

**SUBSTITUTE FOR  
HOUSE BILL NO. 4394**

A bill to make appropriations for the department of agriculture and rural development for the fiscal year ending September 30, 2022; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2022, from the following funds:

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**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

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**APPROPRIATION SUMMARY**

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Full-time equated unclassified positions	1.0
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1	Full-time equated classified positions	516.0	
2	<b>GROSS APPROPRIATION</b>		<b>\$ 29,222,200</b>
3	Total interdepartmental grants and		
4	intradepartmental transfers		80,000
5	<b>ADJUSTED GROSS APPROPRIATIONS</b>		<b>\$ 29,142,200</b>
6	Federal revenues:		
7	Total federal revenues		3,400,300
8	Special revenue funds:		
9	Total local revenues		0
10	Total private revenues		17,800
11	Total other state restricted revenues		11,051,500
12	<b>State general fund/general purpose</b>		<b>\$ 14,672,600</b>
13	<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND</b>		
14	<b>SUPPORT</b>		
15	Full-time equated unclassified positions	1.0	
16	Full-time equated classified positions	27.0	
17	Unclassified salaries--FTE positions	1.0	\$ 43,400
18	Accounting service center		257,300
19	Commissions and boards		6,000
20	Emergency management--FTEs	4.0	330,200
21	Executive direction--FTEs	23.0	805,600
22	Property management		183,900
23	<b>GROSS APPROPRIATION</b>		<b>\$ 1,626,400</b>
24	Appropriated from:		
25	Federal revenues:		
26	HHS, multiple grants		111,900
27	Special revenue funds:		
28	Agriculture licensing and inspection fees		11,100



1	Dairy and food safety fund		25,100
2	Feed control fund		2,000
3	Fertilizer control fund		2,500
4	Freshwater protection fund		15,300
5	Gasoline inspection and testing fund		6,300
6	Industry support funds		13,900
7	Michigan craft beverage council fund		2,200
8	Private forestland enhancement fund		3,900
9	Refined petroleum fund		5,000
10	Weights and measures regulation fees		1,300
11	<b>State general fund/general purpose</b>	<b>\$</b>	<b>1,425,900</b>
12	<b>Sec. 103. INFORMATION AND TECHNOLOGY</b>		
13	Information technology services and projects	\$	578,200
14	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>578,200</b>
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	Special revenue funds:		
18	Agriculture licensing and inspection fees		22,900
19	Dairy and food safety fund		18,700
20	Feed control fund		3,800
21	Fertilizer control fund		3,800
22	Freshwater protection fund		3,800
23	Gasoline inspection and testing fund		8,100
24	<b>State general fund/general purpose</b>	<b>\$</b>	<b>517,100</b>
25	<b>Sec. 104. FOOD AND DAIRY</b>		
26	Full-time equated classified positions	139.0	
27	Food safety and quality assurance--FTEs	103.0	\$ 4,550,800
28	Milk safety and quality assurance--FTEs	36.0	1,438,000



1	<b>GROSS APPROPRIATION</b>		\$	<b>5,988,800</b>
2	Appropriated from:			
3	Federal revenues:			
4	HHS, multiple grants			685,400
5	USDA, multiple grants			34,300
6	Special revenue funds:			
7	Consumer and industry food safety education			
8	fund			60,600
9	Dairy and food safety fund			1,365,400
10	Industry food safety education fund			28,500
11	Marihuana regulatory fund			87,500
12	Marihuana regulation fund			87,500
13	<b>State general fund/general purpose</b>		\$	<b>3,639,600</b>
14	<b>Sec. 105. ANIMAL INDUSTRY</b>			
15	Full-time equated classified positions	62.0		
16	Animal disease prevention and response--FTEs	62.0	\$	2,405,800
17	Indemnification - livestock depredation			3,800
18	Alliance for animal agriculture			750,000
19	<b>GROSS APPROPRIATION</b>		\$	<b>3,159,600</b>
20	Appropriated from:			
21	Federal revenues:			
22	HHS, multiple grants			3,800
23	USDA, multiple grants			141,900
24	Special revenue funds:			
25	Agriculture licensing and inspection fees			18,000
26	Animal welfare fund			37,500
27	<b>State general fund/general purpose</b>		\$	<b>2,958,400</b>
28	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>			



1	Full-time equated classified positions	95.0	
2	Animal feed safety--FTEs	10.0	\$ 522,300
3	Pesticide and plant pest management--FTEs	85.0	3,543,000
4	<b>GROSS APPROPRIATION</b>		<b>\$ 4,065,300</b>
5	Appropriated from:		
6	Federal revenues:		
7	EPA, multiple grants		141,100
8	HHS, multiple grants		97,500
9	USDA, multiple grants		179,200
10	Special revenue funds:		
11	Private - slow-the-spread foundation		5,300
12	Agriculture licensing and inspection fees		1,124,700
13	Commodity inspection fees		167,900
14	Feed control fund		346,900
15	Fertilizer control fund		334,200
16	Freshwater protection fund		39,400
17	Horticulture fund		17,500
18	Industrial hemp licensing and registration fund		167,700
19	Industry support funds		57,000
20	<b>State general fund/general purpose</b>		<b>\$ 1,386,900</b>
21	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>		
22	Full-time equated classified positions	62.5	
23	Agricultural preservation easement grants		\$ 475,000
24	Environmental stewardship - MAEAP--FTEs	25.0	2,920,600
25	Farmland and open space preservation--FTEs	10.0	393,800
26	Intercounty drain--FTEs	6.0	210,500
27	Migrant labor housing--FTEs	9.0	331,000
28	Qualified forest program--FTEs	6.0	540,100



1	Right-to-farm--FTEs	6.5	249,800
2	<b>GROSS APPROPRIATION</b>		<b>\$ 5,120,800</b>
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG from MDEGLE, biosolids		23,300
6	Federal revenues:		
7	Department of interior		24,100
8	EPA, multiple grants		140,500
9	USDA, multiple grants		330,600
10	Special revenue funds:		
11	Agricultural preservation fund		868,800
12	Freshwater protection fund		2,074,200
13	Migratory labor housing fund		35,000
14	Private forestland enhancement fund		270,000
15	<b>State general fund/general purpose</b>		<b>\$ 1,354,300</b>
16	<b>Sec. 108. LABORATORY PROGRAM</b>		
17	Full-time equated classified positions	108.5	
18	Central licensing and customer call center--		
19	FTEs	12.5	\$ 359,900
20	Consumer protection program--FTEs	42.0	1,733,700
21	Laboratory services--FTEs	43.0	2,055,200
22	USDA monitoring--FTEs	11.0	419,400
23	<b>GROSS APPROPRIATION</b>		<b>\$ 4,568,200</b>
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from LARA (LCC), liquor quality testing		
27	fees		56,700
28	Federal revenues:		



1	EPA, multiple grants		45,200
2	HHS, multiple grants		387,500
3	USDA, multiple grants		419,700
4	Special revenue funds:		
5	Agriculture licensing and inspection fees		86,600
6	Dairy and food safety fund		128,600
7	Feed control fund		47,700
8	Fertilizer control fund		6,200
9	Freshwater protection fund		11,800
10	Gasoline inspection and testing fund		353,100
11	Grain dealers fee fund		2,000
12	Industrial hemp licensing and registration fund		79,700
13	Migratory labor housing fund		7,300
14	Refined petroleum fund		845,000
15	Testing fees		88,300
16	Weights and measures regulation fees		184,400
17	<b>State general fund/general purpose</b>	<b>\$</b>	<b>1,818,400</b>
18	<b>Sec. 109. AGRICULTURE DEVELOPMENT</b>		
19	Full-time equated classified positions	22.0	
20	Agriculture development--FTEs	13.0	\$ 1,190,200
21	Fair food network - double up food bucks		225,000
22	Food and agriculture investment program		617,700
23	Michigan craft beverage council--FTEs	3.0	230,200
24	Producer security/grain dealers--FTEs	5.0	185,100
25	Rural development fund grant program--FTE	1.0	501,200
26	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>2,949,400</b>
27	Appropriated from:		
28	Federal revenues:		



1	USDA, multiple grants		657,600
2	Special revenue funds:		
3	Private - commodity group revenue		12,500
4	Agriculture licensing and inspection fees		1,300
5	Grain dealers fee fund		174,100
6	Industry support funds		55,900
7	Michigan craft beverage council fund		222,700
8	Rural development fund		501,200
9	<b>State general fund/general purpose</b>	<b>\$</b>	<b>1,324,100</b>
10	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>		
11	County fairs, shows, and expositions	\$	247,900
12	Fairs and racing		64,700
13	Licensed tracks - light horse racing		10,100
14	Light horse racing - breeders' awards		5,000
15	Purses and supplements - fairs/licensed tracks		177,100
16	Standardbred breeders' awards		86,500
17	Standardbred purses and supplements - licensed		
18	tracks		168,000
19	Standardbred sire stakes		68,800
20	Thoroughbred breeders' awards		92,200
21	Thoroughbred sire stakes		94,700
22	Thoroughbred supplements - licensed tracks		150,500
23	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>1,165,500</b>
24	Appropriated from:		
25	Special revenue funds:		
26	Agriculture equine industry development fund		917,600
27	<b>State general fund/general purpose</b>	<b>\$</b>	<b>247,900</b>

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PART 2





PROVISIONS CONCERNING APPROPRIATIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2021-2022 is \$25,724,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is \$2,120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

Agriculture preservation easement grants	\$	475,000
Environmental stewardship/MAEAP		1,025,000
Qualified forest program		275,000
Rural development fund grant program		375,000
<b>TOTAL</b>	<b>\$</b>	<b>2,120,000</b>

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

Sec. 203. As used in part 1 and this part:

(a) "Department" means the department of agriculture and rural development.

(b) "Director" means the director of the department.

(c) "Fiscal agencies" means the Michigan house fiscal agency and the Michigan senate fiscal agency.

(d) "FTE" means full-time equated.

(e) "IDG" means interdepartmental grant.

(f) "MAEAP" means the Michigan agriculture environmental assurance program.

(g) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.



1 (h) "Subcommittees" means all members of the subcommittees of  
2 the house and senate appropriations committees with jurisdiction  
3 over the budget for the department.

4 (i) "TB" means tuberculosis.

5 (j) "USDA" means the United States Department of Agriculture.

6 Sec. 204. (1) The departments and agencies receiving  
7 appropriations in part 1 shall use the internet to fulfill the  
8 reporting requirements of this part. This requirement shall include  
9 transmission of reports via electronic mail to the recipients  
10 identified for each reporting requirement, and shall include  
11 placement of reports on an internet site.

12 (2) In fulfilling the reporting requirements of this part, the  
13 department shall notify report recipients when reports are posted  
14 to the department website.

15 Sec. 205. Funds appropriated in part 1 shall not be used for  
16 the purchase of foreign goods or services, or both, if  
17 competitively priced and of comparable quality American goods or  
18 services, or both, are available. Preference shall be given to  
19 goods or services, or both, manufactured or provided by Michigan  
20 businesses, if they are competitively priced and of comparable  
21 quality. In addition, preference shall be given to goods or  
22 services, or both, that are manufactured or provided by Michigan  
23 businesses owned and operated by veterans, if they are  
24 competitively priced and of comparable quality.

25 Sec. 206. The director shall take all reasonable steps to  
26 ensure businesses in deprived and depressed communities compete for  
27 and perform contracts to provide services or supplies, or both.  
28 Each director shall strongly encourage firms with which the  
29 department contracts to subcontract with certified businesses in



1 depressed and deprived communities for services or supplies, or  
2 both.

3       Sec. 207. The departments and agencies receiving  
4 appropriations in part 1 shall prepare a report on out-of-state  
5 travel expenses not later than January 1 of each year. The travel  
6 report shall be a listing of all travel by classified and  
7 unclassified employees outside this state in the immediately  
8 preceding fiscal year that was funded in whole or in part with  
9 funds appropriated in the department's budget. The report shall be  
10 submitted to the house and senate appropriations committees, the  
11 house and senate fiscal agencies, and the state budget director.  
12 The report shall include the following information:

13       (a) The dates of each travel occurrence.

14       (b) The transportation and related costs of each travel  
15 occurrence, including the proportion funded with state general  
16 fund/general purpose revenues, the proportion funded with state  
17 restricted revenues, the proportion funded with federal revenues,  
18 and the proportion funded with other revenues.

19       Sec. 208. Funds appropriated in part 1 shall not be used by a  
20 principal executive department, state agency, or authority to hire  
21 a person to provide legal services that are the responsibility of  
22 the attorney general. This prohibition does not apply to legal  
23 services for bonding activities and for those outside services that  
24 the attorney general authorizes.

25       Sec. 209. Not later than November 30, the state budget office  
26 shall prepare and transmit a report that provides for estimates of  
27 the total general fund/general purpose appropriation lapses at the  
28 close of the prior fiscal year. This report shall summarize the  
29 projected year-end general fund/general purpose appropriation



1 lapses by major departmental program or program areas. The report  
2 shall be transmitted to the chairpersons of the senate and house of  
3 representatives standing committees on appropriations and the  
4 senate and house fiscal agencies.

5 Sec. 210. (1) In addition to the funds appropriated in part 1,  
6 there is appropriated an amount not to exceed \$3,000,000.00 for  
7 federal contingency authorization. These funds are not available  
8 for expenditure until they have been transferred to another line  
9 item in part 1 under section 393(2) of the management and budget  
10 act, 1984 PA 431, MCL 18.1393.

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

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

23 (4) In addition to the funds appropriated in part 1, there is  
24 appropriated an amount not to exceed \$100,000.00 for private  
25 contingency authorization. These funds are not available for  
26 expenditure until they have been transferred to another line item  
27 in part 1 under section 393(2) of the management and budget act,  
28 1984 PA 431, MCL 18.1393.

29 Sec. 211. The department shall cooperate with the department



1 of technology, management, and budget to maintain a searchable  
2 website accessible by the public at no cost that includes, but is  
3 not limited to, all of the following for each department or agency:

4 (a) Fiscal year-to-date expenditures by category.

5 (b) Fiscal year-to-date expenditures by appropriation unit.

6 (c) Fiscal year-to-date payments to a selected vendor,  
7 including the vendor name, payment date, payment amount, and  
8 payment description.

9 (d) The number of active department employees by job  
10 classification.

11 (e) Job specifications and wage rates.

12 Sec. 212. Within 14 days after the release of the executive  
13 budget recommendation, the department shall cooperate with the  
14 state budget office to provide the senate and house appropriations  
15 chairs, the subcommittees, respectively, and the senate and house  
16 fiscal agencies with an annual report on estimated state restricted  
17 fund balances, state restricted fund projected revenues, and state  
18 restricted fund expenditures for the fiscal years ending September  
19 30, 2021 and September 30, 2022.

20 Sec. 213. The department shall maintain, on a publicly  
21 accessible website, a department scorecard that identifies, tracks,  
22 and regularly updates key metrics that are used to monitor and  
23 improve the agency's performance.

24 Sec. 214. Total authorized appropriations from all sources  
25 under part 1 for legacy costs for the fiscal year ending September  
26 30, 2022 is \$11,812,300.00. From this amount, total agency  
27 appropriations for pension-related legacy costs are estimated at  
28 \$6,617,900.00. Total agency appropriations for retiree health care  
29 legacy costs are estimated at \$5,194,400.00.



1           Sec. 215. The department shall not take disciplinary action  
2 against an employee of the department or departmental agency in the  
3 state classified civil service because the employee communicates  
4 with a member of the senate or house or a member's staff, unless  
5 the communication is prohibited by law and the department or agency  
6 taking disciplinary action is exercising its authority as provided  
7 by law.

8           Sec. 216. (1) On a quarterly basis, the department shall  
9 report to the senate and house appropriations committees, the  
10 senate and house appropriations subcommittees on the department  
11 budget, and the senate and house fiscal agencies the following  
12 information:

13           (a) The number of FTEs in pay status by type of staff and  
14 civil service classification.

15           (b) A comparison by line item of the number of FTEs authorized  
16 from funds appropriated in part 1 to the actual number of FTEs  
17 employed by the department at the end of the reporting period.

18           (2) By April 1 of the current fiscal year and semiannually  
19 thereafter, the department shall report to the senate and house  
20 appropriations committees, the senate and house appropriations  
21 subcommittees on the department budget, and the senate and house  
22 fiscal agencies the following information:

23           (a) Number of employees that were engaged in remote work in  
24 2021.

25           (b) Number of employees authorized to work remotely and the  
26 actual number of those working remotely in the current reporting  
27 period.

28           (c) Estimated net cost savings achieved by remote work.

29           (d) Reduced use of office space associated with remote work.



1           Sec. 217. Appropriations in part 1 shall, to the extent  
2 possible by the department, not be expended until all existing work  
3 project authorization available for the same purposes is exhausted.

4           Sec. 218. If the state administrative board, acting under  
5 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
6 appropriated under this article, the legislature may, by a  
7 concurrent resolution adopted by a majority of the members elected  
8 to and serving in each house, intertransfer funds within this  
9 article for the particular department, board, commission, officer,  
10 or institution.

11           Sec. 219. The department and agencies receiving appropriations  
12 in part 1 shall receive and retain copies of all reports funded  
13 from appropriations in part 1. Federal and state guidelines for  
14 short-term and long-term retention of records shall be followed.  
15 The department may electronically retain copies of reports unless  
16 otherwise required by federal and state guidelines.

17           Sec. 220. The department shall report no later than April 1 on  
18 each specific policy change made to implement a public act  
19 affecting the department that took effect during the prior calendar  
20 year to the senate and house appropriations committees, the senate  
21 and house subcommittees on agriculture and rural development, the  
22 joint committee on administrative rules, and the senate and house  
23 fiscal agencies.

24           Sec. 221. (1) From the funds appropriated in part 1, the  
25 department shall do all of the following:

26           (a) Report to the house and senate appropriations committees,  
27 the house and senate fiscal agencies, the house and senate policy  
28 offices, and the state budget office any amount of severance pay  
29 for a department director, deputy director, or other high-ranking



1 department official not later than 14 days after a severance  
2 agreement with the director or official is signed. The name of the  
3 director or official and the amount of severance pay must be  
4 included in the report required by this subdivision.

5 (b) Maintain an internet site that posts any severance pay in  
6 excess of 6 weeks of wages, regardless of the position held by the  
7 former department employee receiving severance pay.

8 (c) By February 1, report to the house and senate  
9 appropriations subcommittees on the department budget, the house  
10 and senate fiscal agencies, the house and senate policy offices,  
11 and the state budget office on the total amount of severance pay  
12 remitted to former department employees during the fiscal year  
13 ending September 30, 2021 and the total number of former department  
14 employees that were remitted severance pay during the fiscal year  
15 ending September 30, 2021.

16 (2) As used in this section, "severance pay" means  
17 compensation that is both payable or paid upon the termination of  
18 employment and in addition to either wages or benefits earned  
19 during the course of employment or generally applicable retirement  
20 benefits.

21 Sec. 222. Any department, agency, board, commission,  
22 subdivision, or other executive branch entity or official of this  
23 state that receives funding under part 1 shall not do the  
24 following:

25 (a) Require as a condition of accessing any state services or  
26 facilities that an individual provide proof he or she has received  
27 a COVID-19 vaccine.

28 (b) Produce, develop, and issue a COVID-19 vaccine passport  
29 for the purpose of certifying that an individual has received a





1 COVID-19 vaccine.

2 (c) Provide information of an individual's COVID-19 vaccine  
3 status to any person, company, or governmental entity for inclusion  
4 in a COVID-19 vaccine passport.

5

6 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

7 Sec. 301. (1) The department may establish a fee schedule and  
8 collect fees for the following work activities and services:

9 (a) Pesticide and plant pest management propagation and  
10 certification of virus-free foundation stock.

11 (b) Fruit and vegetable inspection and grading services at  
12 shipping and termination points and processing plants.

13 (c) Laboratory support analyses of food, livestock, and  
14 agricultural products for disease, foreign products for disease,  
15 toxic materials, foreign substances, and quality standards.

16 (d) Laboratory support test samples for other state and local  
17 agencies and public or private organizations.

18 (2) The department may receive and expend revenue from the  
19 fees authorized under subsection (1), subject to appropriation, for  
20 the purpose of recovering expenses associated with the work  
21 activities and services described in subsection (1). Fee revenue  
22 collected by the department under subsection (1) shall not lapse to  
23 the state general fund at the end of the fiscal year but shall  
24 carry forward for appropriation by the legislature in the  
25 subsequent fiscal year.

26 (3) The department shall notify the subcommittees, the fiscal  
27 agencies, and the state budget office 30 days prior to proposing  
28 changes in fees authorized under this section or under section 5 of  
29 1915 PA 91, MCL 285.35.



1 (4) On or before February 1 of each year, the department shall  
 2 provide a report to the subcommittees, the fiscal agencies, and the  
 3 state budget office detailing all the fees charged by the  
 4 department under the authorization provided in this section,  
 5 including, but not limited to, rates, number of individuals paying  
 6 each fee, and the revenue generated by each fee in the previous  
 7 fiscal year.

8 Sec. 302. (1) The department may contract with or provide  
 9 grants to local units of government, institutions of higher  
 10 education, or nonprofit organizations to support activities  
 11 authorized by appropriations in part 1. As used in this section,  
 12 contracts and grants include, but are not limited to, contracts for  
 13 delivery of groundwater/freshwater programs, MAEAP technical  
 14 assistance, forest management, invasive species monitoring,  
 15 wildlife risk mitigation, grants promoting proper pesticide  
 16 disposal, and research grants for the purpose of enhancing the  
 17 agricultural industries in this state.

18 (2) The department shall provide notice of contracts or grants  
 19 authorized under this section to the subcommittees, the fiscal  
 20 agencies, and the state budget office not later than 7 days before  
 21 the department notifies contract or grant recipients.  
 22

### 23 **FOOD AND DAIRY**

24 Sec. 401. (1) The department shall report on the previous  
 25 fiscal year's activities of the food and dairy division. The report  
 26 shall include information on activities and outcomes of the dairy  
 27 safety and inspection program, the food safety inspection program,  
 28 the foodborne illness and emergency response program, and the food  
 29 service program.



1 (2) The report shall include information on significant  
 2 foodborne outbreaks and emergencies, including any significant  
 3 enforcement actions taken related to food safety during the prior  
 4 calendar year.

5 (3) The report shall be transmitted to the subcommittees, the  
 6 fiscal agencies, and the state budget office and posted to the  
 7 department's website on or before April 1 of each year.

8 Sec. 402 (1) On a quarterly basis the department shall report on  
 9 food safety inspections of grocery stores performed in the previous fiscal  
 10 quarter. The report must include the following information:

11 (a) The number of grocery stores inspected including a listing of  
 12 grocery stores inspected by name, location, and date of inspection.

13 (b) The basis for grocery inspections, including whether the  
 14 inspection was routine, risk-based, a reinspection, or complaint-driven,  
 15 as well as inspection results.

16 (c) If the inspection was complaint-driven, the date of the  
 17 complaint and the date of the inspection, and the disposition of any  
 18 inspection findings.

19 (2) The information provided in the report required by this section  
 20 shall be grouped by county and city within county.

21 **ANIMAL INDUSTRY**

22 Sec. 451. From the funds appropriated in part 1 for bovine TB,  
 23 the department shall pay for all whole herd testing costs and  
 24 individual animal testing costs in the modified accredited zone and  
 25 buffer counties to maintain split-state status requirements. These  
 26 costs include indemnity and compensation for injury causing death  
 27 or downer to animals.

28 Sec. 452. (1) The department shall report on the previous  
 29 calendar year's activities of the animal industry division. The



1 report shall be transmitted to the subcommittees, the fiscal  
2 agencies, and the state budget office and posted to the  
3 department's website on or before April 1 of each year.

4 (2) The department shall include in the report all  
5 indemnification payments for livestock depredation made in the  
6 previous calendar year and shall include all of the following:

7 (a) The reason for the indemnification.

8 (b) The amount of the indemnification.

9 (c) The person for whom the indemnification was paid.

10 Sec. 454. The department shall use its resources to  
11 collaborate with the USDA to monitor bovine TB, consistent with the  
12 current required memoranda of understanding between the department  
13 and the USDA.

14 Sec. 457. (1) On or before October 15 of each year, the  
15 department shall provide to the subcommittees, the fiscal agencies,  
16 and the state budget office a report on bovine TB status and  
17 department activities.

18 (2) For each fiscal quarter following the report required in  
19 subsection (1), the department shall provide an update to the  
20 subcommittees, the fiscal agencies, and the state budget office.  
21 The quarterly update reports shall identify significant impacts to  
22 the program, including new incidence of bovine TB in this state,  
23 department activity associated with specific new incidence of  
24 bovine TB, any changes in USDA requirements or movement orders, and  
25 information and data on wildlife risk mitigation plan  
26 implementation in the modified accredited zone; implementation of a  
27 movement certificate process; progress toward annual surveillance  
28 test requirements; efforts to work with slaughter facilities in  
29 this state, as well as those that slaughter a significant number of



1 animals from this state; and educational programs and information  
2 for this state's livestock community.

3 Sec. 458. From the funds appropriated in part 1 for Michigan  
4 animal agriculture alliance, the department shall work with animal  
5 industry representatives and state research universities to  
6 establish an animal research grant program.

7

8 **PESTICIDE AND PLANT PEST MANAGEMENT**

9 Sec. 501. The department shall report on the previous calendar  
10 year's activities of the pesticide and plant pest management  
11 division. The report shall be transmitted to the subcommittees, the  
12 fiscal agencies, and the state budget office and posted to the  
13 department's website on or before April 1 of each year.

14

15 **ENVIRONMENTAL STEWARDSHIP**

16 Sec. 601. The funds appropriated in part 1 for environmental  
17 stewardship/MAEAP shall be used to support department agriculture  
18 pollution prevention programs, including groundwater and freshwater  
19 protection programs under part 87 of the natural resources and  
20 environmental protection act, 1994 PA 451, MCL 324.8701 to  
21 324.8717, and technical assistance in implementing conservation  
22 grants available under the federal farm bill of 2018.

23 Sec. 602. The department shall report on the previous calendar  
24 year's activities of the environmental stewardship division. The  
25 report shall be transmitted to the subcommittees, the fiscal  
26 agencies, and the state budget office and posted to the  
27 department's website on or before April 1 of each year.

28 Sec. 604. The department may receive and expend federal  
29 revenues up to a total of \$1,000,000.00 in excess of the federal



1 revenue appropriated in section 107 of part 1 for environmental  
 2 stewardship and MAEAP activities. The department shall notify the  
 3 subcommittees, the fiscal agencies, and the state budget office  
 4 prior to expending federal revenues authorized under this section.

5       Sec. 608. (1) The appropriations in part 1 for the qualified  
 6 forest program are for the purpose of increasing the knowledge of  
 7 nonindustrial private forestland owners of sound forest management  
 8 practices and increasing the amount of commercial timber production  
 9 from those lands.

10       (2) The department shall work in partnership with stakeholder  
 11 groups and other state and federal agencies to increase the active  
 12 management of nonindustrial private forestland to foster the growth  
 13 of Michigan's timber product industry.

14

#### 15 **LABORATORY PROGRAM**

16       Sec. 651. The department shall report on the previous calendar  
 17 year's activities of the laboratory division. The report shall be  
 18 transmitted to the subcommittees, the fiscal agencies, and the  
 19 state budget office and posted to the department's website on or  
 20 before April 1 of each year.

21

#### 22 **AGRICULTURE DEVELOPMENT**

23       Sec. 701. (1) From the funds appropriated in part 1 for the  
 24 food and agriculture investment program, the department shall  
 25 establish and administer a food and agriculture investment program.

26       (2) The food and agriculture investment program shall expand  
 27 the Michigan food and agriculture sector, grow Michigan exports,  
 28 promote the development of value-added agricultural production, food  
 29 hubs, food incubators, and community-based processing facilities, and



1 the expansion of farm markets and urban agriculture, including  
2 promotion of hoop houses, and increase food processing activities  
3 within the state by accelerating projects and infrastructure  
4 development that support growth in the food and agriculture  
5 processing industry.

6 (3) In addition to the funds appropriated in part 1, the  
7 department may receive and expend funds received from outside  
8 sources for the food and agriculture investment program.

9 (4) Before the allocation of funding, all projects shall  
10 receive approval from the Michigan commission of agriculture and  
11 rural development, except for projects selected through a  
12 competitive process by a joint evaluation committee selected by the  
13 director and consisting of representatives that have agriculture,  
14 business, and economic development expertise. Projects funded  
15 through the food and agriculture investment program will be  
16 required to have a grant agreement that outlines milestones and  
17 activities that must be met in order to receive a disbursement of  
18 funds. Projects must also identify measurable project outcomes.

19 (5) The department shall include in the agriculture  
20 development annual report a report on the food and agriculture  
21 investment program for the previous fiscal year that includes a  
22 listing of the grantees, award amounts, match funding, project  
23 locations, and project outcomes.

24 (6) The food and agriculture investment program shall be  
25 administered by the department and provide support for food and  
26 agriculture projects that will enable growth in the industry and  
27 this state's economy.

28 (7) The unexpended funds appropriated in part 1 for the food  
29 and agriculture investment program are designated as a work project



1 appropriation, and any unencumbered or unallotted funds shall not  
 2 lapse at the end of the fiscal year and shall be available for  
 3 expenditures for projects under this section until the projects  
 4 have been completed. The following is in compliance with section  
 5 451a(1) of the management and budget act, 1984 PA 431, MCL  
 6 18.1451a:

7 (a) The purpose of the project is to promote and expand the  
 8 Michigan food and agriculture sector, grow Michigan exports, and  
 9 increase food processing activities within the state.

10 (b) The project will be funded in accordance with this section  
 11 and the project guidelines approved by the Michigan commission of  
 12 agriculture and rural development prior to an award.

13 (c) The estimated cost of this project is identified in the  
 14 appropriation line item.

15 (d) The tentative completion date for the work project is  
 16 September 30, 2024.

17 (8) The department may expend money from the funds  
 18 appropriated in part 1 for the food and agriculture investment  
 19 program, including all of the following activities:

- 20 (a) Grants.
- 21 (b) Loans or loan guarantees.
- 22 (c) Infrastructure development.
- 23 (d) Other economic assistance.
- 24 (e) Program administration.
- 25 (f) Export assistance.

26 (9) The department shall expend no more than 5% from the funds  
 27 appropriated in part 1 for the food and agriculture investment  
 28 program for administrative purposes.

29 Sec. 702. The department shall work with the rural development





1 fund board to establish a process and criteria for funding projects  
2 as well as establishing metrics and measurable outcomes for the  
3 program. Funds appropriated from the rural development fund shall  
4 be used in accordance with the provisions of the rural development  
5 fund act, 2012 PA 411, MCL 286.941 to 286.947.

6 Sec. 703. (1) The department shall work with the department of  
7 health and human services to do all of the following:

8 (a) Notify recipients of food assistance program benefits that  
9 food assistance program benefits can be accessed at many farmer's  
10 markets in this state with bridge cards.

11 (b) Notify recipients of food assistance program benefits  
12 about the double up food bucks program that is administered by the  
13 fair food network. Food assistance program recipients shall receive  
14 information about the double up food bucks program, including  
15 information that explains that when program recipients spend up to  
16 \$20.00 at participating farmer's markets and grocery stores, the  
17 recipient can receive an additional \$20.00 to buy Michigan produce.

18 (2) The department shall work with the fair food network to  
19 expand access to the double up food bucks program in each of the  
20 state's counties with grocery stores or farmer's markets that meet  
21 the program's eligibility requirements.

22 (3) On or before March 1, 2022, the department shall submit a  
23 report on activities and outcomes of the double up food bucks  
24 program to the subcommittees and the fiscal agencies. The report  
25 shall contain all of the following:

26 (a) Counties in this state with participating double up food  
27 bucks vendors, the number of vendors by county, and the name and  
28 location of vendors, as of May 1, 2020.

29 (b) Counties in this state with participating double up food



1 bucks vendors, the number of vendors by county, and the name of  
2 location of vendors, as of September 20, 2021. The report shall  
3 highlight counties and vendors added to the program since May 1,  
4 2020.

5 (c) Number of individuals participating in the program, by  
6 county.

7 (d) A breakdown of program participation by county and by day  
8 of week.

9 (4) The report required under subsection (3) shall also  
10 include a discussion of program evaluation criteria, as well as  
11 recommendation of a reporting metric for tracking health outcomes  
12 of program participants.

13 Sec. 706. (1) The department shall report on the previous  
14 calendar year's activities of the agriculture development division.  
15 The report shall be transmitted to the subcommittees, the fiscal  
16 agencies, and the state budget office and posted to the  
17 department's website on or before April 1 of each year.

18 (2) The report shall include the following information on any  
19 grants awarded during the prior fiscal year:

20 (a) The name of the grantee.

21 (b) The amount of the grant.

22 (c) The purpose of the grant, including measurable outcomes.

23 (d) Additional state, federal, private, or local funds  
24 contributed to the grant project.

25 (e) The completion date of grant-funded activities.

26 (3) The report shall include the following information on the  
27 Michigan craft beverage council established under section 303 of  
28 the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

29 (a) Council activities and accomplishments for the previous



1 fiscal year.

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

5 (c) Grants awarded during the previous fiscal year and the  
6 results of research grant projects completed during the previous  
7 fiscal year.

8

9 **FAIRS AND EXPOSITIONS**

10 Sec. 801. All appropriations from the agriculture equine  
11 industry development fund shall be spent on equine-related  
12 purposes. No funds from the agriculture equine industry development  
13 fund shall be expended for nonequine-related purposes without prior  
14 approval of the legislature.

15 Sec. 802. From the funds appropriated in part 1 from  
16 agriculture equine industry development funds, available revenue  
17 shall be allocated in the following priority order:

18 (a) To support all administrative, contractual, and regulatory  
19 costs incurred by the department and the Michigan gaming control  
20 board.

21 (b) Up to \$495,000.00 shall be allocated to the purses and  
22 supplements - fairs/licensed tracks line item.

23 (c) Any remaining funds collected through September 30, 2021,  
24 after the obligations in subdivisions (a) and (b) have been met,  
25 shall be prorated equally among the supplements, breeders' awards,  
26 and sire stakes awards to eligible race meeting licensees in  
27 accordance with section 20 of the horse racing law of 1995, 1995 PA  
28 279, MCL 431.320.

29 Sec. 805. (1) The department shall establish and administer a



1 county fairs, shows, and expositions grant program. The program  
2 shall have the following objectives:

3 (a) Assist in the promotion of building improvements or other  
4 capital improvements at county fairgrounds of this state.

5 (b) Provide financial support, promotion, prizes, and premiums  
6 of equine, livestock, and other agricultural commodity expositions  
7 in this state.

8 (2) The department shall award grants on a competitive basis  
9 to county fairs or other organizations from the funds appropriated  
10 in part 1 for county fairs, shows, and expositions grants. Grantees  
11 will be required to provide a 50% cash match with grant awards and  
12 identify measurable project outcomes. A county fair organization  
13 that received a county fair capital improvement grant in the prior  
14 fiscal year shall not receive a grant from the appropriation in  
15 part 1.

16 (3) From the amount appropriated in part 1 for county fairs,  
17 shows, and expositions, up to \$25,000.00 shall be expended for the  
18 purpose of financial support, promotion, prizes, and premiums of  
19 equine, livestock, and other agricultural commodity expositions in  
20 this state, and festivals.

21 (4) All fairs receiving grants under this section shall  
22 provide a report to the department on the financial impact  
23 resulting from the capital improvement project on both fair and  
24 nonfair events. These reports are due for 3 years immediately  
25 following the completion of the capital improvement project.

26 (5) The department shall identify criteria, evaluate  
27 applications, and provide recommendations to the director for final  
28 approval of grant awards.

29 (6) The department may expend money from the funds



1 appropriated in part 1 for the county fairs, shows, and expositions  
2 grants for administering the program.

3 (7) The unexpended portion of the county fairs, shows, and  
4 expositions grants is considered a work project appropriation in  
5 accordance with section 451a of the management and budget act, 1984  
6 PA 431, MCL 18.1451a. The following apply to the project:

7 (a) The purpose of the project is to support building  
8 improvements or other capital improvements at county fairgrounds of  
9 this state.

10 (b) All grants will be distributed in accordance with this  
11 section and the grant guidelines published prior to the request for  
12 proposals.

13 (c) The estimated cost of the project is identified in the  
14 appropriation line item.

15 (d) The tentative completion date for the work project is  
16 September 30, 2024.

17 (8) The department shall provide a year-end report on the  
18 county fairs, shows, and expositions grants no later than December  
19 1, 2022 to the subcommittees, the fiscal agencies, and the state  
20 budget director that includes a listing of the grantees, award  
21 amounts, match funding, and project outcomes.

