification, Registration, and Enforcement: Responsible for the regulation of the distribution, sale, storage, usage, and disposal of pesticides to prevent or mitigate adverse effects of pesticides on health and the environment, including the registration of pesticide products, certification of pesticide applicators, licensure of pesticide dealers and applicators, inspection of pesticide manufacturers and warehouse, investigation of complaints of pesticide misuse, and enforcement via administrative and judicial actions.

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Pesticide and plant pest management – 91.0 FTE positions
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Fruit and Vegetable Inspection: Responsible for inspection of imported and domestically grown produce, certification of produce for export or government use, USDA food safety audits, licensure of controlled atmosphere storage, phytosanitary inspections, and organic cost share and registration.

Fertilizer Program: Responsible for fertilizer regulatory functions under NREPA, including sampling and analysis of fertilizer and liming ingredients and products; licensing of fertilizer manufacturers and product registration; investigation of complaints and consultations to ensure proper fertilizer storage and use of fertilizer.

Audit/Compliance Function: Supports 2.0 FTE positions for an audit function for compliance with tonnage reporting requirements required under the 2015 amendments (2015 PA 118) to fertilizer regulatory sections of the Natural Resources and Environmental Protection Act.

Funding Source(s):	Federal	1,299,800
	Private	21,300
	Restricted	7,748,500
	GF/GP	6,536,800

Related Boilerplate Section(s): 301, 501, 502

GROSS APPROPRIATION	\$17,722,500	Total of all applicable line item appropriations.
EPA, multiple grants	578,700	Represents two U.S. Environmental Protection Agency (EPA) grant programs: Performance Partnership grants (CDFA 66.605), which partner with states within 18 separate categorical programs; and Great Lakes Program (CDFA 66.469), which supports the Great Lakes Restoration Initiative.
HHS, multiple grants	397,400	U.S. Department of Health and Human Services, Food and Drug Administration grants (CFDA 93.103), used primarily in support of food safety activities; supports Food Protection Rapid Response Team.
USDA, multiple grants	721,100	This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.
Private - slow-the-spread foundation	21,300	Funds provided by the private Gypsy Moth Slow-the-Spread Foundation, passed through to the department by the USDA. Funds are used to support MDARD activities associated with an annual pesticide applicator fly-in.
Agriculture licensing and inspection fees	4,579,300	Established in the Insect Pest and Plant Disease Act (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.
Commodity inspection fees	688,600	Represents fees charged by MDARD for contract inspection services, primarily fruit and vegetable inspections and Good Agricultural Practices (GAP)/Good Handling Practices (GHP) audits; authorized under the Market Conditions Act (1915 PA 91), various other public acts, and Section 301 of appropriations boilerplate. Used to reimburse the department for costs of inspection services.

Feed control fund	1,402,100	Established under the Feed Law (1975 PA 120), as amended by 2015 PA 83. Fund revenue is derived from licensing and inspection fees established under the act. Fund revenue is designated for administration and enforcement of the act and for education programs to ensure proper handling of animal feed.
Fertilizer control fund	1,347,800	Section 8514 of NREPA establishes the Fertilizer Control Fund as a state restricted fund and directs all fertilizer regulatory fee revenue, as well as civil and administrative fines under Part 85 of NREPA, to the fund.
Freshwater protection fund	157,500	Established in Section 8716, Part 87 of NREPA, the fund receives revenue from pesticide and fertilizer water quality protection fees. The fund supports MDARD environmental protection programs, including MAEAP; fund revenue is also used as a match for federal conservation and water quality technical assistance grants.
Horticulture fund	70,000	Section 209(4) of the Insect Pest and Plant Disease Act (1931 PA 189), earmarks a portion of nursery license fees, not to exceed \$70,000 each year, for research grants associated with horticulture industry.
Industrial hemp fund	677,200	The Industrial Hemp Fund is created in Section 107 of the Industrial Hemp Growers Act (2020 PA 220). Fund revenue is derived from grower registration fees established under the act.
Industry support funds	228,100	Although listed as restricted funds in the budget, these are effectively private funds provided by industry groups to support specific industry events and activities.
STATE GENERAL FUND/ GENERAL PURPOSE	\$6,853,400	Unrestricted state revenue from taxes and other sources.

SECTION 107: ENVIRONMENTAL STEWARDSHIP

This appropriation unit supports a number of Environmental Stewardship Division programs which help sustain a safe and healthy environment, a viable natural resource base, and a strong agricultural and forestry economy. Environmental Stewardship programs are cooperative programs between the department and local units of government, federal agencies, and private landowners.

Full-time equated classified positions	66.5	Full-time equated (FTE) positions in the state classified service.
Agricultural preservation easement grants	\$1,900,000	Provides grants to local units of government for the purchase of agricultural conservation easements, as authorized under Part 362 of the Natural Resources and Environmental Protection Act.
		Funding Source(s): Restricted 1,900,000
		<i>Related Boilerplate Section(s): 602, 610</i>

Environmental stewardship – MAEAP - 26.0 FTE positions	11,752,300	<p>Provides funding for a number of targeted programs:</p> <p>Supports the staff and operations of the Michigan Agriculture Environmental Assurance Program (MAEAP) within the Environmental Stewardship Division. Responsible for the verification and re-verification of farm systems that have implemented environmentally sound practices required under MAEAP; monitoring verified farm systems for continued compliance with MAEAP requirements; and administering grants to local conservation districts for the provision of information and educational sessions, farm-specific technical assistance, and on-farm risk assessments. MAEAP is established under parts 82 and 87 of Michigan's Natural Resources and Environmental Protection Act.</p> <p>This line item also provides grants to local conservation districts for the implementation of various state and federal environmental conservation and freshwater protection programs, including technical assistance to agriculture producers implementing eligible conservation practices. This program helps producers access cost-sharing programs established under the Farm Bill.</p> <p><u>Groundwater Monitoring:</u> Provides water quality information to private well owners; works under federal monitoring requirements for pesticides.</p> <p><u>Michigan Clean Sweep:</u> Program develops legal, safe disposal system for old/unwanted/suspended/canceled pesticides.</p> <p><u>Contamination Response:</u> Responds to events involving pesticide contamination of groundwater.</p> <p><u>Pesticide Container Recycling:</u> Encourages pesticide users to recycle empty containers at pre-selected sites.</p> <p><u>Conservation Reserve Enhancement Program (CREP)</u> CREP is a subset of the federal Conservation Reserve Program, authorized in the 2018 Farm Bill. CREP provides enhanced incentives to qualified producers and landowners in priority watershed areas to implement specific conservation practices designed to prevent soil erosion and improve water quality and wildlife habitat.</p>
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Environmental stewardship – MAEAP - 26.0 FTE positions <i>(continued)</i>			Funding Source(s):	Federal	1,982,600
				Restricted	8,331,700
				GF/GP	1,438,000
		<i>Related Boilerplate Section(s): 601, 602, 603, 604</i>			
Farmland and open space preservation – 10.0 FTE positions	1,608,700	Supports the staff and operations of the Farmland and Open Space Preservation Program within the Environmental Stewardship Division. Responsible for the administration, implementation and execution of farmland development rights agreements, conservation easement donations, designated open space easements, appeals of local open space easements, and the purchase of development rights.	Funding Source(s):	Restricted	1,608,700
			<i>Related Boilerplate Section(s): 602</i>		
Intercounty drain – 6.0 FTE positions	862,600	Oversees all intercounty drain construction/financing under authority of the state Drain Code; MDARD staff chair all intercounty drainage boards.	Funding Source(s):	GF/GP	862,600
			<i>Related Boilerplate Section(s): 602</i>		
Local Conservation Districts	2,000,000	Provides operating grants to Michigan's local conservation districts; allocated equally among 75 local conservation districts. [An additional \$1.0 million GF/GP is provided for this program in the One-Time appropriation unit.]	Funding Source(s):	GF/GP	2,000,000
			<i>Related Boilerplate Section(s): 602, 609</i>		
Migrant labor housing – 9.0 FTE positions	1,357,300	Supports the staff and operations of the Migrant Labor Housing Program within the Environmental Stewardship Division. Responsible for the licensing and inspection of housing provided to migrant farm workers; includes inspection of the structural, mechanical, plumbing, electrical, fire safety, egress suitability, hazardous material storage, and other aspects relevant to residential homes and farm operations.	Funding Source(s):	Restricted	143,900
				GF/GP	1,213,400
			<i>Related Boilerplate Section(s): 602</i>		
Qualified forest program – 9.0 FTE positions	8,078,600	Ongoing restricted and GF/GP funding supports staffing and operations of the Qualified Forest Program, within the Environmental Stewardship Division. The program is responsible for the review and approval of applications for property tax exemptions; oversight of activities pursuant to forest management plans; provision and verification of affidavits for landowners; audit of property tax receipts; and implementation of outreach, education, and technical assistance under the program. In FY 2022-23, the line item recognizes a \$5.4 million USDA Regional Conservation Partnership Program (RCPP) grant to support a reforestation project. The project involves planting of hardwoods and conifers on approximately 16,400 acres of both public and private land in Michigan's Northern Lower Peninsula.	Funding Source(s):	Federal	5,400,000
				Restricted	1,080,100
				GF/GP	1,598,500
			<i>Related Boilerplate Section(s): 602, 608, 610</i>		

Right-to-farm – 6.5 FTE positions	1,025,600	Administers Right to Farm Act (1981 PA 93). Activities include investigation and resolution of nuisance complaints involving farm operations in Michigan (pesticide application, livestock production facilities, land application of production by-products). Also administers siting program to ensure that new or expanding livestock and poultry production facilities meet sound construction standards, follow environmental management plans, and are compatible with non-farm neighbors. The Right-to-Farm unit also performs annual reviews of Generally Accepted Agricultural and Management Practices (GAAMPs) and provides education and technical assistance for biosolids management.
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Funding Source(s):	IDG/IDT	94,800
	GF/GP	930,800

Related Boilerplate Section(s): 602

GROSS APPROPRIATION \$28,585,100 Total of all applicable line item appropriations.

IDG from MDEGLE, biosolids	94,800	Represents a 10% earmark of revenue collected by the Michigan Department of, Environment, Great Lakes, and Energy for deposit to the Sewage Sludge Land Application Fund under Part 31, NREPA (MCL 324.3132). Fund revenue is used for education and technical assistance related to land application of sewage sludge and its derivatives.
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Department of interior	96,300	State wildlife grants provided through the Department of Interior, U.S. Fish & Wildlife Service, Wildlife and Sport Fish Restoration Program (CFDA 15.634). This program supports projects that create or enhance wildlife habitat, support research and monitoring, or acquire lands with high value to species of greatest conservation need.
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EPA, multiple grants	564,000	Represents two U.S. Environmental Protection Agency (EPA) grant programs: Performance Partnership grants (CDFA 66.605), which partner with states within 18 separate categorical programs; and Great Lakes Program (CDFA 66.469), which supports the Great Lakes Restoration Initiative.
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USDA, multiple grants	6,722,300	This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.
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This fund source is much higher than previous years because the FY 2022-23 appropriation for the Qualified Forest Program recognizes a \$5.4 million USDA Regional Conservation Partnership Program (RCPP) grant to support a reforestation project.

Agricultural preservation fund	3,508,700	Established in Part 362 of NREPA, the fund receives revenue from the repayment of tax credits on the early termination of development rights agreements under Part 361 of NREPA, often referred to as PA 116 agreements. In addition, House Bill 5190, enacted as 2016 PA 266, amended the Income Tax Act to earmark and redirect certain GF/GP revenue to the fund. Fund revenue is used for department administration of farmland/open space preservation programs. Purchase of development rights and conservation easements are also eligible uses of fund revenue.
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Freshwater protection fund	8,331,700	Established in Section 8716, Part 87 of NREPA, the fund receives revenue from pesticide and fertilizer water quality protection fees. The fund supports MDARD environmental protection programs, including MAEAP; fund revenue is also used as a match for federal conservation and water quality technical assistance grants. [Water quality protection fees were increased in House Bill 4391, enacted as 2015 PA 118.]
Migratory labor housing fund	143,900	Established under Part 124 of the Public Health Code, the fund receives revenue from migrant labor housing licensing/inspection fees; the fund is used to support MDARD's migrant labor housing inspection program.
Private forestland enhancement fund	1,080,100	Established under Part 513 of NREPA, the fund receives revenue from a 2-mill fee levied on property enrolled in the Qualified Forest Program, and from tax recapture assessed on property withdrawn from the program. The fund is used for administrative costs of the Qualified Forest Program and for programs to encourage management of private nonindustrial forest lands, incentive and cost share programs to assist landowners, education/training programs, and technical assistance.
STATE GENERAL FUND/ GENERAL PURPOSE	\$8,043,300	Unrestricted state revenue from taxes and other sources.

SECTION 108: LABORATORY PROGRAM

This appropriation unit provides funding for analytical and diagnostic testing services and inspection programs for consumers, industry, and government agencies. The Laboratory Division provides scientific and analytical services in support of programs of the department and other agencies, both federal and state, and testing and consulting services on a fee basis to Michigan's industry and private citizens. The division operates two laboratories: the W.C. Geagley Laboratory in East Lansing and the E.C. Heffron Metrology Laboratory in Williamston.

Full-time equated classified positions	108.5	Full-time equated (FTE) positions in the state classified service.
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Central licensing and customer service call center – 13.0 FTE positions	\$1,533,100	The Customer Call Center provides licensees with a single point of contact in the department. Licensees include food service and handler establishments, bottled water and water dispensing licensees, and licensees under Migrant Labor Housing, Nursery, Retail Motor Fuel, Animal Industry Division, and Pesticide and Plant Pest Management Division programs. The Customer Call Center is the first point of contact for all incoming department telephone calls, providing consistent, effective, and efficient customer service.
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The Central Licensing Unit provides licensing service functions for programs in each of MDARD's regulatory divisions. Services provided include renewal preparation, license issuance, customer assistance, and tracking license fees. The unit processes approximately 100,000 licenses, registrations and certification each year.

Funding Source(s):	Restricted	1,019,200
	GF/GP	513,900

Related Boilerplate Section(s): 651

Laboratory services – 42.5 FTE positions 8,282,800 Supports the staff and operations of the following testing and analysis programs within the W.C. Geagley Laboratory:

Animal Disease Surveillance: Responsible for the provision of analytical testing to certify that certain animals are free from specific diseases; also participates in university studies and assists with federal disease surveillance.

FDA Food Emergency Response Network: Responsible for the provision of increased sample analysis capacity during the outbreak of foodborne illness or large-scale food adulteration or contamination emergency.

Food and Dairy Microbiology: Responsible for the provision of legally defensible analytic determination of compliance with state and federal food and dairy laws to assure products are safe for human consumption.

Pesticide and Environment: Responsible for the protection of human, animal, and plant health and the environment from the adverse effects of pesticides or misuse of pesticide products.

Feed Safety Testing: Responsible for the provision of analytical testing of animal feed to detect accidental or intentional contamination and prevent deficient or fraudulent nutritional and drug ingredient labeling.

Food Safety Testing: Responsible for the provision of analytical testing of food and beverage products and ingredients to detect the presence of prohibited, extraneous, deleterious, injurious, and filthy substances.

Motor Fuel Quality Testing: Responsible for the protection of consumers and industry from economic fraud by ensuring that gasoline does not contain prohibited fuel extenders, water, or sediment.

Hemp Testing: Responsible for the provision of analytical testing of hemp to ensure the THC content is less than 0.3% so that crops may be harvested in accordance with Michigan's USDA-approved Hemp Production Plan.

Funding Source(s):	IDG/IDT	231,900
	Federal	1,749,900
	Restricted	1,640,600
	GF/GP	4,660,400

Related Boilerplate Section(s): 301, 651

USDA monitoring program – 11.0 FTE positions	1,704,300	Represents the Pesticide Data Program, a work program established under cooperative agreement with the USDA to monitor for pesticide residue in food and agricultural products. The USDA agreement supports staff and other program operating costs at the W.C. Geagley Laboratory, one of seven state laboratories, in addition to a USDA laboratory, performing residue testing under this program. Test results are included in the USDA Pesticide Data Program database and annual summary reports.
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According to the USDA's Agricultural Marketing Service website, the Pesticide Data Program enables the U.S. Environmental Protection Agency to assess dietary exposure to certain pesticides, facilitates the global marketing of U.S. agricultural products, and provides guidance for the U.S. Food and Drug Administration and other governmental agencies to make informed decisions regarding pesticide exposure.

Funding Source(s): Federal 1,704,300

Related Boilerplate Section(s): 651

GROSS APPROPRIATION	\$18,587,300	Total of all applicable line item appropriations.
IDG from LARA (LLC), liquor quality testing fees	231,900	Reimbursement by LARA for cost of MDARD laboratory testing/analyzing alcoholic liquor products offered for sale in Michigan; authorized under the Michigan Liquor Control Code (1998 PA 58) and Administrative Rule R436.1043.
EPA, multiple grants	180,600	Represents two U.S. Environmental Protection Agency (EPA) grant programs: Performance Partnership grants (CDFA 66.605), which partner with states within 18 separate categorical programs; and Great Lakes Program (CDFA 66.469), which supports the Great Lakes Restoration Initiative.
HHS, multiple grants	1,568,100	U.S. Department of Health and Human Services, Food and Drug Administration grants (CFDA 93.103), used primarily in support of food safety activities; supports Food Protection Rapid Response Team.
USDA, multiple grants	1,705,500	This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.
Agriculture licensing and inspection fees	353,400	Established in the Insect Pest and Plant Disease Act (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.
Dairy and food safety fund	526,100	Established in Section 4117 of the Food Law of 2000, the fund receives revenue from licensing and regulatory fees under the Food Law of 2000, the Grade A Milk Law, and the Manufacturing Milk Law. Fund revenue is used to support food and dairy safety/quality assurance programs.
Feed control fund	193,100	Established under the Feed Law (1975 PA 120), as amended by 2015 PA 83. Fund revenue is derived from licensing and inspection fees established under the act. Fund revenue is designated for administration and enforcement of the act and for education programs to ensure proper handling of animal feed.

Fertilizer control fund	25,100	Section 8514 of NREPA establishes the Fertilizer Control Fund as a state restricted fund and directs all fertilizer regulatory fee revenue, as well as civil and administrative fines under Part 85 of NREPA, to the fund.
Freshwater protection fund	48,100	Established in Section 8716, Part 87 of NREPA, the fund receives revenue from pesticide and fertilizer water quality protection fees. The fund supports MDARD environmental protection programs, including MAEAP; fund revenue is also used as a match for federal conservation and water quality technical assistance grants.
Gasoline inspection and testing fund	1,422,900	Established in the Motor Fuels Quality Act (1984 PA 44), the fund receives revenue from a \$1.0 million earmark of certain driver's license fees under the Michigan Vehicle Code, plus inspection fees under 1984 PA 44. The fund is used to support MDARD's motor fuel quality inspection program.
Grain dealers fee fund	8,200	Established in the Grain Dealer's Act (1939 PA 141), the fund receives revenue from Grain Dealer's Act licensing and inspection fees and from reimbursements of department costs under the Farm Produce Insurance Act (2003 PA 198). The fund is used to support MDARD grain dealer licensing and inspection programs.
Industrial hemp fund	321,300	The Industrial Hemp Fund is created in Section 107 of the Industrial Hemp Growers Act (2020 PA 220). Fund revenue is derived from grower registration fees established under the act.
Migratory labor housing fund	30,100	Established under Part 124, Public Health Code, the fund receives revenue from migrant labor housing licensing/inspection fees; the fund is used to support MDARD's migrant labor housing inspection program.
Refined petroleum fund	3,454,600	Established in Part 215 of NREPA, the fund receives revenue from a refined petroleum regulatory fee. Fund revenue is used in the MDARD budget to support the department's Consumer Protection/motor fuel quantity testing program. 2016 PA 467 increased the refined petroleum regulatory fee and lifted a sunset on the use of Refined Petroleum Fund for the motor fuel quantity inspection program.
Testing fees	356,300	Revenue from fees charged for laboratory testing/analysis services provided by the department on request. Fees are established by the department as authorized by Section 301 of appropriations boilerplate. Fees are used to reimburse the department for the costs of laboratory analysis services.
Weights and measures regulation fees	750,200	Established under the Weights and Measures Act (1964 PA 283), the fund receives revenue from fees collected from owners/operators of scales and other weighing/measuring instruments. Revenue is used to support MDARD's consumer protection and weights and measures programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$7,411,800	Unrestricted state revenue from taxes and other sources.

SECTION 109: AGRICULTURE DEVELOPMENT

This appropriation unit provides funding for the Office of Agriculture Development, which promotes international marketing; endeavors to attract, expand, and retain jobs and investment; and administers various grant programs. MDARD producer security/grain dealer functions are also housed within this appropriation unit.

Full-time equated classified positions	23.0	Full-time equated (FTE) positions in the state classified service.									
Agriculture development – 13.0 FTE positions	\$4,806,400	<p>Supports the staff and operations of the following economic and rural development programs within the Office of Agriculture Development:</p> <p><u>Business Development</u>: Facilitates growth in food and agriculture industry and workforce.</p> <p><u>Rural Development</u>: Responsible for addressing the needs of businesses and communities to encourage and promote development of rural areas.</p> <p><u>International Market Development</u>: Responsible for the provision of assistance for food and agriculture businesses to explore and exploit trade opportunities.</p> <p><u>Domestic Marketing</u>: Responsible for the increase of market access for a variety of Michigan-produced food and agriculture products.</p> <p><u>Commodity Coordination</u>: Responsible for the coordination of certain agriculture commodities, consisting of regulatory oversight duties.</p> <p><u>Grants Administration</u>: Responsible for the administration of state and federal grant programs, including the \$2.0 million USDA Specialty Crop grant program as well as the project oversight for economic development programs under the Food and Agriculture Investment program.</p> <p><u>Statistical Reporting Service</u>: MDARD works in collaboration with the United States Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), to conduct research and analysis of Michigan's agriculture industry, including estimations of crop and livestock production, value of farm products, and commodity and market prices; maintains the state's agriculture database.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Federal</td> <td style="text-align: right;">2,682,800</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">173,600</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">1,950,000</td> </tr> </table> <p style="text-align: center;"><i>Related Boilerplate Section(s): 701, 706</i></p>	Funding Source(s):	Federal	2,682,800		Restricted	173,600		GF/GP	1,950,000
Funding Source(s):	Federal	2,682,800									
	Restricted	173,600									
	GF/GP	1,950,000									
Fair food network – double up food bucks	900,000	<p>Program to increase purchasing power of Michigan residents who receive Supplemental Nutritional Assistance Program (SNAP) benefits by providing a dollar-for-dollar match of up to \$20 per day to buy fresh fruits and vegetables at participating grocery stores and farmer's markets.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">GF/GP</td> <td style="text-align: right;">900,000</td> </tr> </table> <p style="text-align: center;"><i>Related Boilerplate Section(s): 703</i></p>	Funding Source(s):	GF/GP	900,000						
Funding Source(s):	GF/GP	900,000									

Food and agriculture investment program	2,472,600	Supports a grant program which seeks to promote and enhance Michigan's food and agriculture industry.
		Funding Source(s): GF/GP 2,472,600
		<i>Related Boilerplate Section(s): 701, 706</i>
Michigan craft beverage council – 3.0 FTE positions	926,100	Supports the staff and operations of the Michigan Craft Beverage Council, established in Section 303 of the Michigan Liquor Control Code. Provides grant funding for research on wine grapes, wine making, brewing, and distilling.
		Funding Source(s): Restricted 926,100
		<i>Related Boilerplate Section(s): 706</i>
Office of rural development – 1.0 FTE position	679,800	Supports the Office of Rural Development. This office, new in FY 2021-22 budget, will work to identify opportunities and address challenges to growth for rural communities.
		Funding Source(s): GF/GP 679,800
		<i>Related Boilerplate Section(s): 706</i>
Producer security/grain dealers– 5.0 FTE positions	754,000	Supports the staff and operations of the Producer Security Program. This program, established under the Grain Dealers Act, helps protect farm producers who store grain in elevators through financial regulatory oversight of grain dealers. Activities include audits of grain dealers for financial solvency and confirmation of accurate measure of grain inventory. The Producer Security Program also administers the Farm Producers Insurance Fund.
		Funding Source(s): Restricted 735,200 GF/GP 18,800
		<i>Related Boilerplate Section(s): 706</i>
Rural development fund grant program – 1.0 FTE position	2,004,800	Supports the Rural Development Fund grant program established in 2012 PA 411. Eligibility requirements for these grants include: <ul style="list-style-type: none"> • Projects that address the expansion and sustainability of land-based industries • Projects addressing worker training related to land based industries • Projects addressing energy, transportation, communications, water and wastewater infrastructure to benefit rural communities and micropolitan statistical areas as defined by the U.S. Office of Management and Budget.
		Funding Source(s): Restricted 2,004,800
		<i>Related Boilerplate Section(s): 702, 706</i>
GROSS APPROPRIATION	\$12,543,700	Total of all applicable line item appropriations.
USDA, multiple grants	2,682,800	This fund source represents a number of U.S. Department of Agriculture (USDA) grant programs, including: Plant and Animal Disease, Pest Control, and Animal Care (CDFA 10.025) provided by the USDA Animal and Plant Health Inspection Service (APHIS); the Soil and Water Conservation program (CDFA 10.902), provided by Natural Resources Conservation Service (NRCS); the USDA Pesticide Data Program (CDFA 10.163); and the Specialty Crop Block Grant Program (CDFA 10.170). Many of these federal aid programs are authorized under the Agriculture Improvement Act of 2018, commonly known as the Farm Bill.

Agriculture licensing and inspection fees	5,100	Established in the Insect Pest and Plant Disease Act (1931 PA 189), this is a "catch-all" fund for fees collected from a number of department licensing and inspection activities related to animal industry, pesticide and fertilizer regulation, and nursery inspections. The fund is used to support MDARD agriculture regulatory and inspection programs.
Grain dealers fee fund	710,100	Established in the Grain Dealer's Act (1939 PA 141), the fund receives revenue from Grain Dealer's Act licensing and inspection fees and from reimbursements of department costs under the Farm Produce Insurance Act (2003 PA 198). The fund is used to support MDARD grain dealer licensing and inspection programs.
Industry support funds	223,600	Although listed as restricted funds in the budget, these are really private funds provided by industry groups to support specific industry events and activities. Boilerplate Sec. 707 provides for carry forward authority.
Michigan craft beverage council fund	896,100	The Liquor Control Code (1998 PA 58), as amended by 2018 PA 154 and 2018 PA 155, earmarks certain non-retail liquor fees to Michigan Craft Beverage Fund, established in Section 303a of the Code. [Formerly shown as Nonretail liquor fees in the budget.]
Rural development fund	2,004,800	Fund revenue is derived from a nonferrous metallic minerals extraction tax established in 2012 PA 410.
STATE GENERAL FUND/ GENERAL PURPOSE	\$6,021,200	Unrestricted state revenue from taxes and other sources.

SECTION 110: FAIRS AND EXPOSITIONS

This appropriation unit provides funding for the administration of various financial assistance programs to encourage horse racing, county fairs, and agriculture expositions in Michigan. Several line items within this appropriation unit represent purses, purse supplements, or breeder's awards established in Section 20 of the Horse Racing Law. Hazel Park Racetrack, which had hosted thoroughbred racing, closed in April 2018, leaving only standardbred harness racing at county fairs and at one licensed racetrack, Northville Downs. Expenditures have not been charged to thoroughbred line items or light horse racing line items since FY 2016-17.

County fairs, shows, and expositions grants	\$500,000	Supports competitive grant program to promote and encourage investment in building and other capital improvements at county fairgrounds in Michigan. Supports competitive grant program to promote and encourage equine, livestock, and other agricultural commodity shows and expositions in Michigan.
	Funding Source(s):	GF/GP 500,000
		<i>Related Boilerplate Section(s): 805</i>
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Fairs and racing	258,600	Supports department administration of the purses, purse supplements, breeder's awards, and stakes established in Section 20 of the Horse Racing Law and appropriated in line items below. Since FY 2016-17, the only horse racing programs in Michigan have been standardbred harness race programs at county fairs and at the one licensed track/race meeting licensee in Michigan, Northville Downs.
		Funding Source(s): Restricted 258,600
		<i>Related Boilerplate Section(s): 801, 802</i>
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Horse racing advisory commission	125,000	The commission is established in Sec. 6a of the Horse Racing Law; the commission receives an earmark of Advance Deposit Wagering Tax revenue in Sec. 20a of the Horse Racing Law.
		Funding Source(s): Restricted 125,000
		<i>Related Boilerplate Section(s): 801, 802</i>
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Licensed tracks – light horse racing	40,300	Supports purse supplements for races conducted exclusively for Michigan-bred Quarter, Appaloosa, Arabian, or American Paint horses. No expenditures have been charged to this line item since FY 2016-17.
		Funding Source(s): Restricted 40,300
		<i>Related Boilerplate Section(s): 801, 802</i>
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Light horse racing – breeders' awards	20,000	Supports breeders' awards for Michigan-bred Quarter, Appaloosa, Arabian, or American Paint horses winning races at county fairs or licensed racetracks. No expenditures have been charged to this line item since FY 2016-17.
		Funding Source(s): Restricted 20,000
		<i>Related Boilerplate Section(s): 801, 802</i>

Purses and supplements – fairs/licensed tracks	708,300	Supports purse supplements for Standardbred horse races at county fairs and licensed racetracks, special purses for races of 2- and 3-year-old Standardbred horses at county fairs, payments to presiding judges and clerks of the course at county fairs, and the collection of specimens and conducting of tests.
		Funding Source(s): Restricted 708,300
		<i>Related Boilerplate Section(s): 801, 802</i>
Standardbred breeders' awards	345,900	Supports breeders' awards for Michigan-bred Standardbred horses winning races at county fairs or licensed racetracks.
		Funding Source(s): Restricted 345,900
		<i>Related Boilerplate Section(s): 801, 802</i>
Standardbred purses and supplements – licensed tracks	671,800	Supports purse supplements for Standardbred horse races at county fairs and licensed racetracks and for special 4-year-old filly and colt Standardbred horse races at licensed racetracks.
		Funding Source(s): Restricted 671,800
		<i>Related Boilerplate Section(s): 801, 802</i>
Standardbred sire stakes	275,000	Supports purses for races conducted exclusively for 2- and 3-year-old Michigan-sired Standardbred horses at licensed racetracks.
		Funding Source(s): Restricted 275,000
		<i>Related Boilerplate Section(s): 801, 802</i>
Thoroughbred breeders' awards	368,600	Supports breeders' awards for Michigan-bred Thoroughbred horses winning races at county fairs or licensed racetracks. No expenditures have been charged to this line item since FY 2016-17.
		Funding Source(s): Restricted 368,600
		<i>Related Boilerplate Section(s): 801, 802</i>
Thoroughbred sire stakes	378,800	Supports purses for races conducted exclusively for 2- and 3-year-old Michigan-sired Thoroughbred horses at licensed racetracks and awards for owners of Michigan-sired horses or stallions. No expenditures have been charged to this line item since FY 2016-17.
		Funding Source(s): Restricted 378,800
		<i>Related Boilerplate Section(s): 801, 802</i>
Thoroughbred supplements – licensed tracks	601,900	Supports purse supplements for races conducted exclusively for Michigan-bred Thoroughbred horses and for 4-year-old and older filly and colt Thoroughbred horse races at licensed racetracks. No expenditures have been charged to this line item since FY 2016-17.
		Funding Source(s): Restricted 601,900
		<i>Related Boilerplate Section(s): 801, 802</i>
GROSS APPROPRIATION	\$4,294,200	Total of all applicable line item appropriations.

Agriculture equine industry development fund	3,794,200	Established in Section 20 of the Horse Racing Law of 1995. From 1995 through 2019, fund revenue was derived almost entirely from a 3.5% tax on simulcast horse racing wagering. In recent years, fund revenue has been supplemented with revenue from a tax on Advance Deposit Wagering, earmarks of tax revenue from the Internet Gambling Act and the Lawful Sports Betting Act, and in FY 2021-22, a one-time \$3.2 million GF/GP transfer. Fund revenue is used for horse racing purse supplements and breeder's awards in the line items described above, for Michigan Gaming Control Board costs associated with the regulation of licensed horse racing (in the Treasury budget). Section 20(19) of the Horse Racing Law limits the amount allocated to the fund to \$8.0 million per fiscal year.
STATE GENERAL FUND/ GENERAL PURPOSE	\$500,000	Unrestricted state revenue from taxes and other sources.

SECTION 111: ONE-TIME ONLY APPROPRIATIONS

This appropriation unit includes all FY 2022-23 appropriations intended by the Legislature to be one-time allocations which are not intended to be reauthorized for future fiscal years.

Animal welfare and veterinary care	\$2,000,000	This one-time line item is intended to provide additional funding in support of Michigan licensed animal shelters and specifically to fund veterinarians and other animal care workers at those shelters.
		Funding Source(s): GF/GP 2,000,000
		Related Boilerplate Section(s): 902
Economic development for food and agriculture	50,000,000	Establishes a one-time grant program to support the food supply chain from Michigan farms and improve food safety and security in Michigan. Of the \$50.0 million appropriation, \$12.0 million is earmarked for Eastern Market (Detroit).
		Funding Source(s): GF/GP 50,000,000
		Related Boilerplate Section(s): 901
Local conservation districts	1,000,000	This one-time funding item supplements ongoing funding in the Environmental Stewardship appropriation unit.
		Funding Source(s): GF/GP 1,000,000
		Related Boilerplate Section(s): 609
Office of rural development	3,000,000	Establishes a grant program intended "to support community activities, including, but not limited to, enhancing or elevating broadband, housing, infrastructure, education, workforce development and address other needs uniquely experienced in rural areas of Michigan."
		Funding Source(s): GF/GP 3,000,000
		Related Boilerplate Section(s): 900
Buy Michigan Campaign	1,000,000	This one-time line item is intended to create a local marketing campaign for Michigan grown and raised products. Funding will be used to enable creation of a unified program for growers and retailers, while allowing consumers to easily identify Michigan grown products.
		Funding Source(s): GF/GP 1,000,000
		Related Boilerplate Section(s): <i>None</i>
GROSS APPROPRIATION	\$57,000,000	Total of all applicable line item appropriations.
STATE GENERAL FUND/ GENERAL PURPOSE	\$57,000,000	Unrestricted state revenue from taxes and other sources.

BOILERPLATE SECTION INFORMATION

The Governor's signing letter stated that several sections of 2021 PA 87 were unenforceable in that they violated various sections of the Michigan Constitution:

- Article 3, Section 2: Separation of powers of government
- Article 4, Section 22 and Article 4, Section 33: An attempt to authorize legislation other than by bill
- Article 4, Section 24: No law shall embrace more than one object, which shall be expressed in its title
- Article 4, Section 25: Amendment by reference
- Article 4, Section 53: Duties of the Auditor General
- Article 5, Section 28: Duties of the State Transportation Commission

Sections 215, 217, and 218 were in the MDARD budget were specifically cited as unenforceable, as described below.

GENERAL SECTIONS

Sec. 201. State Spending from State Resources and Payments to Local Units of Government

Identifies state spending from state resources and spending to be paid to local units of government.

Sec. 202. Applicability of Management and Budget Act

References the Management and Budget Act (1984 PA 431).

Sec. 203. Definitions

Defines various terms and acronyms appearing in the act.

Sec. 204. Internet Reporting

Requires the department to use the internet to fulfill legislative reporting requirements.

Sec. 205. Buy American and Buy Michigan Preference

Prohibits the purchase of foreign goods or services if competitively priced and comparable quality American goods and services are available; also requires that preference be given to Michigan businesses and to Michigan businesses owned and operated by veterans, if such goods and services are competitively priced and of comparable quality.

Sec. 206. Deprived and Depressed Communities

Directs department director to take reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both; directs the department director to encourage department contractors to subcontract with certified businesses in deprived and depressed communities.

Sec. 207. Out-of-State Travel

Requires annual out-of-state travel report due January 1 of each year, listing travel by employees in the prior fiscal year.

Sec. 208. Hire of Outside Legal Counsel

Prohibits the department from hiring a person to provide legal services that are the responsibility of the Attorney General; exempts legal services for bonding activities and outside [legal] services authorized by the Attorney General.

Sec. 209. General Fund/General Purpose Lapse Report

Requires the State Budget Office to prepare and transmit a report by November 30 of estimated GF/GP lapses for major department programs or program areas for the prior fiscal year.

Sec. 210. Contingency Appropriations

Provides contingent spending authority of \$3.0 million federal funds, \$2.0 million state restricted funds, \$100,000 local funds, and \$100,000 private funds, subject to legislative transfer process of Section 393(2) of the Management and Budget Act.

Sec. 211. Transparency Website

Directs the department, in cooperation with DTMB, to maintain a searchable website accessible by the public at no cost that includes various appropriation, expenditure, procurement, and staffing information.

Sec. 212. Restricted Fund Balance Report

Requires the department to cooperate with the State Budget Office to report on restricted fund revenues, expenditures, and estimated year-end balances; due within 14 days of the release of the Executive budget recommendation.

BOILERPLATE SECTION INFORMATION

Sec. 213. Key Metrics/Scorecard Website

Requires the department to maintain, on a publicly accessible website, a "scorecard" that identifies, tracks, and regularly updates key metrics used to monitor and improve the department's performance.

Sec. 214. Annual Legacy Costs

Identifies estimated department "legacy costs" for the fiscal year ending September 30, 2023 of \$11.6 million, of which pension related costs were \$7.0 million and retiree health care costs \$4.5 million.

Sec. 215. Communications with the Legislature – UNENFORCEABLE

With certain specific exceptions, prohibits the department from taking disciplinary action against an employee for communicating with a member of the legislature or legislative staff.

(The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.)

Sec. 216. Report on FTE Positions and Remote Work

Requires a quarterly report on staffing levels in relation to FTE authorization. Requires annual report, due March 1 of each year, on employees authorized to work remotely; related cost savings.

Sec. 217. Work Project Expenditures – UNENFORCEABLE

Requires that work project balances be exhausted before expenditure from part 1 appropriations.

(The Governor's signing letter indicated that this section was unenforceable in that it impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.)

Sec. 218. State Administrative Board Transfers – UNENFORCEABLE

Provides for the legislature to intertransfer funds within this departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget.

(The Governor's signing letter indicated that this section was unenforceable in that: (1) It impinged on executive branch authority in violation of Article 3, Section 2 of the Michigan Constitution which deals with the separation of powers.

(2) The section also attempts to authorize legislation other than through an enacted bill, in violation of two sections under Article 4 of the Michigan Constitution: Section 22 requires that all legislation be by bill; Section 33 prescribes how bills are enacted into law.)

Sec. 219. Record Retention

Requires department to retain reports funded from Part 1 appropriations in accordance with state and federal record retention guidelines.

Sec. 220. Impact of New Legislation

Requires a report on specific policy changes made to implement new public acts enacted in prior calendar year.

Sec. 221. Severance Pay Report

Requires a report related to severance pay paid to department personnel upon the termination of employment.

Sec. 222. Restrictions on Covid-19 Passport

Restricts use of Covid-19 "passports" to document vaccination status.

Sec. 224. Remote Work Policy

Legislative intent language: "that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work", and that executive branch agencies "post its in-person, remote, or hybrid work policy on its website."

Sec. 241. Incident Management Notification

Requires the department to notify legislators when incident management team is activated.

BOILERPLATE SECTION INFORMATION

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. Miscellaneous Fees, Use of Fee Revenue, Fee Reports

Authorizes the department to establish a fee schedule and collect fees for various work activities and services; authorizes the department to receive and expend fee revenue, subject to appropriation, for the purpose of recovering expenses related to specific work activities and services; authorizes unexpended fee revenue to carry forward for appropriation in subsequent fiscal years; requires the department to notify appropriation subcommittees and fiscal agencies 30 days prior to proposing changes to fees; requires a report, due on February 1 of each year, on fee rates, number of individuals paying each fee, and revenue generated from each fee in the previous fiscal year. Subsection 5 asks the department to work with vendors supplying testing of certain certified/registered pesticide applicators to ensure adequate testing capacity, access to testing sites, and reasonable costs.

Sec. 302. Grants Reporting Requirements

Authorizes the department to contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations, including research grants for the purpose of enhancing the agricultural industries of the state. Requires the department to notify the appropriations subcommittees and fiscal agencies at least 7 days prior to notification of contract or grant recipients.

FOOD AND DAIRY

Sec. 401. Food and Dairy Division Annual Report

Requires the department to report on the previous fiscal year's activities of the Food and Dairy Division, including information on significant food-borne outbreaks and emergencies, and significant enforcement actions taken related to food safety. The section requires the department to transmit the report to the appropriations subcommittees and fiscal agencies by April 1 of each year.

ANIMAL INDUSTRY

Sec. 451. Bovine Tuberculosis – Whole Herd Testing Costs

Requires the department to pay for all whole herd and individual animal testing costs in the modified accredited zone, and buffer zone, as reference in the Memorandum of Understanding with the USDA, to maintain split-state status requirements. Indicates that these testing costs include indemnity and compensation for injuries causing animal death or downer.

Sec. 452. Animal Industry Division Annual Report

Requires the department to report on the previous calendar year's activities of the Animal Industry Division, including specific information on livestock depredation indemnification payments; requires the department to transmit the report to the appropriations subcommittees and fiscal agencies by April 1 of each year.

Sec. 454. Bovine Tuberculosis (TB) Program

Directs the department to collaborate with the USDA to monitor Bovine TB consistent with the current Memoranda of Understanding between the Department and the USDA. [On May 25, 2022, the department and the USDA executed an updated Memoranda of Understanding establishing conditions for the cooperative Bovine TB program.]

Sec. 455. Privately Owned Cervid Testing

Earmark \$200,000 to reimburse privately owned cervid facilities for the costs of required CWD and Bovine TB testing.

Sec. 457. Bovine TB Program Report

Requires the department to submit an initial report on or before October 15 of each year and quarterly reports thereafter, to the appropriations subcommittees and fiscal agencies on Bovine TB status and department activities; the section identifies specific information to be included in the reports.

Sec. 458. Michigan Animal Agriculture Alliance

Directs the department to work with representatives of animal agriculture, and state research universities, to establish an animal research grant program.

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. Pesticide and Plant Pest Management Division (PPPM) Annual Report

Requires the department to report on the previous calendar year's activities of the PPPM Division. The section requires the department to transmit the report to the appropriations subcommittees and fiscal agencies by April 1 of each year.

BOILERPLATE SECTION INFORMATION

Sec. 502. Pesticide Safety Program

Designates \$1.2 million from PPPM line item for staffing and operational support for education and compliance assistance efforts to ensure uniform application of pesticide regulations.

ENVIRONMENTAL STEWARDSHIP

Sec. 601. Environmental Stewardship/MAEAP

Directs that the *Environmental stewardship/MAEAP* line item be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under Part 87 of the Michigan Natural Resources and Environmental Protection Act, and technical assistance in implementing conservation grants available under the Federal Farm Bill of 2018.

Sec. 602. Environmental Stewardship Division Annual Report

Requires the department to report on the previous calendar year's activities of the Environmental Stewardship Division. The section requires the department to transmit the report to the appropriations subcommittees and fiscal agencies by April 1 of each year.

Sec. 603. Agricultural Nutrient Best Management Voluntary Practices Report

Provides for a report, due April 1, 2023, on the agriculture nutrient best management voluntary practices program, funded in FY 2021-22 and carried forward as a work project. The report requirements include: number and location of acres enrolled in nutrient management or other best management practices; number of acres enrolled that were not previously verified under the MAEAP; summary of practices implemented and available incentive programs; starting and ending balances of the program; summary of outreach and training efforts; and testing results. The program is targeted at water quality improvement in the western Lake Erie basin.

Sec. 604. Appropriation of Additional Federal Revenues

Authorizes the department to receive and expend up to \$1.0 million in additional federal revenues beyond the amounts appropriated under part 1, Section 107 for environmental stewardship and MAEAP activities; requires the department to notify the legislature prior to expending the additional federal revenue received and authorized under this section.

Sec. 608. Qualified Forest Program

Defines the purpose of the program as increasing nonindustrial private forest landowners' knowledge of best management practices and increasing the amount of commercial timber production from nonindustrial private forestland; directs the department to work in partnership with stakeholder groups and other state and federal agencies to increase the active management of nonindustrial private forestland to foster the growth of Michigan's timber product industry.

Sec. 609. Local Conservation Districts

Directing that the appropriation for local conservation districts be distributed equally among local conservation districts; includes a report, due March 1, 2023, on previous calendar year's activities of local conservation districts.

Sec. 610. Farmland/Opens Space Tax Credit Processing

Requires the department to coordinate with the Michigan Department of Treasury to improve timely processing of tax credits under farmland and open space preservation programs.

LABORATORY PROGRAM

Sec. 651. Laboratory Division Annual Report

Requires the department to report on the previous calendar year's activities of the Laboratory Division. The section requires the department to transmit the report to the appropriations subcommittees and fiscal agencies by April 1 of each year.

BOILERPLATE SECTION INFORMATION

AGRICULTURE DEVELOPMENT

Sec. 701. Food and Agriculture Investment Grant Program

Provides direction to the department in administration of the Food and Agriculture Investment grant program established in the Part 1, Agriculture Development appropriation unit. Specifically, the section directs the department to establish and administer a food and agriculture investment program; directs the program to expand the Michigan food and agriculture sector, grow Michigan exports, promote the development of value-added agricultural production, food hubs, food incubators, and community-based processing facilities with a focus on expanding protein processors, farm markets and urban agriculture, and increase food processing activities through accelerating projects and infrastructure development that supports food and agriculture processing industry; authorizes the department to receive and expend funds received from outside sources; defines the grant approval process and requires a grant agreement and identification of project outcomes; requires a report on the program as part of the Agriculture Development Division's annual report; indicates the program will be administered by the department; authorizes program funds to carryover as a work project; identifies specific types of projects authorized under the program; limits department administrative expense to 5% of the appropriation.

Sec. 702. Rural Development Fund

Requires the department to work with the Rural Development Fund board to establish a process and criteria for funding projects as well as establishing metrics and measurable outcomes for the program, in accordance with provisions of the Rural Development Fund Act, 2012 PA 411.

Sec. 702a. Office of Rural Development

Directs the Office of Rural Development to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development.

Sec. 703. Double Up Food Bucks Program

Requires the department to work with the Fair Food Network to ensure that at least 80% of funds allocated to the Double Up Food Bucks program be directly used for payments to participating vendors. Directs the department work with the Department of Health and Human Services to notify eligible recipients of food assistance program benefits related to the Double Up Food Bucks program. Requires a report, due June 1, 2023, on program activities and outcomes.

Sec. 706. Agriculture Development Division Annual Report

Requires a report on the previous calendar year's activities of the Agriculture Development Division, including specific information on agriculture development grant awards. Also requires specific information on the previous calendar year's activities of the Michigan Craft Beverage Council, including prior year activities and accomplishments, expenditures by category, and grant awards. The section requires the department to transmit the report to the appropriations subcommittees, the House and Senate fiscal agencies, and the State Budget Office by April 1 of each year.

Sec. 707. Industry Support Fund Carry Forward

Provides for unexpended Industry Support funds to lapse to the Industry Support Fund.

FAIRS AND EXPOSITIONS

Sec. 801. Agriculture Equine Industry Development Fund (AEIDF)

Requires that all appropriations from the AEIDF be spent on equine-related purposes; prohibits use for non-equine purposes without prior legislative approval.

Sec. 802. Agriculture Equine Industry Development Fund Reductions

Directs the allocation of AEIDF revenue in the following priority order: to the department and the Michigan Gaming Control Board (MGCB) for administrative, contractual, and regulatory costs; up to \$495,000 to Purses and Supplements, Licensed Tracks; the remaining funds prorated equally among supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with the Horse Racing Law of 1995.

Sec. 805. County Fair Capital Grant Program

Section establishes guidance for county fair capital grant program, including matching requirements. Establishes work project status for unexpended funds; requires a report, due December 1, 2022, listing of grantees, award amounts, match funding, and project outcomes.

BOILERPLATE SECTION INFORMATION

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 900. Office of Rural Development (Grant Program)

The total part 1 one-time appropriation for this grant program is \$3.0 million GF/GP. This related boilerplate directs the department to establish an office of rural development grant program to support community activities, including, but not limited to, enhancing or elevating broadband, housing, infrastructure, education, workforce development and address other needs uniquely experienced in rural areas of Michigan. The section also authorizes an additional 3.0 FTE (limited term) positions to administer the program. Designates unexpended grant program funds as a work project appropriation to be available for expenditures for projects supporting rural communities through September 30, 2027.

Sec. 901. Economic Development for Food and Agriculture

The total part 1 one-time appropriation for this grant program is \$50.0 million GF/GP. This related boilerplate directs department to establish a grant program to support the food supply chain from Michigan farms and improve food safety and security in this state. The section authorizes an additional 8.0 FTE (limited term) 8.0 FTE positions (limited term) to administer the program. Designates unexpended grant program funds as a work project appropriation to be available for expenditures for projects supporting rural communities through September 30, 2027. The section also earmarks \$12.0 million for the Eastern Market (Detroit).

Sec. 902. Animal Welfare and Veterinary Care

Designates the \$2.0 million part 1 appropriation as a work project; indicates the project is to provide veterinary services and resources to animal care facilities.



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AREAS OF RESPONSIBILITY

Agriculture and Rural Development.....	William E. Hamilton
Attorney General.....	Michael Clossen
Auditor General.....	Viola Bay Wild
Bill Analysis.....	Rick Yuille
	Edith Best; Holly Kuhn; Josh Roesner; Alex Stegbauer; Sue Stutzky
Capital Outlay.....	Perry Zielak
Civil Rights.....	Michael Clossen
Community Colleges.....	Perry Zielak
Corrections.....	Robin R. Risko
Economic and Revenue Forecasting.....	Benjamin Gielczyk; Jim Stansell
Education (Department).....	Michael Benson
Environment, Great Lakes, and Energy.....	Austin Scott
Executive Office.....	Viola Bay Wild
Fiscal Oversight, Audit, and Litigation.....	Mary Ann Cleary
Health and Human Services:	
Child Welfare, Child Support, Community Services.....	Sydney Brown
Medicaid, Physical and Behavioral Health.....	Kevin Koorstra
Public Assistance, Field Operations, Medicaid-backup.....	Kent Dell
Public Health and Aging.....	Victoria Amponsah
Higher Education.....	Perry Zielak
Insurance and Financial Services.....	Marcus Coffin
Judiciary.....	Robin R. Risko
Labor and Economic Opportunity.....	Viola Bay Wild
Legislature.....	Viola Bay Wild
Licensing and Regulatory Affairs.....	Marcus Coffin
Local Finance.....	Benjamin Gielczyk
Lottery.....	Viola Bay Wild; Benjamin Gielczyk
Michigan Strategic Fund.....	Viola Bay Wild
Military and Veterans Affairs.....	Michael Clossen
Natural Resources.....	Austin Scott
Natural Resources Trust Fund.....	Austin Scott
Retirement.....	Benjamin Gielczyk
Revenue Forecasting.....	Benjamin Gielczyk; Jim Stansell
Revenue Sharing.....	Benjamin Gielczyk; Jim Stansell
School Aid.....	Michael Benson; Jacqueline Mullen
State (Department).....	Michael Clossen
State Police.....	Marcus Coffin
Supplemental Coordinator.....	Robin R. Risko
Tax Analysis.....	Benjamin Gielczyk; Jim Stansell
Technology, Management, and Budget.....	Michael Clossen
Transfer Coordinator.....	Viola Bay Wild
Transportation.....	William E. Hamilton
Treasury.....	Viola Bay Wild
Unemployment Insurance.....	Marcus Coffin



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