

Act No. 360  
Public Acts of 1996  
Approved by the Governor  
July 2, 1996  
Filed with the Secretary of State  
July 2, 1996

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1996**

**Introduced by Reps. Middleton, Bobier, LeTarte, Johnson, Geiger, Oxender, Gilmer, McNutt, Jellema  
and Bankes**

# **ENROLLED HOUSE BILL No. 5584**

AN ACT to make appropriations for the department of agriculture for the fiscal years ending September 30, 1996 and September 30, 1997; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

*The People of the State of Michigan enact:*

Sec. 101. There is appropriated for the department of agriculture for the fiscal year ending September 30, 1997, from the following funds:

**DEPARTMENT OF AGRICULTURE**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions.....	600.5	
GROSS APPROPRIATION.....	\$	69,193,500
Interdepartmental grants and intradepartmental transfers:		
IDG from Commerce (LCC)-liquor quality testing fees.....		151,600
IDG from Commerce (LCC)-nonretail liquor license fees .....		422,300
IDG from MDEQ.....		20,000
Total interdepartmental grants and intradepartmental transfers .....		593,900
ADJUSTED GROSS APPROPRIATION.....	\$	68,599,600
Federal revenues:		
DAG-AMS, cooperative agreement.....		1,145,800
DAG-APHIS, Plant and animal disease and pest control.....		55,300
DAG-ERS-ARED.....		126,100
DAG-FS, multiple grants .....		2,211,200
EPA-OE, Pesticides enforcement program grants .....		974,000
EPA-OWWM, Water pollution control, lake restoration .....		236,300
EPA-RCRA .....		148,200
HHS-FDA .....		214,100
DAG-federal/state marketing improvement program .....		100,000
Total federal revenues .....		5,211,000
Special revenue funds:		
Private-casino gambling agreement.....		250,000

For Fiscal Year  
Ending Sept. 30,  
1997

Private-oil company overcharge settlement .....	609,700	
Total private revenues .....	859,700	
Agriculture equine industry development fund .....	13,624,000	
Civil penalties .....	25,500	
Food handler licensing fees .....	1,105,400	
Commodity inspection fees .....	945,100	
Gasoline inspection and testing fund .....	1,976,800	
Industry support funds .....	125,800	
Licensing and inspection fees .....	2,653,600	
Pseudorabies and swine brucellosis .....	145,300	
Testing fees .....	168,500	
Upper Peninsula state fair revenue .....	768,600	
Weights and measures regulation fees .....	179,900	
Groundwater & Freshwater Protection Fund .....	3,500,900	
Former Act No. 327 of the Public Acts of 1980, state restricted revenues .....	184,500	
Total other state restricted revenues .....	25,403,900	
State general fund/general purpose .....	\$ 37,125,000	

#### EXECUTIVE

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	12.0	
Commissions and boards .....	48,500	
Unclassified positions .....	444,400	
Executive direction—7.0 FTE positions .....	688,600	
Statistical reporting service—5.0 FTE positions .....	413,400	
Future farmers of America .....	40,000	
GROSS APPROPRIATION .....	\$ 1,634,900	
Appropriated from:		
Federal revenues:		
Special revenue funds:		
Industry support funds .....	25,800	
State general fund/general purpose .....	\$ 1,609,100	

#### ADMINISTRATIVE SERVICES

Full-time equated classified positions .....	72.5	
Management services—64.0 FTE positions .....	\$ 4,724,100	
Communications and emergency management—8.5 FTE positions .....	712,400	
Property management charges .....	628,100	
Rent .....	237,500	
GROSS APPROPRIATION .....	\$ 6,302,100	
Appropriated from:		
Special revenue funds:		
Gasoline inspection and testing fund .....	51,400	
Licensing and inspection fees .....	62,200	
State general fund/general purpose .....	\$ 6,188,500	

#### PESTICIDE AND PLANT PEST MANAGEMENT

Full-time equated classified positions .....	147.8	
Groundwater & Freshwater Protection—10.0 FTE positions .....	\$ 3,500,900	
Pesticide and plant pest management—137.8 FTE positions .....	12,071,500	
Michigan state university .....	210,000	
GROSS APPROPRIATION .....	\$ 15,782,400	
Appropriated from:		
Federal revenues:		
DAG-AMS, cooperative agreement .....	35,300	
DAG-APHIS, Plant and animal disease and pest control .....	34,600	
DAG-FS, multiple grants .....	2,011,200	
EPA-OE, Pesticides enforcement program grants .....	974,000	

EPA-RCRA .....	148,200
EPA-OWWM, water pollution control, lake restoration cooperative agreement.....	236,300
HHS-FDA .....	15,400
Special revenue funds:	
Commodity inspection fees .....	945,100
Licensing and inspection fees .....	2,048,900
Groundwater & Freshwater Protection Fund .....	3,500,900
State general fund/general purpose .....	\$ 5,832,500
<b>ANIMAL INDUSTRY</b>	
Full-time equated classified positions.....28.0	
Animal health and welfare—28.0 FTE positions .....	\$ 2,205,000
GROSS APPROPRIATION.....	\$ 2,205,000
Appropriated from:	
Federal revenues:	
HHS-FDA .....	15,100
Special revenue funds:	
Licensing and inspection fees .....	10,600
Pseudorabies and swine brucellosis .....	87,400
State general fund/general purpose .....	\$ 2,091,900
<b>DAIRY</b>	
Full-time equated classified positions.....39.0	
Dairy—39.0 FTE positions .....	\$ 2,998,300
GROSS APPROPRIATION.....	\$ 2,998,300
Appropriated from:	
Federal revenues:	
DAG-AMS, cooperative agreement.....	22,500
Special revenue funds:	
Licensing and inspection fees .....	87,900
State general fund/general purpose .....	\$ 2,887,900
<b>FOOD AND PRODUCT ASSURANCE</b>	
Full-time equated classified positions.....120.5	
Food and product assurance—100.0 FTE positions .....	\$ 7,028,400
Motor fuels quality program—20.5 FTE positions.....	1,392,500
E.C. Heffron metrology laboratory acquisition.....	2,000,000
GROSS APPROPRIATION.....	\$ 10,420,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from Environmental Quality.....	20,000
Federal revenues:	
HHS-FDA .....	183,600
Special revenue funds:	
Private-oil company overcharge settlement.....	295,000
Civil penalties .....	25,500
Food handler licensing fees .....	1,105,400
Gasoline inspection and testing fund .....	1,177,700
Licensing and inspection fees .....	444,000
Weights and measures regulation fees.....	179,900
State general fund/general purpose .....	\$ 6,989,800
<b>LABORATORY SUPPORT</b>	
Full-time equated classified positions.....90.5	
Laboratory support services—79.5 FTE positions .....	\$ 5,841,900
USDA data collection program—11.0 FTE positions .....	1,088,000
GROSS APPROPRIATION.....	\$ 6,929,900

Appropriated from:	
Interdepartmental grants:	
IDG from Commerce (LCC)-liquor quality testing fees.....	151,600
Federal revenues:	
DAG-AMS, cooperative agreement.....	1,088,000
DAG-APHIS, Plant and animal disease and pest control.....	20,700
Special revenue funds:	
Gasoline inspection and testing fund .....	747,700
Pseudorabies and swine brucellosis .....	57,900
Testing fees.....	168,500
State general fund/general purpose .....	\$ 4,695,500
<b>FARMLAND SERVICES</b>	
Full-time equated classified positions.....32.5	
Farmland services—32.5 FTE positions .....	\$ 2,333,200
Migrant labor housing.....	300,000
Local soil conservation districts/clean water incentive program.....	1,400,000
Energy conservation program/local soil conservation districts .....	263,100
Forest stewardship program.....	200,000
GROSS APPROPRIATION.....	\$ 4,496,300
Appropriated from:	
Federal revenues:	
DAG-FS, multiple grants.....	200,000
Private revenues:	
Private-oil company overcharge settlement.....	314,700
State general fund/general purpose .....	\$ 3,981,600
<b>MARKET DEVELOPMENT</b>	
Full-time equated classified positions.....15.0	
Marketing and market development—7.0 FTE positions.....	\$ 1,245,400
Upper Peninsula state fair—8.0 FTE positions.....	1,237,600
Southwestern Michigan tourist council-taste of Michigan .....	60,400
Food bank .....	725,000
Northwest Michigan horticultural research station.....	41,800
Grown in Michigan .....	100,000
Michigan 4-H foundation .....	485,000
Michigan festivals .....	50,000
GROSS APPROPRIATION.....	\$ 3,945,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from Commerce (LCC)-nonretail liquor license fees .....	422,300
Federal revenues:	
DAG-ERS-ARED.....	126,100
DAG-federal/state marketing improvement program .....	100,000
Special revenue funds:	
Upper Peninsula state fair revenue.....	768,600
Industry support funds.....	100,000
State general fund/general purpose .....	\$ 2,428,200
<b>AGRICULTURE EQUINE INDUSTRY DEVELOPMENT</b>	
Full-time equated classified positions.....42.7	
Office of racing commissioner—42.7 FTE positions.....	3,868,700
Great Lakes draft horse show.....	78,800
Purses and supplements-fairs/licensed tracks.....	2,653,700
Standardbred Michigan futurity .....	77,000
Standardbred Fedele Fauri futurity .....	77,000
Premiums-county and state fairs.....	1,611,200
Standardbred breeders' awards.....	1,201,500

For Fiscal Year  
Ending Sept. 30,  
1997

Building and track improvement-county and state fairs.....	850,000
Standardbred training and stabling.....	47,800
Standardbred purses and supplements-licensed tracks.....	292,100
Thoroughbred program .....	1,973,400
Sire stakes program .....	1,600,000
Licensed tracks-light horse racing .....	84,000
Quarterhorse program.....	43,300
Gambling addiction education.....	20,000
GROSS APPROPRIATION.....	\$ 14,478,500
Appropriated from:	
Private revenues:	
Private-casino gambling agreement.....	250,000
Special revenue funds:	
Agriculture equine industry development fund.....	13,624,000
Former Act No. 327 of the Public Acts of 1980, state restricted revenues.....	184,500
State general fund/general purpose .....	\$ 420,000

Sec. 102. There is appropriated for the department of agriculture for the fiscal year ending September 30, 1996, from the following funds:

#### DEPARTMENT OF AGRICULTURE

##### APPROPRIATION SUMMARY:

Full-time equated classified positions.....4.0	
GROSS APPROPRIATION.....	\$ 1,480,000
Interdepartmental grants and intradepartmental transfers:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 1,480,000
Federal revenues:	
Total federal revenues.....	0
Private revenues:	
Private-oil overcharge settlement.....	280,000
Total private revenues.....	280,000
Special revenue funds:	
Total other state restricted revenues.....	1,200,000
State general fund/general purpose .....	\$ 0

#### FOOD AND CONSUMER PROTECTION

Full-time equated classified positions.....4.0	
Motor fuels quality and purity program—4.0 FTE positions.....	280,000
Food safety, licensing, and compliance assistance.....	1,200,000
GROSS APPROPRIATION.....	\$ 1,480,000
Appropriated from:	
Private revenues:	
Private-oil overcharge settlement.....	280,000
Special revenue funds:	
Former Act No. 327 of the Public Acts of 1980, state restricted revenues.....	1,200,000
State general fund/general purpose .....	\$ 0

#### GENERAL SECTIONS FOR 1996-1997 FISCAL YEAR

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1996-97 is estimated at \$62,528,900.00 in this bill and state spending from state sources paid to local units of government for fiscal year 1996-97 is estimated at \$1,400,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

#### DEPARTMENT OF AGRICULTURE

Grants to soil conservation districts .....	\$ 1,400,000
TOTAL .....	\$ 1,400,000

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 202. The appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. (1) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

(2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$4,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of Act No. 431 of the Public Acts of 1984.

(3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$25,000.00 for local and private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of Act No. 431 of the Public Acts of 1984.

Sec. 204. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Sec. 205. The department of civil service shall bill departments and/or agencies at the end of the first fiscal quarter for the 1% charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 207. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "DAG-AMS" means the United States department of agriculture-agriculture marketing service.
- (c) "DAG-APHIS" means the United States department of agriculture-animal plant health inspection service.
- (d) "DAG-ERS-ARED" means the United States department of agriculture-economic research service-agriculture and rural economy division.
- (e) "DAG-FS" means the United States department of agriculture-forest service.
- (f) "Department" means the department of agriculture.
- (g) "Director" means the director of the department.
- (h) "EPA-OE" means the United States environmental protection agency-office of enforcement.
- (i) "EPA-OWWM" means the United States environmental protection agency-office of water and waste management.
- (j) "EPA-RCRA" means the United States environmental protection agency-resource conservation and recovery act.
- (k) "FTE" means full-time equated.
- (l) "HHS-FDA" means the United States department of health and human services-food and drug administration.
- (m) "IDG" means interdepartmental grant.
- (n) "LCC" means the liquor control commission.

Sec. 208. (1) The unexpended and unobligated balance of any state restricted fund or account remaining at the end of the fiscal year shall revert back to the state restricted fund or account from which appropriated and be available for

reappropriation for the next fiscal year. Appropriations that revert to a state restricted fund or account pursuant to this section shall not revert to the general fund of this state.

(2) A state restricted revenue fund or account that receives revenues in excess of appropriations made from that state restricted revenue fund or account shall not have the excess revenue revert to the general fund of this state.

(3) The revenues collected in the agriculture equine industry development fund in fiscal year 1995-96 shall not lapse but shall be carried forward to fund appropriations made pursuant to this act and subsequent acts.

Sec. 209. (1) Of the funds appropriated in section 101, the department may provide for indemnity as provided for pursuant to the animal industry act of 1987, Act No. 466 of the Public Acts of 1988, being sections 287.701 to 287.747 of the Michigan Compiled Laws, not to exceed \$10,000.00 per order from any line item for the fiscal year ending September 30, 1997. Before the department provides for an indemnification under this section, the department shall report the reason for the indemnification, the amount of the indemnification, and to whom the indemnification is to be paid. The report shall be given to each member of the senate and house appropriations subcommittees on agriculture and to the senate and house fiscal agencies.

(2) The department may make indemnification for the fair market value of livestock that is killed by a wolf. The kill shall be verified by the department of natural resources. The fair market value of the livestock shall be made pursuant to indemnification procedures prescribed in Act No. 466 of the Public Acts of 1988. The indemnification shall be paid pursuant to subsection (1).

Sec. 210. When the department applies to the department of management and budget with a request for a transfer of appropriations or for a supplemental appropriation, the department shall provide the senate and house fiscal agencies with the same information that the department provides the department of management and budget relative to the request for transfer or supplemental.

Sec. 211. Money appropriated in section 101 shall not be used for the purchase of foreign goods or services when competitively priced and of comparable quality American goods or services are available. By May 1, 1997, the department of agriculture shall submit a report to the department of management and budget, the speaker and minority leader of the house of representatives, the majority and minority leader of the senate, and the chairpersons of the house and senate appropriations committees on efforts to comply with this section.

Sec. 212. (1) A joint legislative work group on program performance assessment for departments receiving appropriations from this act is established. This work group shall consist of representatives of the house and senate standing committees and the house and senate appropriations subcommittees on agriculture. Members of this work group shall be appointed on a bipartisan basis by the speaker of the house of representatives and the senate majority leader. Assistance and staff support to the work group may be provided by the house and senate fiscal agencies. The work group shall issue a report on February 1, 1997 to members of the legislature addressing basic program assessment requirements. These recommendations should include suggested measures of need and demand, work load, and outcomes for each program.

(2) Each department receiving appropriations in section 101 shall prepare annual performance objectives. Program performance objectives shall be provided to the work group on program performance assessment created in subsection (1) on November 1, 1996. The work group shall review these program performance objectives and any associated outcomes and make recommendations in the report issued on February 1, 1997 to the members of the legislature.

Sec. 213. (1) The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies or both for the department.

(2) The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies or both.

Sec. 214. Funds appropriated under section 101 shall not be used to implement an affirmative action plan unless that plan has been submitted to the Michigan civil rights commission for approval in accordance with section 210 of the Elliott-Larsen civil rights act, Act No. 453 of the Public Acts of 1976, being section 37.2210 of the Michigan Compiled Laws, and the Michigan civil rights commission has approved the plan.

Sec. 215. Of the funds appropriated in section 101 that are other than line-item grants, the department shall not provide grants to local government agencies, institutions of higher education, or nonprofit organizations unless the department provides notice of the grant to the senate and house appropriations subcommittees on agriculture at least 10 days before the grant is issued. The grants shall be used to support research or other related activities for the purpose of enhancing the agricultural industries in this state.

Sec. 216. At the end of each quarter, the department of agriculture shall submit to the department of management and budget and the house and senate fiscal agencies a report listing all federal, local, private, and other state restricted revenues the department receives, which are incorporated into section 101. The report shall also include for each, monthly revenue collected for the quarter being reported, a total for each quarter preceding the quarter being reported, and a year-to-date revenue balance.

## **EXECUTIVE**

Sec. 301. The appropriations in section 101 may be used for per diem payments to members of boards, committees, and commissions for a full day's board, committee, or commission work at which a quorum is present; for attending a hearing as authorized by the respective board, committee, or commission; or for performing official business as authorized by the respective board, committee, or commission. The per diem payments shall be at a rate as follows:

(a) Commission of agriculture .....	\$ 75.00 per day
(b) Upper Peninsula state fair board .....	\$ 50.00 per day
(c) Agricultural marketing and bargaining board.....	\$ 35.00 per day

Sec. 302. The department may receive and expend revenue and use that revenue to cover necessary expenses related to publications, audit and licensing functions, livestock sales, certification of nursery stock, bean inspection services, and laboratory analyses as specified in the following:

- (a) Management services publications.
- (b) Management services audit and licensing functions.
- (c) Upper Peninsula state fair livestock sales.
- (d) Pesticide and plant pest management propagation and certification of virus free foundation stock.
- (e) Pesticide and plant pest management bean inspection and grading services.
- (f) Laboratory support testing for testing horses in draft horse pulling contests at county fairs when local jurisdictions request state assistance.
- (g) Laboratory support analyses to determine foreign substances in horses engaged in racing or pulling contests at tracks.
- (h) Laboratory support analysis of food, livestock, and agricultural products for disease, toxic materials, foreign products for disease, toxic materials, foreign substances, and quality standards.
- (i) Laboratory support analysis of liming samples.
- (j) Laboratory support analysis of feed and fertilizer samples.
- (k) Laboratory support test samples for other agencies and organizations.
- (l) Fruit and vegetable inspection at shipping and termination points and processing plants.

Sec. 303. Of the funds appropriated in section 101 for statistical reporting service, \$120,000.00 shall be used for ongoing rotational crop surveys of fruit, vegetables, and nursery stock, including Christmas trees and ornamental plants. The survey shall begin with fruit in the first year, vegetables in the second year, and nursery stock in the third year. The rotational cycle of the survey shall continue in the fourth and subsequent years. The survey shall include existing plantings/acreage, new plantings/acreage, production, and number of growers.

Sec. 304. Indirect costs may not be charged against the future farmers of America grant in section 101 by any administering agency.

## **PESTICIDE AND PLANT PEST MANAGEMENT**

Sec. 401. Of the funds appropriated in section 101 to the pesticide and plant pest management division, up to \$100,000.00 may be made available to the Michigan cooperative extension service for the purpose of training of applicators. Reimbursement shall be based on actual expenditures and revenue availability.

Sec. 402. (1) From the amount appropriated in section 101 for the gypsy moth program, \$100,000.00 shall be allocated to Michigan State University for a gypsy moth education program.

(2) Any unexpended balance that is allocated pursuant to this section shall be carried forward as a work project. The project shall provide public information regarding gypsy moth infestation. The project shall be managed by Michigan State University through a \$100,000.00 contract that shall be completed by September 30, 1998 for fiscal year 1996-1997.



Sec. 403. The department shall develop a strategy with accompanying cost estimates for the purpose of the suppression of the gypsy moth infestation in this state. In the development of this strategy, the department shall form a committee consisting of representatives from the department and the departments of natural resources, public health, and commerce and from Michigan State University. The department shall report its findings and steps taken in implementing the strategy to the house and senate appropriations subcommittees on agriculture, the senate and house fiscal agencies, and the department of management and budget by January 1, 1997.

Sec. 404. If the department offers a contract for competitive bid to provide fruit and vegetable inspection service by private entities, the bid package shall be divided so that entities may offer bids to provide services to specific portions of the state and not the entire state. However, a service area shall cover at least 25% of the state.

## **FARMLAND SERVICES**

Sec. 501. From the amount appropriated in section 101 for energy conservation program/local soil conservation districts, \$50,000.00 shall be allocated to Michigan State University for improved technology for energy conservation in Michigan.

Sec. 502. The amount appropriated in section 101 for grants to local soil conservation districts shall be used for providing financial assistance to all soil conservation districts in order to permit the districts to engage in programs that conserve soil resources and prevent and control soil erosion. All grants to local soil conservation districts shall be allocated according to a formula approved by the commission of agriculture. Any soil conservation district that allows payment for expenses to the district associate directors shall be considered ineligible to receive grant money.

Sec. 503. From the section 101 appropriations for local soil conservation districts/clean water incentive program, \$300,000.00 shall be allocated for district forestry programs to assist private forest land development. Allocations to districts will be made in accordance with a plan developed by the department of agriculture in cooperation with the forest management division of the department of natural resources.

Sec. 504. (1) The department may expend the amount appropriated in section 101 for migrant labor housing grants for construction of new migrant labor housing. Project grants shall not exceed \$2,000.00 per unit. An applicant is not eligible for more than a \$10,000.00 grant in any fiscal year. Units shall be equivalent in construction to units approved by the farmers home administration for low interest construction loans and shall be not less than 484 square feet in size with a minimum of 1 bedroom, a kitchen, flush toilet, lavatory, and bathing facilities.

(2) Any unexpended migrant labor housing funds from the prior year shall be available for grants in the subsequent fiscal year.

Sec. 505. (1) From the amounts appropriated in section 101 for migrant labor housing, no less than \$100,000.00 shall be allocated to a private, nonprofit entity for the purpose of providing matching grants for the improvement or new construction of migrant labor housing. The terms or requirements imposed on a recipient of a grant awarded for migrant labor housing improvement or new construction by a private, nonprofit entity shall be no less stringent than those imposed by the department on recipients of similar grants awarded by the department. An entity receiving funds under this section shall use no greater than 7% of the state allocation for the administration of this program.

(2) A private nonprofit entity which receives an allocation to administer a migrant labor housing construction grant program shall give priority to grant applicants who are on the department's waiting list of applicants for migrant labor housing construction grants. The applicants for migrant labor construction grants administered by a nonprofit entity who are on the department's waiting list shall be served in the order in which they reside on the department's waiting list.

## **FOOD AND PRODUCT ASSURANCE**

Sec. 551. The department shall develop a study to conduct random sampling of meter accuracy on oil and gas wells on state owned land. The study shall determine the extent to which future calibration monitoring may be needed and the cost of providing monitoring.

Sec. 552. The appropriation in section 101 for the acquisition of the E. C. Heffron metrology laboratory shall not be expended until authorized by the joint capital outlay subcommittee pursuant to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

## **MARKET DEVELOPMENT**

Sec. 601. Within the appropriations in section 101 for market development, \$422,300.00 is for the grape and wine industry council, from which the department may provide grants for the purposes as described in section 16b of the Michigan liquor control act, Act No. 8 of the Public Acts of the Extra Session of 1933, being section 436.16b of the Michigan Compiled Laws.

Sec. 602. In any given year when insufficient amounts of Michigan surplus products are offered to the food bank council and accepted for distribution, unused funds may be applied by the food bank council for the direct purchase of foods from Michigan growers, manufacturers, or wholesalers.

Sec. 603. (1) The \$100,000.00 appropriated in section 101 for the grown in Michigan program is to provide competitive grants to Michigan nonprofit organizations to raise in-state consumer awareness of Michigan grown commodities.

(2) The grants are to be made by the Michigan commission of agriculture on a competitive basis considering the following order of priority:

- (a) Cooperative efforts by recognized, statewide, grower funded organizations.
- (b) The number of Michigan residents made aware of the benefits of Michigan grown commodities.
- (c) The number of Michigan grown products encompassed in the proposal.
- (d) The amount of the match.

(3) A grant made under this section shall not be less than \$10,000.00 or more than \$25,000.00.

(4) Each grant shall be matched equally with grantees' funds. In-kind contributions shall not be considered as match.

(5) The Michigan commission of agriculture shall report to the house and senate appropriations subcommittees on agriculture and senate and house fiscal agencies 10 days prior to making a grant under this section.

Sec. 604. The director shall conduct a study into the feasibility of establishing a Michigan crops institute to provide technical and marketing assistance including facilitating domestic and export market development and expanded sales of Michigan grown crops, similar to the Northern Crops Institute established by the North Dakota legislature in cooperation with North Dakota State University and the North Dakota Department of Agriculture. The study shall be conducted in cooperation with Michigan State University and representatives of commodity groups, and shall report its findings and recommendations to the house and senate appropriations subcommittees on agriculture by October 1, 1997.

Sec. 605. (1) From the amount appropriated in section 101 for the Upper Peninsula state fair, \$230,000.00 is allocated for the purchase of land adjacent to the fair including environmental studies, surveys, and appraisals. This shall be a work project and shall be carried forward into fiscal year 1997-98. The total cost of the project shall not exceed \$230,000.00.

(2) The Upper Peninsula state fair shall continue to strive toward self-sufficiency.

## **AGRICULTURE EQUINE INDUSTRY DEVELOPMENT**

Sec. 701. The racing commissioner may pay rewards of not more than \$5,800.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the office of racing commissioner line item.

Sec. 702. The department shall submit a report each month for the fiscal year ending September 30, 1997 to the senate and house appropriations committees and to the senate and house fiscal agencies that sets forth the simulcasting revenues generated in the preceding month by each licensed track and the amount received from license fees.

Sec. 703. Of the \$78,800.00 appropriated in section 101 for the Great Lakes draft horse show, \$28,300.00 shall be made available for the Michigan dynamometers association, \$46,700.00 shall be made available for the Michigan draft horse breeders association, and \$3,800.00 shall be used for advertisement and promotion of an annual Great Lakes international draft horse show.

Sec. 704. A county fair, district fair, 4-H fair, or state fair receiving funds under this act to be used for prizes or awards, in whole or in part, as a condition precedent to the receiving of the funds for those purposes, shall publish the rules relative to the prizes, awards, and deadlines for entries eligible for the funds in their official premium books or lists relative to the prizes or awards. An aggrieved exhibitor may make a written complaint to the fair within 10 days after the fair ends. If the fair has not satisfactorily settled the grievance within 45 days after it is submitted to the fair, the aggrieved person may file the complaint with the department and the department shall investigate the complaint and make a finding of fact regarding the complaint and take appropriate action regarding the complaint.

Sec. 705. (1) The appropriation of \$292,100.00 in section 101 for purses and supplements - licensed tracks is intended to provide state purse supplements for 4 races at state licensed pari-mutuel horse racing tracks. The purse supplements are to be used for races comprised only of Michigan bred horses segregated into a 4-year-old colt trot division, a 4-year-old filly trot division, a 4-year-old colt pace division, and a 4-year-old filly pace division.

(2) The appropriation in section 101 for licensed tracks - light horse racing shall be allocated as follows:

Arabian and Appaloosa horse racing .....	\$	20,900
Quarter horse racing .....	\$	63,100

Sec. 706. Of the amount appropriated in section 101 for purses and supplements-fairs/licensed tracks, a sufficient amount is appropriated to provide for overnight purse supplements pursuant to the horse racing law of 1995, Act No. 279 of the Public Acts of 1995, being sections 431.301 to 431.336 of the Michigan Compiled Laws.

Sec. 707. Of the amount appropriated in section 101 for premiums, \$11,400.00 shall be expended as a grant for the Michigan horse show association-fall youth show at the Michigan exposition and fairgrounds.

Sec. 708. Included in the appropriation made in section 101 for the thoroughbred program is \$30,500.00 for the Michigan united thoroughbred breeders and owners association to conduct a thoroughbred yearling show. The Michigan united thoroughbred breeders and owners association shall submit to the department an itemized list of expenses showing that the expenses of the yearling show were paid.

Sec. 709. From the appropriations for premiums-county and state fairs, \$120,000.00 shall be awarded through a competitive grant program to local, regional, or state fairs or expositions to promote youth involvement and adult exhibitions in the animal agriculture industry. Appropriate exhibition classes for youth shall be developed that encourage a production exhibit for which premium awards may be paid. The age for youth exhibitors shall be determined by the standards of the association requesting the grant or, if standards do not exist, the age for youth exhibitors shall be ages 9 through 21. Implementation of the latest technologies into the evaluation of the animals shall be encouraged in the production exhibit. Adult exhibitions should focus on the performance or end product, or both, with the appropriate technologies used to enhance placings and the awarding of premiums.

Sec. 710. Amounts may be transferred from the state restricted contingency fund pursuant to section 203 to increase the following grants up to the maximum stated:

<u>Line item</u>	Appropriated	Maximum Amount
	<u>Amount</u>	<u>Authorized by Transfer</u>
Standardbred Fedele Fauri futurity	77,000	80,000
Standardbred Michigan futurity	77,000	80,000
Premiums-county and state fairs	1,611,200	1,775,000
Standardbred breeders' awards	1,201,500	1,500,000
Standardbred training and stabling	47,800	62,000
Standardbred purses and supplements-licensed tracks	292,100	300,000
Thoroughbred program	1,973,400	2,473,400
Sire stakes program	1,600,000	2,000,000

Sec. 711. The office of racing commissioner shall develop a program to provide for a thoroughbred owner's award which will be given to the owner of Michigan-bred horses finishing first, second, and third in a nonrestricted race at a licensed parimutuel track in the state of Michigan.

Sec. 712. From the funds appropriated in section 101 for gambling addiction education, the department shall disseminate information regarding the treatment for persons with compulsive gambling disorders. The information shall include a telephone number for access to a treatment program or programs. The department shall coordinate with the lottery commissioner.

## **GENERAL SECTIONS FOR 1995-1996 FISCAL YEAR**

Sec. 1201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1995-96 is estimated at \$1,200,000.00 in this act and state spending from state sources paid to local units of government for fiscal year 1995-96 is estimated at \$0.00.

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget.

Sec. 1202. The funds appropriated in section 102 from the oil company overcharge settlement funds for the purpose of carrying out the duties and responsibilities to implement ozone contingency measures in the southeast Michigan ozone maintenance area as specified in sections 3 and 10d of the motor fuels quality act, Act No. 44 of the Public Acts of 1984, being sections 290.643 and 290.650d of the Michigan Compiled Laws, are considered work project appropriations and any unencumbered funds are carried forward into the succeeding fiscal year. All of the following are in compliance with section 451(3) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1451 of the Michigan Compiled Laws:

(a) The purpose of the project to be carried forward is to implement ozone contingency measures in the southeast Michigan ozone maintenance area as specified in Act No. 44 of the Public Acts of 1984.

(b) The project will be accomplished with substantial involvement of state employees as well as equipment procured from the private sector.

(c) The total estimated cost is \$1,000,000.00.

(d) The tentative completion date is September 30, 1998.

Sec. 1203. (1) The funds appropriated in section 102 from state restricted revenues as specified in former Act No. 327 of the Public Acts of 1980 for the purpose of upgrading technology in food safety, licensing, and compliance assistance are considered work project appropriations and any unencumbered funds are carried forward into the succeeding fiscal year. All of the following are in compliance with section 451(3) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1451 of the Michigan Compiled Laws:

(a) The purpose of the project to be carried forward is to upgrade technology to develop and implement communication systems with field staff and to develop an integrated data management system for the department.

(b) The project will be accomplished with substantial services and equipment procured from the private sector.

(c) The total estimated cost is \$1,500,000.00.

(d) The tentative completion date is April 1, 1998.

(2) The funds appropriated in section 102 and described in subsection (1) shall not be expended until approved by the department of management and budget.

This act is ordered to take immediate effect.

-----  
Clerk of the House of Representatives.

-----  
Secretary of the Senate.

Approved -----

-----  
Governor.