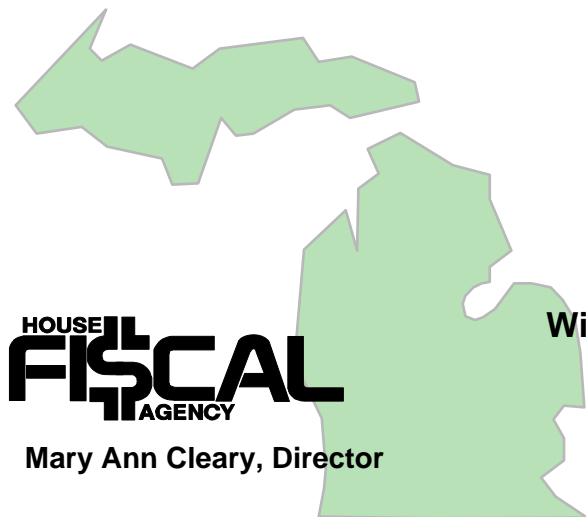


LINE ITEM AND BOILERPLATE SUMMARY

AGRICULTURE AND RURAL DEVELOPMENT

Fiscal Year 2011-12
Article I, Public Act 63 of 2011
House Bill 4526 as Enacted



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FISCAL
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September 2011

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September 2011

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2011-12 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

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GLOSSARY

STATE BUDGET TERMS

Gross Appropriations (Gross): The total of all applicable appropriations (statutory spending authorizations) in a budget bill.

Adjusted Gross Appropriations (Adjusted Gross): The net amount of all gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Lapses: Appropriation amounts that are unspent/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: A statutorily-authorized account which allows a spending authorization to be carried over from one fiscal year to a succeeding fiscal year or years—i.e., allows funds to be spent over a period of years.

APPROPRIATION BILL TERMS

Line Item: Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes).

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

REVENUE SOURCES

General Fund/General Purpose (GF/GP): Unrestricted General Fund revenue available to fund any activity accounted for in the General Fund; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

State Restricted (Restricted): State revenue restricted by state law or outside restriction that is available only for specified purposes; at year-end, unused restricted revenue remains in the restricted fund.

Federal Revenue: Federal grant or matchable revenue dedicated to specific programs.

Local Revenue: Revenue from local units of government.

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

Interdepartmental Grant (IDG): Revenue or funds received by one state department from another state department (usually for a service provided by the receiving department).

Intradepartmental Transfer (IDT): Transfers or funds being provided from one appropriation unit to another in the same department.

MAJOR STATE FUNDS

Budget Stabilization Fund (BSF): The countercyclical economic and budget stabilization fund; also known as the "rainy day" fund.

School Aid Fund (SAF): A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs).

General Fund: The General Fund (funded from taxes and other general revenue) is used to account for the ordinary operations of a governmental unit that are not accounted for in another fund.

DEPARTMENT OF AGRICULTURE and RURAL DEVELOPMENT

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

The respective powers and duties of the Department and the Commission were subsequently 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 renamed the Department of Agriculture the Department of Agriculture and Rural Development (MDARD) and rescinded some provisions of Executive Order 2009-54.

The Department's mission is: "To protect, promote, and preserve the agricultural interests of the people of the State of Michigan." The Department's key programs and priorities include: ensuring food safety and security, protecting animal health and welfare, managing invasive exotic species, regulating pesticide use, certifying agricultural commodities, ensuring environmental stewardship, protecting consumers, promoting a viable agricultural economy, and providing homeland security.

Full-time equated unclassified positions	2.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	441.0	Full-time equated (FTE) positions in the state classified service.
GROSS APPROPRIATION	\$72,219,300	Total of all applicable line item appropriations.
Total interdepartmental grants/intradepartmental transfers	297,600	Total of all funds received from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$71,921,700	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total federal revenue	14,184,700	Total federal grant or matchable revenue.
Total local revenue	0	Total revenue from local units of government.
Total private revenue	171,300	Total private grant revenue.
Total state restricted revenue	28,863,000	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$28,702,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 102: EXECUTIVE

The Executive Office provides administrative direction and program oversight for the Department and oversees development of policies, rules, and regulations. This appropriation unit also funds the Department's administrative support functions, the Michigan Agricultural Statistics Service, emergency management functions, and costs of certain commissions and boards.

Full-time equated unclassified positions	2.0	Full-time equated (FTE) positions not in the state classified service.		
Full-time equated classified positions	26.0	Full-time equated (FTE) positions in the state classified service.		
Commission and boards	\$23,800	Provides funding for the Agriculture Commission, and the Grape and Wine Council.	Funding Source(s):	Restricted 8,800 GF/GP 15,000
				<i>Related Boilerplate Section(s): None</i>
Unclassified positions – 2.0 FTE positions	213,300	Supports salaries of the Department Director and Legislative Liaison. [Benefit costs of these two employees are charged to the Executive Direction line item.]	Funding Source(s):	GF/GP 213,300
				<i>Related Boilerplate Section(s): None</i>
Executive direction – 8.0 FTE positions	1,050,600	Supports Executive Office functions including Chief Deputy Director, Budget Officer, and communications staff.	Funding Source(s):	Restricted 40,500 GF/GP 1,010,100
				<i>Related Boilerplate Section(s): None</i>
Management services – 15.0 FTE positions	981,100	Supports administration and business functions for the department, including procurement, facility management, and office services. Also includes central licensing functions.	Funding Source(s):	Restricted 57,800 GF/GP 923,300
				<i>Related Boilerplate Section(s): 207, 208, 209, 212, 228, 229, 301, 302</i>
Statistical reporting service – 1.0 FTE positions	158,300	Under formal agreement between the department and the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS), the Agricultural Statistics program maintains Michigan's official agricultural database. Activities include preparation of crop and livestock production estimates, value of farm products, commodities/local market prices, and other information. Provides accurate current and historical data for commodities.	Funding Source(s):	Private 88,000 GF/GP 70,300
				<i>Related Boilerplate Section(s): None</i>
Emergency management – 2.0 FTE positions	243,600	Coordinates preparation for and response to emergencies that impact the state's food and agriculture industries. Also supports Administrative Law Coordinator and FOIA Coordinator.	Funding Source(s):	GF/GP 243,600
				<i>Related Boilerplate Section(s): None</i>

Accounting Service Center	878,300	Authorizes reimbursement of Michigan Department of Transportation through Interdepartmental grant for accounting functions; reflects consolidation and transfer of function and related funding/FTEs. Funding Source(s): GF/GP 878,300
GROSS APPROPRIATION	\$3,549,000	Total of all applicable line item appropriations.
Total private revenue	88,000	Total private grant revenue.
Total state restricted revenue	107,100	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$3,353,900	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 103: DEPARTMENTWIDE

This appropriation unit provides funding for rent and related property management charges.

Rent and building occupancy charges	\$991,900	Building occupancy charges for state-owned office space in Constitution Hall in Lansing (includes janitorial and other maintenance services). Although federal funds are appropriated for this line item, federal grants typically do not participate in building occupancy costs. In effect, only GF/GP and restricted funds are actually available for expenditure in this line item. Building occupancy costs not supported in this line item are charged to direct program lines.	
		Funding Source(s):	
			Federal 442,000
			Restricted 499,000
			GF/GP 50,900

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$991,900	Total of all applicable line item appropriations.	
Total federal revenue	442,000	Total federal grant or matchable revenue.	
Total state restricted revenue	499,000	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.	
GENERAL FUND/ GENERAL PURPOSE	\$50,900	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.	

SECTION 104: INFORMATION TECHNOLOGY

This appropriation unit contains funds for information technology services and projects administered by the Department of Technology, Management and Budget (DTMB).

Information technology services and projects	\$1,303,400	Funding for information technology services and projects administered by DTMB. The department indicates that in addition to the \$1.3 million in this line item appropriation, it incurs \$1.7 million in other information-technology costs. These additional costs are charged to direct program lines.
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Funding Source(s):	IDG	2,800
	Restricted	150,100
	GF/GP	1,150,500

Related Boilerplate Section(s): 211, 214

GROSS APPROPRIATION	\$1,303,400	Total of all applicable line item appropriations.
Total interdepartmental grants/intrdepartmental transfers	2,800	Total of all funds received from other departments and transfer of funds.
Total state restricted revenue	150,100	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$1,150,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 105: FOOD AND DAIRY

This appropriation unit provides funding for a variety of food safety programs administered by the Michigan Department of Agriculture and Rural Development (MDARD) including MDARD 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 Grade A Milk Law (2001 PA 266).

Full-time equated classified positions	104.0	Full-time equated (FTE) positions in the state classified service.
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Food safety and quality assurance – 81.0 FTE positions	\$9,931,600	Food Safety Program within this line item has three program elements:
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Food Safety and Inspection is a direct inspection program. The department licenses/regulates/inspects approximately 18,000 food establishments, including food processing plants, retail grocery and convenience stores, distribution centers, markets, and concessions at fairs. This program helps prevent the sale of adulterated food products, outbreaks of food-borne disease, and fraud and deception in the sale of food products. Program activities include food establishment plan review, country of origin labeling inspections, and food recall response. There are approximately 50 field food inspectors.

Food Service Program is an indirect inspection program. There are approximately 48,000 food service establishments (e.g. restaurants, schools, hospitals) in this state subject to licensing. While the department has authority over the program under the Food Law of 2000, inspection and licensing has been delegated to Michigan's 45 local public health departments with funding provided through the Department of Community Health (DCH) budget. The MDARD has four food service consultants and a part-time program supervisor to provide consultation, evaluation, training, and policy guidance to local public health department food service inspection programs. The department also supports, in cooperation with DCH and the Department of Natural Resources and Environment (DNRE), a local public health department food service accreditation program to assure minimum inspection and quality assurance standards are met.

Food Safety Planning and Response Unit conducts emergency response to food-borne illness or contamination outbreaks.

Funding Source(s):	Federal	651,600
	Restricted	3,134,500
	GF/GP	6,145,500

Related Boilerplate Section(s): 402

Milk safety and quality assurance – 23.0 FTE positions	3,037,900	Milk Safety and Quality Assurance Program licenses and inspects dairy industry pursuant to the Manufacturing Milk Law (2001 PA 267) and the Grade A Milk Law (2001 PA 266). Those subject to department licensing and inspection include 2,385 Grade A dairy farms, 74 dairy processing plants (which produce bottled milk, cheese, butter, yogurt, ice cream, and other dairy products), and over 1,200 milk trucks and milk haulers. Program activities ensure a safe, wholesome milk supply for Michigan consumers.
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Milk safety and quality assurance – 23.0 FTE positions (cont.)

Without adequate inspection and oversight, milk could not be shipped out-of-state in accordance with the Pasteurized Milk Ordinance—a national standard for dairy-product sanitation developed by the United States Public Health Service.

Funding Source(s):	Federal	34,900
	Restricted	162,300
	GF/GP	2,840,700

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$12,969,500	Total of all applicable line item appropriations.
Total federal revenue	686,500	Total federal grant or matchable revenue.
Total state restricted revenue	3,296,800	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$8,986,200	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 106: ANIMAL INDUSTRY

This appropriation unit provides funding to protect public health and the health and welfare of domestic animals, livestock, and pets. The State Veterinarian is responsible for overall livestock and poultry disease programs and toxic substance contamination concerns related to animal health.

Full-time equated classified positions	64.0	Full-time equated (FTE) positions in the state classified service.									
Animal disease prevention and response – 64.0 FTE positions	\$8,889,400	<p>Supports activities of the Animal Industry Division including the State Veterinarian. Primary functions include Animal Disease Surveillance and Control under authority of the Animal Industry Act (1988 PA 466), and supported in part through a US Department of Agriculture (USDA) Cooperative Agreement.</p> <p>Program works to protect public health and the health of domestic animals; monitors for and works to eradicate animal diseases to facilitate import/export of healthy livestock; protects food supply; licenses and regulates various animal industries, including livestock dealers. Administers Electronic Identification (EID) program which allows for tracing movements of livestock.</p> <p>Bovine TB program is the largest program area in this line item representing approximately three-quarters of division activity. The Bovine TB program has been in place since the disease was identified in the lower peninsula free-ranging white-tailed deer population in 1995. Testing and surveillance, depopulation and disposal of infected animals, indemnification of livestock owners, on-farm assistance such as wildlife mitigation and herd reconciliation, and fee-based testing by private veterinarians are funded from this line item. The department coordinates program activities with the Department of Natural Resources.</p> <p>Indemnification payments to owners of livestock killed by wolves, coyotes, or cougars are authorized through this line item.</p> <p>Other statutory animal health and welfare programs include: Animal Control Shelters, Animal Protection Shelters, Aquaculture Development Act, Bodies of Dead Animals Act, Livestock Marketing, Animal Shelters, Animal Welfare, Privately-owned Cervids.</p> <div style="text-align: right; margin-top: 10px;"> <table style="margin-left: auto; margin-right: 0;"> <tr> <td style="padding-right: 10px;">Funding Source(s):</td> <td style="padding-right: 10px;">Federal</td> <td style="text-align: right;">1,274,100</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">257,600</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">7,357,700</td> </tr> </table> </div> <p style="text-align: right; margin-top: 10px;"><i>Related Boilerplate Section(s): 450, 451, 453, 454, 456, 457, 458</i></p>	Funding Source(s):	Federal	1,274,100		Restricted	257,600		GF/GP	7,357,700
Funding Source(s):	Federal	1,274,100									
	Restricted	257,600									
	GF/GP	7,357,700									
GROSS APPROPRIATION	\$8,889,400	Total of all applicable line item appropriations.									
Total federal revenue	1,274,100	Total federal grant or matchable revenue.									
Total state restricted revenue	257,600	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.									
GENERAL FUND/ GENERAL PURPOSE	\$7,357,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.									

SECTION 107: PESTICIDE AND PLANT PEST MANAGEMENT

This appropriation unit provides funding for implementation of programs and enforcement of laws concerning exotic and invasive pest management, pesticide and agrichemical sale and use, export commodities, and animal feed and drugs.

Full-time equated classified positions	99.0	Full-time equated (FTE) positions in the state classified service.
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Pesticide and plant pest management – 88.0 FTE positions	\$10,612,700	Several program activities are supported through this line:
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Animal Feed Safety/Agriculture Products Consumer Protection: This program works to ensure that food and feed products sold in Michigan are safe and wholesome through inspection and sampling. The Animal Feed/Drug Inspection Program monitors medicated animal feed and drugs used in food production systems, and inspects facilities that produce animal feeds to ensure the food chain is not compromised by contaminants. Elevator Sanitation Program inspects grain elevators to ensure basic foodstuffs including grains and dry beans are free from substances hazardous to human/animal health. Under the Fertilizer Program within this program area the department licenses and regulates fertilizer manufactures.

Exotic and Invasive Species Response: Works to prevent introduction, establishment, and spread of exotic and invasive species (both plant and animal) in Michigan, including detecting incoming exotic pests at high-risk sites, delimiting new infestations, and eradication using science-based control methods.

Plant Health and Export Certification: Regulatory function helps prevent the introduction and dissemination of insects and diseases injurious to nursery stock, plants, and plant products. Ensures that Michigan plants and plant products meet phytosanitary requirements of international and interstate markets through inspection and certification. Program necessary for the export of many Michigan-grown agricultural commodities.

Fruit and Vegetable Inspection Service: Provides third-party grading services and verification of fruit and vegetable quality to quality/grade standards. Performs Good Agricultural Practices and Good Handling Practices food safety audits, and Controlled Atmosphere Storage inspections.

Pesticide Certification, Registration, and Enforcement: Works to protect the environment from adverse effects from pesticide and agrichemical use. Regulates manufacture, sale, use, storage, and disposal of pesticides and agrichemicals; investigates pesticide misuse allegations; and certifies/ licenses business operations.

Funding Source(s):	Federal	1,967,500
	Private	83,300
	Restricted	5,029,300
	GF/GP	3,532,600

Related Boilerplate Section(s): 301, 551

Emerald ash borer control program – 7.0 FTE positions	1,822,600	Supports targeted program to detect and control Emerald Ash Borer (EAB) and EAB-infested materials. Funding Source(s): Federal 1,822,600
<i>Related Boilerplate Section(s): None</i>		
Producer security/grain dealers– 4.0 FTE positions	\$543,400	Provides financial regulatory oversight under the Grain Dealers Act to protect farm producers who store grain in elevators; audits for financial solvency and accurate measure of grain inventory. Administers the Farm Producers Insurance Fund. Funding Source(s): Restricted 243,400 GF/GP 300,000
<i>Related Boilerplate Section(s): None</i>		
GROSS APPROPRIATION	\$12,978,700	Total of all applicable line item appropriations.
Total federal revenue	3,790,100	Total federal grant or matchable revenue.
Total private revenue	83,300	Total private grant revenue.
Total state restricted revenue	5,272,700	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$3,832,600	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

Migrant labor housing – 6.0 FTE positions	1,162,300	GF/GP and restricted funds support licensing and inspection of housing sites occupied by five or more migrant laborers. Federal funds support construction or improvement of migrant labor housing.	Funding Source(s):	Federal	471,800
				Restricted	143,200
				GF/GP	547,300
<i>Related Boilerplate Section(s): None</i>					
Right-to-Farm – 3.0 FTE positions	519,000	Administers Right to Farm Act (1981 PA 93); investigates/responds to agricultural pollution complaints (pesticide application, livestock production facilities, land application of some by-products); and administers siting program for new or expanding livestock production facilities.	Funding Source(s):	IDG	100,000
				GF/GP	419,000
<i>Related Boilerplate Section(s): None</i>					
Intercounty drain – 4.0 FTE positions	425,000	Oversees all intercounty drain work construction/financing under authority of the state Drain Code; MDARD staff chair all intercounty drainage boards.	Funding Source(s):	GF/GP	425,000
<i>Related Boilerplate Section(s): 607</i>					
GROSS APPROPRIATION	\$9,751,000	Total of all applicable line item appropriations.			
Total interdepartmental grants/intradepartmental transfers	100,000	Total of all funds received from other departments and transfer of funds.			
Total federal revenue	1,833,000	Total federal grant or matchable revenue.			
Total state restricted revenue	6,162,000	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.			
GENERAL FUND/ GENERAL PURPOSE	\$1,656,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.			

SECTION 109: 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 MDARD 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 Geagley Laboratory in East Lansing and the E. C. Heffron Metrology Laboratory in Williamston.

Full-time equated classified positions	94.0	Full-time equated (FTE) positions in the state classified service.
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Laboratory services – 42.0 FTE positions	\$5,564,600	This line item provides funding for a number of program activities:
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Animal Disease Surveillance: Analyzes animal blood to meet state/federal requirements assuring disease-free animal movement in-state and to other countries; provides surveillance testing for reportable animal diseases through USDA cooperative agreement.

Equine Drug Testing: Analyzes specimens from horses competing at Michigan pari-mutuel racetracks and county fairs to ensure that horse competing at licensed tracks and fairs do so without using performance enhancing drugs.

Food, Feed, and Fertilizer: Performs analytical testing for the Pesticide and Plant Pest Management Division to ensure animal feed and fertilizer products meet quality standards/label guarantees; tests animal feed for prohibited materials, drug formulations, and mycotoxins; tests food and dairy products for quality standards.

Food, Dairy, and Microbiology: Tests food and dairy products for microbiological pathogens and indicator organisms; tests dairy products to ensure quality standards and allow dairies to ship out of state. Ensures safety/quality of food industry products; analyzes products for food-borne pathogens or other substances; provides testing for outbreak investigations.

Motor Fuel Quality: Ensures quality of gasoline supply in the state through octane, alcohol, vapor pressure, and other tests.

Pesticides and Environment: Monitors formulated pesticide products, application/misuse of licensed/unlicensed pesticide products; chemically-induced plant, animal, and/or human health problems; groundwater; and food residue.

Antimicrobial: Provides (in cooperation with EPA) efficacy/formulation testing of EPA-registered antimicrobial products.

Funding Source(s):	IDG	194,800
	Federal	943,500
	Restricted	2,537,900
	GF/GP	1,888,400

Related Boilerplate Section(s): 301

USDA monitoring program – 13.0 FTE positions	2,452,000	<p><u>Pesticide Data Program</u>: Collects data on pesticide residue in fresh and processed fruits/vegetables and other food products including grain, dairy products, and poultry.</p> <p><u>Microbiological Data Program</u>: Collects data on pathogens and indicator organisms in fresh produce such as celery, tomatoes, lettuce, cantaloupe, parsley, and sprouts.</p> <p><u>Food Emergency Response Network</u>: Provides analytical capability to test for microbiological threat agents in food.</p>
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Funding Source(s):	Federal	2,452,000
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Related Boilerplate Section(s): None

Consumer protection program – 39.0 FTE positions	5,571,300	<p><u>Motor Fuels Quality</u>: Ensures that gasoline sold in Michigan meets all applicable quality/purity standards set by state/federal statutes; licenses, inspects, and regulates more than 5,000 retail gasoline outlets in the state; investigates complaints of motor fuel fraud.</p> <p><u>Weights and Measures</u>: Ensures honesty and accuracy of all weighing and measuring devices, packaged commodities, and point-of-sale transactions.</p> <p><u>Metrology Laboratory</u>: Ensures Michigan's official weights and measures standards are traceable to national standards; provides fee-based calibration service to industry and official net content and dimension analysis of commodities samples; supports weights and measures fraud investigations.</p>
		Funding Source(s): Restricted 5,570,700 GF/GP 600

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$13,587,900	Total of all applicable line item appropriations.
Total interdepartmental grants/intradepartmental transfers	194,800	Total of all funds received from other departments and transfer of funds.
Total federal revenue	3,395,500	Total federal grant or matchable revenue.
Total state restricted revenue	8,108,600	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$1,889,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 110: AGRICULTURE DEVELOPMENT

This appropriation unit supports the Office of Agriculture Development which coordinates with farm owners and processing plant owners to provide domestic and international opportunities to expand and create jobs in Michigan's agriculture industry.

Full-time equated classified positions	8.0	Full-time equated (FTE) positions in the state classified service.									
Agricultural development – 5.0 FTE positions	\$2,040,300	<p>Office of Agriculture Development works to improve sustainability and viability of food and agriculture industry by strengthening/enhancing food and agriculture support businesses and production opportunities; encourages alternative technologies/practices; promotes community-based development; focuses on expanding food and agricultural value-added processing, sustainable agriculture, and promoting composting on farms and in communities. Coordinates and provides promotional, marketing, and economic development opportunities for Michigan food and agriculture industry; oversees 15 legislatively-mandated commodity organizations; conducts required referenda.</p> <p>Administers USDA Agriculture Marketing Service Specialty Crop Block Grant program under the 2002 Farm Bill, a program intended to enhance the competitiveness of specialty crops.</p> <p>Oversees the department's rural development initiative which includes education and workforce development, regional cooperation, communication and broadband issues, and transportation.</p>									
		<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="padding-right: 10px;">Funding Source(s):</td> <td style="padding-right: 10px;">Federal</td> <td style="text-align: right;">1,513,500</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">100,900</td> </tr> <tr> <td></td> <td>GF/GP</td> <td style="text-align: right;">425,900</td> </tr> </table>	Funding Source(s):	Federal	1,513,500		Restricted	100,900		GF/GP	425,900
Funding Source(s):	Federal	1,513,500									
	Restricted	100,900									
	GF/GP	425,900									
		<i>Related Boilerplate Section(s): 706</i>									
Grape and wine program – 3.0 FTE positions	736,300	<p>Provides research, education, and promotion for Michigan's wine/grape industry from non-retail liquor fees.</p>									
		<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="padding-right: 10px;">Funding Source(s):</td> <td style="padding-right: 10px;">Restricted</td> <td style="text-align: right;">736,300</td> </tr> </table>	Funding Source(s):	Restricted	736,300						
Funding Source(s):	Restricted	736,300									
		<i>Related Boilerplate Section(s): 709</i>									
GROSS APPROPRIATION	\$2,776,300	Total of all applicable line item appropriations.									
Total federal revenue	1,513,500	Total federal grant or matchable revenue.									
Total state restricted revenue	837,200	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.									
GENERAL FUND/ GENERAL PURPOSE	\$425,900	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.									

SECTION 111: FAIRS AND EXPOSITIONS

This appropriation unit supports operations of the Fairs and Racing Unit and provides funding for purses and awards for horse racing at pari-mutuel tracks and county fairs as provided under the Horse Racing Law of 1995.

Note: The Office of Racing Commissioner, which provides regulatory oversight of the pari-mutuel horse racing industry, was transferred by Executive Order 2009-45 to the Michigan Gaming Control Board within the Department of Treasury and is funded in the General Government Article of the state budget act.

Full-time equated classified positions	3.0	Full-time equated (FTE) positions in the state classified service.
Fairs and racing – 3.0 FTE positions	\$331,300	Administers horse racing programs, including disbursement of purses and purse supplements authorized in this appropriations unit. Funding Source(s): Restricted 331,300 <i>Related Boilerplate Section(s): 801, 802, 803, 804</i>
Purses and supplements – fairs/licensed tracks	611,400	State funds for purses at county fairs and pari-mutuel tracks that conduct standardbred horse racing. Funding Source(s): Restricted 611,400 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Licensed tracks – light horse racing	34,100	State funds for purses at races comprised of various Michigan-bred light horses. Funding Source(s): Restricted 34,100 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Standardbred breeders' awards	250,000	State funds for awards paid to breeders of Michigan-bred standardbred horses who win races at fairs and licensed racetracks in Michigan. Funding Source(s): Restricted 250,000 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Standardbred purses and supplements – licensed tracks	461,600	State funds for special races comprised of only four-year-old Michigan-bred or sired standardbred horses. Funding Source(s): Restricted 461,600 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Standardbred sire stakes	209,000	State funds for purses at special stakes races comprised of only two- and three-year-old Michigan-sired standardbreds. Funding Source(s): Restricted 209,000 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Standardbred training and stabling	9,300	State funds for reimbursement to fair associations for providing training and stabling facilities for standardbred horses. Funding Source(s): Restricted 9,300 <i>Related Boilerplate Section(s): 801, 802, 804</i>
Thoroughbred owners' awards	31,900	Provides thoroughbred owners' awards for Michigan bred horses that finish first in thoroughbred races. Funding Source(s): Restricted 31,900 <i>Related Boilerplate Section(s): 801, 802, 803, 804</i>

Thoroughbred supplements – licensed tracks	309,600	State funds for breeders' awards, purse supplements, and yearling shows for thoroughbred horses. Funding Source(s): Restricted 309,600 <i>Related Boilerplate Section(s): 801, 802, 803, 804</i>
Thoroughbred breeders awards	309,600	State funds for breeders' awards, purse supplements, and yearling shows for thoroughbred horses. Funding Source(s): Restricted 309,600 <i>Related Boilerplate Section(s): 801, 802, 803, 804</i>
Thoroughbred sire stakes	214,100	State funds for purses at special stakes races comprised of only two- and three-year-old Michigan-sired thoroughbred horses. Funding Source(s): Restricted 214,100 <i>Related Boilerplate Section(s): 801, 802, 803, 804</i>
Distribution of outstanding winning tickets	350,000	Provides spending authority for the distribution of unclaimed (outstanding) winning ticket revenue in accordance with 1951 PA 90, as amended. Funding Source(s): Restricted 350,000 <i>Related Boilerplate Section(s): 801, 802</i>
GROSS APPROPRIATION	\$3,121,900	Total of all applicable line item appropriations.
Total state restricted revenue	3,121,900	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose, in this case, the Agriculture Equine Industry Development Fund.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 112: CAPITAL OUTLAY

This appropriations unit provides spending authority for a purchase of development rights program.

Farmland and open space development acquisition	\$2,300,000	Used to purchase development rights of unique or critical farmland pursuant to Part 362 of the Michigan Natural Resources and Environmental Protection Act (1994 PA 451).
		Funding Source(s):
		Federal 1,250,000
		Restricted 1,050,000

Related Boilerplate Section(s): 1002, 1003

GROSS APPROPRIATION	\$2,300,000	Total of all applicable line item appropriations.
Total federal revenue	1,250,000	Total federal grant or matchable revenue. This appropriation is supported by anticipated U. S. Department of Agriculture grants.
Total state restricted revenue	1,050,000	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose, in this case the Agricultural Preservation Fund.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

BOILERPLATE SECTION INFORMATION

Sec. 201. Total State Payments and Report to Locals

Identifies payments of state funds to local units of government from the funds appropriated.

Sec. 202. Management and Budget Act

Subjects authorized appropriations to the Management and Budget Act.

Sec. 203. Abbreviations

Defines abbreviations used in the appropriations act.

Sec. 204. Civil Service Charge

Requires Department of Civil Service to bill departments at the end of the first fiscal quarter for 1% charge authorized in the Constitution; requires payment by the end of the second fiscal quarter.

Sec. 206. Contingency Appropriations

Provides additional spending authority of \$5.0 million federal, \$6.0 million state restricted, and \$100,000 each local and private funds, subject to legislative transfer process.

Sec. 207. Transparency Website

Directs department to maintain a searchable website of expenditures made during the fiscal year; number of employees and job classification.

Sec. 208. Internet Reporting

Requires that department use the Internet to fulfill reporting requirements.

Sec. 209. Buy American

Prohibits purchase of foreign goods and services when competitively-priced American goods and services are available; requires that preference be given to Michigan businesses, and Michigan businesses owned and operated by veterans.

Sec. 211. Information Technology Work Projects

Authorizes carryforward of funds for technology projects.

Sec. 212. Receive/Retain Reports

Provides guidelines regarding record retention.

Sec. 214. Information Technology

Requires that department pay user fees to DIT subject to provisions of interagency agreement.

Sec. 215. Employee Discipline

Prohibits disciplinary action against an employee for communicating with a member of the Legislature.

Sec. 228. General Fund Lapse Report

Requires report on estimated GF/GP lapses by November 15.

Sec. 229. Restricted Fund Balances

Requires report on restricted fund balances within 14 days of the release of the Executive budget recommendation.

Sec. 301. Miscellaneous Revenue/Expenditures

Allows department to receive/expend revenue to cover expenses related to publications, audits, sales, inspections, and other department functions; requires legislative notification 30 days prior to proposing fee increases; requires annual report (February 1 of each year) on fees charged by department.

Sec. 302. Grants Reporting

Requires ten-day notice to House and Senate appropriations subcommittees on Agriculture when a grant is made from any line item other than a grant line item.

Sec. 402. Food Safety

Requires that department provide reports on food-borne outbreaks and emergencies related to food safety.

Sec. 450. Bovine Tuberculosis

Requires that department reimburse DNR for mutually-agreed-to bovine tuberculosis costs.

Sec. 451. Bovine Tuberculosis Split State Status

Requires that department pay for all whole-herd and individual-animal testing costs to maintain split-state status, including indemnity and compensation for injury to animals.

BOILERPLATE SECTION INFORMATION

Sec. 453. Indemnification Payments

Authorizes department to provide for indemnity pursuant to Animal Industry Act; limits indemnification orders to \$100,000 per order; requires report on reason for, amount of, and person to whom indemnification is to be paid. Authorizes department to indemnify for livestock killed by wolves, coyotes, or cougars and to expend funds received from DNR for indemnification payments made pursuant to this section.

Sec. 454. Bovine Tuberculosis (TB) Program

Directs department to work with USDA; to eradicate Bovine TB; requires that department establish a workgroup.

Sec. 456. Electronic Animal Identification

Prohibits use of funds to enforce electronic ID program for domestic animals other than cattle without specific authorization in statute.

Sec. 457. Bovine TB Program Review

Provides for quarterly report on Bovine TB program.

Sec. 458. Testing of Aquaculture Facilities

Requires department support for inspection and testing of aquaculture facilities; indicates legislative intent with regard to Viral Hemorrhagic Septicemia surveillance program.

Sec. 551. Pesticide and Plant Pest Management (PPPM)

Indicates legislative intent that department work with industry to ensure development of sustainable system of third-party inspections of fruits and vegetables. Earmarks \$200,000 in PPPM to ensure commodity export inspections.

Sec. 601. Environmental Stewardship

Clarifies intent that line item funding 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, 1994 PA 451, and technical assistance in implementing conservation grants available under the federal Farm Bill of 2008.

Sec. 606. Environmental Quality Incentives

Requires that department actively search for all possible funding sources to be used to match federal funds in the USDA environmental quality incentives program.

Sec. 607. Intercounty Drainage Districts

States legislative intent that department continue its activities as provided under the Drain Code; directs department to work with representatives of intercounty drain districts to develop method for funding program costs.

Sec. 706. Agricultural Development

Requires report (due April 1, 2012) on agricultural development and export market development activities.

Sec. 709. Grape and Wine Industry Council

Requires that department provide report (due April 1, 2012) describing council activities and accomplishments.

Sec. 801. Ag Equine Industry Development Fund

Requires AEIDF appropriations to be spent for equine-related purposes.

Sec. 802. Agriculture Equine Fund Reduction

Requires that department make proportionate reductions in AEIDF appropriations, except for the racing commission and laboratory analysis, if AEIDF revenue falls below original appropriation amounts.

Sec. 803. Thoroughbred Program Escrow

Provides for "escrowing" of funds for thoroughbred program if there is no live thoroughbred race meet in 2011 or 2012. The Governor's signing statement asserted that the section was unenforceable in that it attempted to amend other Michigan statutes by reference, a violation of Section 25, Article IV of the Constitution.

Sec. 804. Michigan Gaming Control Board (MGCB)

Requires MGCB to use actual expenditure data in determining regulatory costs. The Governor's signing statement asserted that the section was unenforceable in that there was no money appropriated for the MGCB in this budget.

BOILERPLATE SECTION INFORMATION

Sec. 1002. Capital Outlay Provisions Regarding Lump Sum Payments

Requires that department director allocate lump-sum appropriations made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Limits lump sum appropriation carry forward to no more than three fiscal years following appropriation; provides for lapse of funds to original fund source per Management and Budget Act.

Sec. 1003. Capital Outlay Provisions Regarding Carryforward Authority

Provides appropriation carryforward authority per Management and Budget Act.

Sec. 1201. FY 2011-12 – NEW

Indicates legislative intent to make appropriations in FY 2012-13.



Mary Ann Cleary, Director
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AREAS OF RESPONSIBILITY

Table with 2 columns: Area of Responsibility and Staff. Rows include Agriculture and Rural Development, Attorney General, Auditor General, Bill Analysis, Capital Outlay, Casino Gaming, Civil Rights, Clean Michigan Initiative, Community Colleges, Community Health (Mental Health/Substance Abuse, Public Health/Aging/Medicaid-Backup, Medicaid/Children's Special Health Care Services), Corrections, Economic and Revenue Forecast, Education (Department), Environmental Quality, Executive Office, Fiscal Oversight, Audit, and Litigation, Higher Education, Human Services (Department), Judiciary, Legislature, Licensing and Regulatory Affairs, Lottery, Michigan Strategic Fund, Military and Veterans Affairs, Natural Resources, Retirement, Revenue Sharing, School Aid, State (Department), State and Local Finance, State Police, Supplementals, Tax Analysis, Technology, Management, and Budget, Transfers, Transportation, and Treasury.



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